LASSEN COUNTY TRANSPORTATION COMMISSION
REGIONAL TRANSPORTATION PLANING AGENCY

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Staff Report

Date: November 6, 2025 **AGENDA ITEM 5.01B**

To: Lassen County Transportation Commission

From: John Clerici, Executive Secretary

Subject: Executive Secretary's Report

Transportation Planning

US 395 Coalition

There are number of planning and capital projects anticipated for the US 395 corridor south of Susanville to the Nevada state line to be implemented over the next 5 to 7 years. The LCTC is awaiting the release of the US 395 Freight Movement Feasibility Study. Caltrans District 2 staff provided an update on the development of the study, and indicated that after considerable re-working at the staff level, a revised draft will be circulated in early December and a final study will be available in early February. Staff will have an opportunity to review the Administrative Draft of the report when it is available.

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

The LCTC applied for and received a grant from Caltrans to update and expand the GIS capabilities in the region. The grant provides funding to add transportation layers to the updated system, and to include both the City of Susanville and the Susanville Indian Rancheria in the countywide system.

A recent update indicates that most of the grant objectives have been met and the expectation was that the grant would be closed out by June 30, 2025. However, a small portion of the grant funding remains (approximately $17,000) and will be carried over to FY 25/26 to work on GIS elements beneficial to Lassen County.

The GIS consultant is working with Lassen County Planning Department to update existing databases with the remaining funds.

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** - The Bizz Johnson Rail Trail Extension Feasibility Study (Study) will explore the feasibility of extending the Bizz Johnson National Recreation Trail (Bizz) another 2.0 miles on an abandoned railroad grade between Richmond Road in Susanville and State Route (SR) 36. The proposal includes trail inventories and the preparation of preliminary engineering and environmental studies. A Feasibility Plan and Business Plan will explore options to acquire the railroad right-of-way (ROW) and convert to a public recreational trail.
- **EV Infrastructure Master Plan** - The plan involves a thorough assessment of the existing charging landscape and the identification of strategic locations for new charging stations. This will enhance the county's commitment to boost economic growth, and improve local and tourist mobility. In collaboration with key stakeholders such as the Susanville Indian Rancheria, City of Susanville, Lassen County, LMUD, Lassen County Chamber of Commerce, and other stakeholders.

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.

<u>Climate Action Plan for Transportation Infrastructure</u>
In late February, CalSTA released the Climate Action Plan for Transportation Infrastructure (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 here https://calsta.ca.gov/subject-areas/climate-action-plan. CAPTI 2.0 doubles down on the Governor's efforts to prioritize transportation investments for projects that reduce greenhouse gas emissions and combat climate change.

<u>Caltrans System Investments Strategy</u>
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 are in alignment with the 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 two Executive Orders N-19-19 and N-79-20.

<u>Caltrans State Highway System Management Plan</u>

The Draft Caltrans State Highway System Management Plan (SHSMP) was recently released for external review and comment. The plan integrates maintenance, rehabilitation, and operation of the State Highway System to meet both state and federal asset management requirements while also aligning investments with California's climate, health, and social equity objectives.
The SHSMP maintains a "fix-it-first" approach while promoting a climate-resilient transportation system that mitigates greenhouse gas emissions and safeguards state transportation assets. The plan can be viewed here: https://dot.ca.gov/-/media/dot media/programs/assetmanagement/documents/2025_shsmp_draft_02-21-25.pdf/

California State Budget 2025-2026

Governor Newsom signed the statewide budget totaling approximately $321.1 billion, with about $228 billion from the General Fund. It closed a projected $12 billion deficit by drawing down reserves and modifying some programs.

While transportation isn't broken out in statewide summary documents, prior proposals included a multiyear $10.9 billion transportation package, with roughly $2.1 billion allocated for 2025-26 toward infrastructure, freight, and transit projects. Other statewide transportation initiatives—like complete-streets mandates and active transportation planning remain in place.

Governor Newsom's FY 2025-26 budget eliminates approximately $1.5 billion in transit funding from the greenhouse gas reduction program, which had previously supported transit operations and infrastructure across agencies, including Sacramento-area services. This has raised concerns about reduced service or project delays statewide. The governor's proposal maintains prior commitments under the 2024-25 transportation funding package, including about $2 billion in ongoing annual funding for various transportation programs, but no new increases are added in FY 2025-26.

The FY 2025-26 State Budget offers ongoing statewide funding streams for transportation projects broadly but does not contain dedicated new funds specific to Lassen County. The County is facing sharp cuts in its road and bridge programs and will likely rely heavily on regional planning and external grants to maintain momentum on project delivery.

The loss of greenhouse gas reduction program transit funding could indirectly affect funding streams available to regional transit agencies.

