



LASSEN COUNTY TRANSPORTATION COMMISSION
REGIONAL TRANSPORTATION PLANING AGENCY

555 CAPITOL MALL, SUITE 600
SACRAMENTO, CA 95814

P.O. Box 1028
SUSANVILLE, CA 96130

John L. Clerici, Executive Secretary

Staff Report

Date: April 8, 2026 **AGENDA ITEM 5.01B**
To: Lassen County Transportation Commission
From: John Clerici, Executive Secretary
Subject: Executive Secretary's Report

Transportation Planning

US 395 Coalition

The US 395 Coalition met on March 18, 2026 at the Washoe County Administrative offices in Reno. Updates for projects on both sides of the state line were provided, including an extensive report by Caltrans D2 on the status of the safety and maintenance projects planned for the corridor. They also provided the first look at the US 395 Freight Feasibility Study including route concepts for providing truck passing features.

Caltrans is planning to provide the LCTC with an update at their April 13 meeting.

Wildlife Crossing Grant

On June 20, 2025 the US 395 project development team distributed the US 395 Wildlife Crossing Alternatives Development for internal review and comment. Distribution included Caltrans District 2 staff and partner agencies involved with wildlife management. Following that review a preferred location was identified (near Doyle), with secondary locations (Bass Hill and Red Rocks) which will also receive further evaluation.

A draft Project Report was distributed to Caltrans for comment. The Project Report serves as approval of the "preferred" alternative and program construction and right of way costs. Caltrans is providing Quality Management Assessment for the Project, and LCTC would be the lead agency for CEQA approvals. The PA&ED phase began in the Fall of 2025 and is anticipated to gain project approval in Fall of 2026. The anticipated funding year for initial construction is to be determined.

Susanville Indian Rancheria – Long-Range Transportation Plan

The LRTP will provide for an assessment of all the inventory and analysis of transportation infrastructure within the SIR transportation network and geographic service area. The LRTP identifies goals and develops strategies to address current and future land use, economic development, traffic demand, public health, safety, and social needs.

The tribal communities and local populations are the beneficiaries of tribal transportation improvements. LCTC staff is committed to working with tribal staff in this very important transportation planning effort. Staff see this as an extension of the work we are currently engaged in to identify and fund improvements to the transportation systems in Lassen County.

Volcanic Legacy Scenic Byway

Work is underway on the second phase of the Byways evaluation. The assessment will include an evaluation of the impacts of wildfires, vegetation growth, etc. on the assets of the Byway such as directional signage and informational/interpretive signage that can impact the user experience. For FY 25/26 the LCTC will contract with a suitable individual(s) to do additional assessment of the route, and develop an action plan to restore the user experience as described in the 2018 Corridor Management Plan.

The contractor is currently engaged in preliminary activities associated with phase 2 of this effort.

Lassen County GIS

This grant was completed and presented to the LCTC at their January 2026 Regular Meeting. Staff is currently working to close out the grant with Caltrans.

Caltrans Planning Grant Update

The LCTC was notified by Caltrans D2 that both of these grants were awarded. Staff is working with Caltrans to prepare the grants for implementation. We anticipate commencing work/selecting consultants in the fall of 2025. Both efforts will take approximately two years to complete. Since your last meeting staff has determined that the work required for the Bizz John Extension effort can be done in house by existing resources.

- **Bizz Johnson Extension East** – Kick-off meeting with staff, county and city staff and community stakeholders was held on March 3, 2026.
- **EV Infrastructure Master Plan** – A Request for Proposal was issued in late February with proposals due by March 27, 2026. Eight proposals were received and are being evaluated by staff. Interviews with the finalists will be held by April 24.

STATE TRANSPORTATION POLICY, LEGISLATION AND FUNDING

Transportation Policy

California's current transportation investment framework, centered on Senate Bill 1 (SB 1) and guided by Governor Newsom's policy direction, continues to generate revenue through fuel taxes and vehicle fees with the stated goal of repairing and maintaining roads. While SB 1 includes constitutional protections intended to prevent diversion of revenues, many rural jurisdictions remain concerned that too much of this funding is prioritized for statewide transit, climate, and equity initiatives rather than directly addressing the condition of highways, local roads, and congestion that residents experience daily. Skepticism persists regarding Sacramento's long-term commitment to keeping investments focused on core infrastructure needs. These concerns are further reflected in current state policy actions described below.

Climate Action Plan for Transportation Infrastructure (CAPTI)

In late February 2025, the California State Transportation Agency (CalSTA) released CAPTI 2.0, introducing 14 new actions to supplement the previous 34. These actions focus on reducing vehicle miles traveled and the resulting vehicle emissions. CAPTI 2.0 can be found on the CalSTA website: <https://calsta.ca.gov/subject-areas/climate-action-plan>. CAPTI 2.0 reinforces the Governor's efforts to prioritize transportation investments for projects that reduce greenhouse gas emissions and combat climate change.

