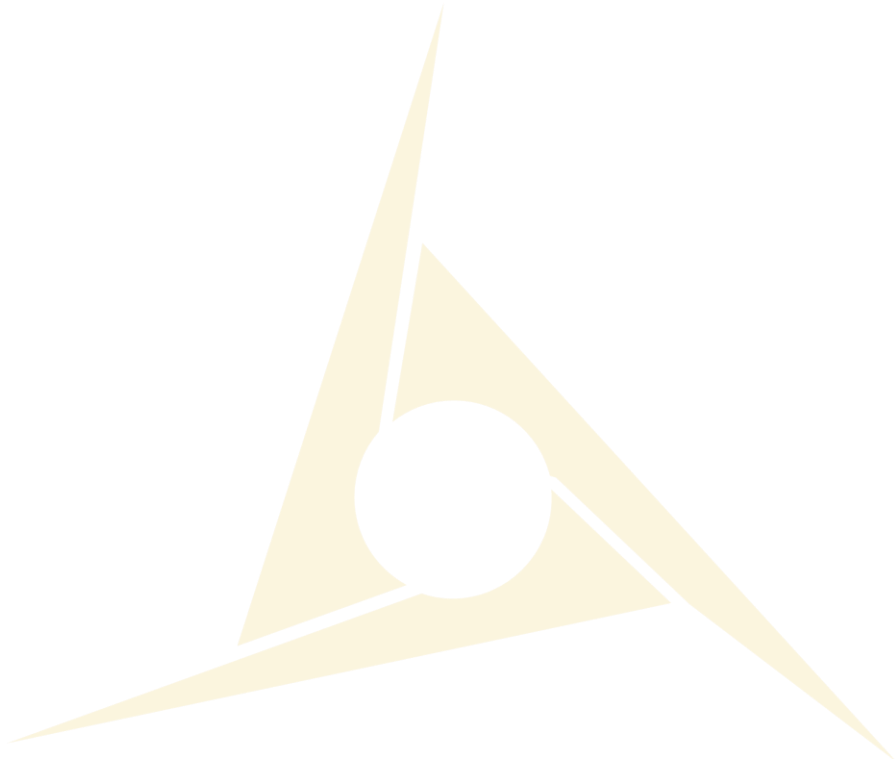


# State and Local Transportation Needs Assessment

Interagency Equity Advisory Committee Meeting

August 22, 2024



# What is a Transportation Needs Assessment exactly?

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## What it IS...

- ✓ High-level, statewide look at transportation funding over 10 years (2025 – 2035).
- ✓ Rough estimate of the costs to operate, maintain, and grow the statewide multimodal transportation system over that 10-year period.
- ✓ A simple calculation of the estimated gap that exists between our expected transportation revenues and our ever-growing needs.
- ✓ Potential policy recommendations to address the gap i.e., sustainable revenue sources
- ✓ A “big-picture” document to identify the problem and some policy options for lawmakers.

## What it ISN'T...

- ✗ In-depth representation of all transportation needs
- ✗ Detailed, prioritized project list or an implementation plan
- ✗ Representation of the state’s modal priorities
- ✗ Guarantee of policy implementation or a solution in and of itself

***Needs Assessment = A tool to help lawmakers understand the problem and start working on solutions (with all stakeholders)***

# Senate Bill 1121 State and Local Transportation Needs Assessment

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## Senate Bill 1121 (Gonzalez, 2022)

- Commission to prepare a 10-Year Statewide Transportation Needs Assessment
- Assess costs to operate, maintain, and grow the statewide multimodal system
- Consider costs to address climate resiliency
- Compare costs against available transportation revenue

## Sources for Report Development

- Stakeholder workgroup meetings and workshops (technical and policy focused)
- EAC Engagement
- Existing transportation plans and reports
  - State Highway System Management Plan
  - California State Rail Plan
  - Local Streets and Roads Report
  - Regional Transportation Plans
- Survey of local and regional agencies for 10-year revenue projections and needs in Regional Transportation Plans

# Senate Bill 1121 Interim Report and Full Needs Assessment

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## Focus of Interim Report - complete

Final Interim Report submitted to Legislature in January 2024.

Summary of existing information on projected transportation funding and needs and additional areas of focus;

Status report of the assessment efforts completed to date; and

A plan for completing the full needs assessment

## Full Needs Assessment – due January 2025

Build off the Interim Report

Include comprehensive analysis on projected transportation revenues to year 2035

Include transportation needs roll-up from Regional Transportation Plans to year 2035

Policy Recommendations

# Revenue Impacts of Zero-Emission and Higher Fuel-Efficiency Vehicles

## Policies and Regulations

- Policies
  - 100% new passenger vehicle sales to be zero-emission vehicles (ZEVs) by 2035
- Regulations
  - Reduce light-duty vehicle miles traveled (VMT) to 25% of 2019 levels by 2030
  - Reduce light-duty VMT to 30% below the 2030 level by 2045

## Revenue Impacts

Study	10-Year Revenue Impact
Legislative Analyst’s Office	
Reference scenario (35% ZEVs by 2045)	\$10.1 billion
Scoping plan scenario (Advance Clean Cars II)	\$24.9 billion
Mineta Transportation Institute (8 scenarios)	\$6.0 to \$30.3 billion
Needs Assessment Analysis (Advanced Clean Cars II and VMT reduction)	\$31.3 billion

# Policy Recommendations Workshops

## Proposed First Principles



## Discussion Scenarios

- Scenario 1: Do nothing/continue as is
- Scenario 2: Adjust Existing Revenue Mechanisms
- Scenario 3: Phased-in Replacement of Existing Mechanisms with sustainable funding source
- Scenario 4: Full replacement of existing revenue mechanisms with sustainable funding source

# Key Takeaways from Scenario Discussion

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- **Fair Implementation:** Emphasis on fairness, especially for varying driving patterns and vehicle weights.
- **Equity Design:** Need for an equitable design in road charges, i.e. low-income, accessible.
- **Additional Incentives:** Suggestions for incentives to encourage ZEV adoption.
- **Creative Solutions:** Calls for innovative funding mechanisms beyond traditional taxes.
- **Additional Suggested Scenarios to Explore**
  - Streamline existing funding and create more flexibility
  - Explore sustainable funding source for medium-heavy duty vehicles

# Full Needs Assessment Timeline

DATE	MILESTONE
January 28, 2024	Final Interim Needs Assessment Submitted to California Legislature
February 16, 2024	Technical Workshop (virtual)
February 21, 2024	Technical Workshop (virtual)
May 30, 2024	Policy Recommendations Workshop (Los Angeles/Virtual)
June 17, 2024	Policy Recommendations Workshop (Sacramento/Virtual)
Fall to Winter 2024	Continued Stakeholder Workgroup Meetings Draft Needs Assessment Released for Public Comment Draft Needs Assessment Presented to the Commission
First Quarter 2025	Final Needs Assessment Adoption Final Needs Assessment Submitted to California Legislature



# Questions, Discussion, and Opportunities for Engagement

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## Questions?

### Discussion and Opportunities for EAC Engagement:

- Are we missing anything around defining the problem of declining revenue and increasing needs?
- Are we missing any Key Principles or other important considerations for policy recommendations?
- Are members interested in reviewing draft assessment sections i.e., Accessibility and Climate Adaptation?
- Are members interested in reviewing the draft policy recommendations?

# Contacts

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# Thank You

Senate Bill 1121 Webpage

<https://catc.ca.gov/programs/sb1121>

