Date of Hearing: April 25, 2022

# ASSEMBLY COMMITTEE ON TRANSPORTATION Laura Friedman, Chair AB 2514 (Megan Dahle) – As Amended April 18, 2022

**SUBJECT**: Transportation: underserved rural communities. communities: study.

**SUMMARY**: Requires the California Transportation Agency (CalSTA), in consultation with the California Transportation Commission (CTC) and rural counties, to conduct a study that includes a comprehensive evaluation of the current state of transportation in underserved rural communities and a transportation needs assessment of the cost to operate, maintain, and provide for the transportation system in underserved rural communities. Specifically, **this bill**:

- 1) Requires CalSTA to submit the study to the Legislature on or before January 1, 2024.
- 2) Requires the study to include the following elements:
  - a) A comprehensive evaluation of the current state of transportation in underserved rural communities with regard to climate adaptation, reduction of greenhouse gas emissions from transportation infrastructure, safety improvements, and roadway maintenance.
  - b) A description of the current funding sources for the transportation system in underserved rural communities; and,
  - c) A transportation needs assessment of the cost to operate, maintain, and provide for the transportation system in underserved rural communities for the next 10 years.
- 3) This section is repealed on January 1, 2028.

#### **EXISTING LAW:**

- 1) Establishes the CalSTA, which consists of various departments and state entities, including the CTC and the Department of Transportation (Caltrans).
- 2) Establishes CalSTA under the supervision of the Secretary of Transportation, who is required to develop and report to the Governor on legislative, budgetary, and administrative programs to accomplish comprehensive, long-range, and coordinated planning and policy formulation in the matters of public interest related to the agency.
- 3) Increases several taxes and fees to raise the equivalent of roughly \$52.4 billion over 10 years in new transportation revenues and makes adjustments for inflation every year and directs the funding be used towards deferred maintenance on the state highways and local streets and roads, and to improve the state's trade corridors, transit, and active transportation facilities.

#### FISCAL EFFECT: Unknown

**COMMENTS**: California's State and local transportation infrastructure is a complex system of interstate and intrastate highways, freeways, and city and county-maintained streets and roads.

This complex system serves both urban and rural counties, which have varying needs and require different amounts of funding. California's rural transportation system serves to connect rural and remote communities to employment and population centers, health care and social services, and educational opportunities, and provides the general public access to many of California's recreational opportunities and tourist attractions - two key economic drivers for rural counties.

Urban areas are more likely to have access to a network of infrastructure that supports buses, trains, and perhaps bicycles. These areas are built to serve the needs of hundreds of thousands or millions of people who are all packed tightly into a small area and designed to provide options that connect communities without a car.

Funding for rural areas faces unique challenges: Funding for transportation projects in rural counties can prove challenging for state and federal monies due to population and lack of realistic means to generate local revenue. Most competitive state funding programs allocate funding based on a 60% state, 40% local, divide. Given that urban areas use more funding for larger transportation projects with greater populations, rural transportation projects are not always prioritized for state funding. Also, rural counties do not have the voter base or political inclination to impose a self-mandated transportation sales tax to fund local projects, like most urban counties, nor the market to facilitate a public-private partnership. This can leave rural counties with higher percentages of inadequate roads and transit options.

Even with the passage of SB 1, transportation and quality of roads remains a top policy priority for rural counties. As a result of climate change, wildfires, mud slides, and sea level rise have all put a monumental strain on local rural roads. These roads are often times the only road in and out of a community, and serve as primary evacuation routes. This bill requires CalSTA, in consultation with CTC and rural counties, to facilitate an analysis of underserved rural communities with regard to climate adaptation, reduction of greenhouse gas emissions from transportation infrastructure, safety improvements, and roadway maintenance. This analysis will also outline the current funding sources available to underserved rural communities, and what it will cost to provide a transportation system in underserved rural communities for the next 10 years.

This analysis will provide greater policy direction for how the state can best serve the transportation needs of the underserved rural communities.

Not one way to think about transportation in rural areas: According to a 2021 study from a Washington D.C. based think tank Third Way and Smart Growth America, living in a rural area does not inevitably mean that every single person must drive long distances for every trip—and that the cost, time, inconvenience, and pollution from long trips behind the wheel are a non-negotiable part of rural life. In fact, more than one million households in rural American do not have access to a vehicle.

Households in rural areas and urban areas alike are driving significantly farther per trip on average as of 2017 than they were in 2001 to accomplish their commutes and daily tasks, 12% and 10% farther respectively. Trips to work have grown significantly farther in both urban and rural areas, by 15% and 16% respectively. In fact, households in lower-density outer suburbs of major metropolitan regions travel farther per trip on average than rural households located near town centers.

Despite driving nearly 40% more annually per household on average, rural areas contribute a significantly lower share of emissions from transportation overall than urban areas due to their much lower population. While rural areas may not be the primary target of strategies to reduce emissions from personal vehicles, there are significant benefits from getting alternatives to driving (and emitting) less.

Rural municipalities are reinvesting in their historic downtowns to attract economic activity, making it easier to live near work and shopping in the process. Main streets are transforming to make vibrant, walkable, community centers. There are federal and state specialized rural transit services to provide better access to work and services, and broadband access is expanding to allow residents to access some of those services without leaving the house and attract new businesses and workers.

To build on this growth, rural communities do not need prioritized funding for new highway investments that draw development away from historic downtown economic centers, undercutting local revitalization efforts. Repair and maintenance of road and bridge connections, alternative route planning, investment in transit, safety improvements, and different funding options are all examples of the analysis as a result of this bill, could influence how the state prioritizes rural transportation projects.

According to the author, My Assembly District, and others like it throughout the state, are very rural and impacted at a higher rate by the ravages of wildfires. Additionally, rural roads and highways are more frequently impacted by the constant flow of agricultural traffic moving commodities from farms and food manufacturing facilities to market. Rural areas too frequently end up on the losing end of road funding formulas. This bill would seek a thorough study to contemplate new ways to fund the maintenance of rural roads and highways to maintain road integrity and safety."

*Previous legislation:* SB 1 (Beall), Chapter 5, Statutes of 2017 increases several taxes and fees to raise the equivalent of roughly \$52.4 billion over ten years in new transportation revenues and makes adjustments for inflation every year; directs the funding to be used towards deferred maintenance on the state highways and local streets and roads, and to improve the state's trade corridors, transit, and active transportation facilities.

## **REGISTERED SUPPORT / OPPOSITION:**

## **Support**

None on file.

## **Opposition**

None on file.

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