Caltrans System Investments Strategy (CSIS)

In early 2024, Caltrans approved the Caltrans System Investment Strategy (CSIS) to serve as the implementing policy document to support CAPTI directives. CSIS prioritizes targeted transportation investments that align with CAPTI. The CSIS will be used by Caltrans to determine how investments are made on the state transportation system to support the policies and targets set in motion by Governor Newsom's Executive Orders N-19-19 and N-79-20, which advance the state's climate and zero-emission vehicle goals.

California State Budget 2025-2026

Governor Newsom released his proposed 2026-27 state budget on January 9 totaling \$348.9 billion. Total transportation funding is estimated at \$17.6 billion down from \$20.4 billion in 2025-26. State operations funding is roughly flat at around \$11.2 billion. Capital outlay drops significantly from about \$6.56 billion in 2025-26 to about \$3.21 billion in 2026-27 due to planned completion of large construction projects and phasing. Local assistance to cities and counties remains flat year to year at about \$2.67 billion. The 2026-27 budget includes a significant increase in funding for the high-speed rail of \$4.2 billion, up from \$800 million in 2025-2026. Active transportation and transit electrification programs also received significant increases. Ultimately, the current budget proposal will be revised mid-May and will reflect a more realistic picture of what the state can afford, likely much less. For example, in the 2025-26 May revise Budget major transit programs funded by discretionary Greenhouse Gas Reduction Fund were reduced or re-scoped including the Transit and Intercity Rail Capital Program and Zero Emission Transit Capital Program that El Dorado Transit receives.

California Transportation Legislation

The California Legislature's 2026 session convened on January 5, 2026, as the second year of the 2025-2026 biennial legislative session. The legislature began the Spring Recess on March 26

and will reconvene on April 6. There are several bills currently in various committees of the legislature that involve transportation. A few key bills being tracked currently include the following:

AB 1268 (Macedo R) Motor Vehicle Fuel Tax Law: adjustment suspension.

The Motor Vehicle Fuel Tax Law, administered by the California Department of Tax and Fee Administration, imposes a tax upon each gallon of motor vehicle fuel removed from a refinery or terminal rack in this state, entered this state, or sold in this state, at a specified rate per gallon. Current law requires the department to adjust the tax on July 1 each year by a percentage amount equal to the increase in the California Consumer Price Index, as calculated by the Department of Finance. Article XIX of the California Constitution restricts the expenditure of revenues from the Motor Vehicle Fuel Tax Law, Diesel Fuel Tax Law, and other taxes imposed by the state on fuels used in motor vehicles upon public streets and highways to street and highway and certain mass transit purposes. This bill would authorize the Governor to suspend an adjustment to the motor vehicle fuel tax, as described above, scheduled on or after July 1, 2025, upon making a determination that increasing the rate would impose an undue burden on low-income and middleclass families.

AB 1421 (Wilson D): Vehicles: Road User Charge Technical Advisory Committee

This bill would require the commission, in consultation with the Transportation Agency, to consolidate and prepare research and recommendations related to a road user charge or a mileage-based fee system. The bill would require the commission to submit a report, as specified, on the research and recommendations described above to the appropriate policy and fiscal committees of the Legislature by no later than January 1, 2027.

AB 1777 (Garcia D) Air pollution: indirect sources.

Current law designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution, and air pollution control districts and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Current law authorizes air districts to adopt and implement regulations to reduce or mitigate emissions from indirect sources of air pollution. Current law requires the state board to adopt rules and regulations relating to vehicular emissions standards, as specified, that will achieve the ambient air quality standards required by federal law in conjunction with other measures adopted by the state board, air districts, and the United States Environmental Protection Agency. This bill would authorize the state board, if necessary to carry out that duty to achieve those ambient air quality standards, to adopt regulations to reduce or mitigate emissions from indirect sources of pollution.

AB 2560 (Schultz D) Climate Action Plan for Transportation Infrastructure

This bill attempts to codify the Governors Climate Action Plan for Transportation Infrastructure (CAPTI), the 2019 executive order to focus transportation investment on combating climate change. The bill would be enacted by incorporating CAPTI language and performance measures into the statute of the transportation funding programs under SB 1. This bill would require a typical fix it first type of project under the SB 1 programs to apply, where feasible, CAPTI focused elements.

AB 2679 (Hadwick R) Road Maintenance and Rehabilitation Account: funding apportionments: cities.

Existing law creates the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. Existing law provides for the deposit of various moneys, including revenues from certain fuel taxes and vehicle fees, for the program into the Road Maintenance and Rehabilitation Account. Existing law requires funds available for the program to be allocated for various specified purposes and requires the remaining funds available for the program to be continuously appropriated, with 50% for allocation to the Department of Transportation and 50% for apportionment to cities and counties by the Controller. Of the funds to be apportioned to cities and counties, existing law requires the Controller to apportion 50% of those funds to counties pursuant to a specified formula and 50% of those funds to cities in the proportion that the total population of each city bears to the total population of all the cities in the state. This bill would require the Controller, with respect to the revenues apportioned to cities, to apportion a minimum of \$200,000 to each city, regardless of its population size, in the 2027–28 fiscal year and each fiscal year thereafter.

SB 94 (Strickland R) Transportation funding: Greenhouse Gas Reduction Fund: Motor Vehicle Fuel Account.

The California Global Warming Solutions Act of 2006 authorizes the state board to include in its regulation of those emissions the use of market-based compliance mechanisms. Current law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund. Current law continuously appropriates 25% of the annual proceeds of the fund to the High-Speed Rail Authority for certain purposes, as specified. This bill would eliminate the continuous appropriation of 25% of the annual proceeds of the Greenhouse Gas Reduction Fund to the High-Speed Rail Authority on June 30, 2026. The bill, beginning with the 2026–27 fiscal year, and until December 31, 2030, would require 25% of the annual proceeds of the Greenhouse Gas Reduction Fund to be transferred to the Motor Vehicle Fuel Account.

SB 981 (Niello R) Administrative regulations: standardized regulatory impact analysis: State Air Resources Board.

The State Air Resources Board is responsible for the preparation of the state implementation plan required by the Clean Air Act, and requires the state board to adopt standards, rules, and regulations that are consistent with the state goal of providing a decent home and suitable living environment for every Californian. The Administrative Procedure Act sets forth the requirements for the adoption, publication, review, and implementation of regulations by state agencies. Existing law requires a state agency proposing to adopt, amend, or repeal a major regulation on or after November 1, 2013, to prepare a standardized regulatory impact analysis, as specified, that addresses, among other things, the competitive advantages or disadvantages for businesses currently doing business within the state and the benefits to health, safety, and welfare of the regulations. This bill would require a standardized regulatory impact analysis prepared by the State Air Resources Board to additionally address cost of living impacts on residents of the state, including, but not limited to, retail gasoline and transportation costs, consumer electric bills, consumer goods and food costs, housing and building construction costs, and costs to businesses.

SB 1087 (Cabaldon D) Transportation planning: sustainable communities strategies: transportation funding programs.

This bill would address SB 375 and modernize the requirements of Sustainable Communities Strategies (SCS) planning and SB 1 sustainable communities grant programs. This effort, cosponsored by the four largest MPOs including SACOG, would extend the SCS cycle from 4 to 8 years.

SB 1250 (Cortese D) State highway system: wildlife connectivity.

Existing law requires Department of Transportation (Caltrans), in consultation with the California Transportation Commission, to prepare a robust asset management plan to guide selection of projects for the state highway operation and protection program. Existing law requires the commission, in connection with the plan, to adopt targets and performance measures reflecting state transportation goals and objectives. This bill would require the targets and performance measures adopted by the commission to include targets and performance measures reflecting state transportation goals and objectives for wildlife connectivity assets that reflect the need for new assets and conditions of existing assets that improve or maintain the connectivity of wildlife crossings. The bill would require Caltrans to include wildlife connectivity assets in the asset management plan.

SB 1293 (Alvarado-Gil R) State highways: projects: notice.

Existing law establishes the Department of Transportation and requires it to improve and maintain the state highways, as provided. This bill would require the department to provide written notice of certain construction or maintenance projects within the right-of-way of a state highway in a county with a population of 250,000 people or fewer to a person who resides in, or a business that is located within 10 miles of the project limits, as specified.

SB 1423 (Stern D) Transportation funding: State Transportation Improvement Program: Active Transportation Program.

Existing law generally provides for programming and allocation of available state and federal transportation funds for transportation capital improvement projects through the state transportation improvement program process administered by the California Transportation Commission. Existing law requires 25% of available funds to be programmed and expended on interregional improvement projects nominated by the Department of Transportation through the adoption of an interregional transportation improvement program, and 75% of available funds to be programmed and expended on regional improvement projects nominated by transportation planning agencies through the adoption of a regional transportation improvement program. This bill would require at least 50% of funds programmed in the interregional transportation improvement program, and 50% of funds programmed in a regional transportation improvement program, to be programmed for safe streets projects, as specified.

FEDERAL TRANSPORTATION LEGISLATION AND FUNDING

authorizes roughly \$1.2 trillion in infrastructure funding, including about \$550 billion for surface transportation programs (highways, bridges, transit, freight) through Fiscal Year 2026 and expires on September 30, 2026. Congress is currently working to reauthorize the next bill before this deadline. Policy and funding priorities being discussed for the next bill include:

- Stable, multi-year funding levels at or above the IIJA baseline to allow states and local agencies to plan and deliver long-range projects without uncertainty.
- Solvency of the Highway Trust Fund (HTF)
- Safety enhancements for roads and transit systems
- Streamlining project delivery and permitting reforms
- Support for freight movement, workforce development, and “fix-it-first” maintenance priorities

There is no final reauthorization bill yet, and Congress still needs to negotiate and pass a comprehensive authorization package before the IIJA expires. Failure to act on time could lead to short-term extensions or stop-gap measures. Advocacy organizations and local governments, including LCTC, are actively pressing for inclusion of priorities.