California Transportation Legislation
The California Legislature reconvened from summer recess on August 18. LCTC continues to track relevant bills to support or inform state transportation policy. The LCTC has access to the online "Bill Tracker" platform, which highlights all the pending bills relevant to cities and counties across California. Three of those that LCTC is tracking include:

AB 382 (Berman D) Pedestrian safety: school zones: speed limits.
9/22/2025-Enrolled and presented to the Governor
Current law establishes a prima facie speed limit of 25 miles per hour when approaching or passing a school building or grounds contiguous to a highway or when the school grounds are not separated from the highway, as specified. Current law authorizes a local authority, by

ordinance or resolution, to reduce the prima facie speed limit based on an engineering and traffic survey, as specified. This bill would, notwithstanding the above provision and until January 1, 2031, authorize a local authority, by ordinance or resolution, to determine and declare a prima facie speed limit of 20 miles per hour in a school zone. The bill would, beginning on January 1, 2031, establish a prima facie speed limit of 20 miles per hour in a school zone, as defined, subject to specified conditions, including, among others, when a school speed limit sign states "children are present" and children are present, as defined, and when a school speed limit sign states specific hours, as specified.

AB 1014 (Rogers D) Traffic safety: speed limits.
Status: 9/9/2025-Enrolled and presented to the Governor
Current law establishes various default speed limits for vehicles on highways, as specified. Existing law requires the Department of Transportation, by regulation, to require speed limits to be rounded up or down to the nearest 5 miles per hour of the 85th percentile of free-flowing traffic. Current law authorizes a local authority to additionally lower the speed limit in specified circumstances or retain the currently adopted speed limit in certain circumstances. This bill would authorize the department to additionally lower or retain the speed limit in those specified circumstances.

AB 706 (Aguiar-Curry D) Forest Organic Residue, Energy, and Safety Transformation and Wildfire Prevention Fund Act.
Status: 6/18/2025-In committee: Set, first hearing. Hearing canceled at the request of author.
Under current law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations. The California Renewables Portfolio Standard Program requires every electrical corporation to file with the PUC a standard tariff for electricity generated by an electric generation facility, as defined, that qualifies for the tariff, is owned and operated by a retail customer of the electrical corporation, and is located within the service territory of, and developed to sell electricity to, the electrical corporation. The PUC refers to this requirement as the renewable feed-in tariff. The renewable feed-in tariff law, in part, requires the PUC to direct the electrical corporations, collectively, to procure at least 250 megawatts of cumulative rated generating capacity from developers of bioenergy projects that commence operation on or after June 1, 2013. Pursuant to this requirement, the PUC has established and revised the Bioenergy Market Adjusting Tariff (BioMAT) program. On March 18, 2016, the PUC issued Resolution E-4770 to order investor-owned utilities to each hold a solicitation for contract with facilities that can use biofuel from high hazard zones to address an Emergency Proclamation using the Bioenergy Renewable Auction Mechanism (BioRAM) program. This bill would establish the fire fuel reduction program to support sufficient procurement, transport, and beneficial use of forest biomass waste to reduce fuel for wildfires by up to 15,000,000 bone-dry tons of forest biomass waste per year. The bill would establish the FOREST and Wildfire Prevention Fund in the State Treasury and would continuously appropriate the fund to the Natural Resources Agency for this program, as specified.

FEDERAL TRANSPORTATION LEGISLATION AND FUNDING

The current Federal administration is reorienting transportation policy to prioritize vehicle capacity over multimodal, climate, or equity objectives. Projects that reduce lane throughput for cars are now more likely to be targeted for review. While it is uncommon for a new administration to rescind or cancel previously awarded infrastructure grants, the Department of Transportation (DOT) has begun rolling back certain Biden-era investments in active transportation, transit, and equity-focused projects.

The DOT has initiated the recission of previously awarded grants for bicycle lanes, pedestrian safety, trails, and related projects. The rationale provided is that some projects are "hostile to motor vehicles" such as a project in San Diego County that included bike lanes which lost $1.2 million due to decreased vehicle capacity. Local governments in at least six states (Alabama, California, Connecticut, Illinois, Massachusetts, and New Mexico) have been notified that awards under the IIJA may be pulled back. The DOT is reviewing thousands of unfinalized grant agreements from the prior administration, with some being canceled or delayed. Over $65 million in bike-lane-related grants have been flagged for potential cancellation as part of this review.

This review is framed as enforcing compliance with new executive orders and shifting federal priorities away from social justice, climate, or equity criteria. The administration's FY26 "skinny budget" framework also indicates potential reductions or elimination of funding for programs tied to Complete Streets, active transportation, transit electrification, and technical capacity-building. Some grant programs under the IIJA are particularly at risk if funds remain unobligated. In parallel, the House Transportation & Infrastructure Committee has proposed eliminating unobligated funds for the Neighborhood Access & Equity Grant Program, intended to reconnect communities affected by past highway construction, as part of reconciliation proposals.

Currently, no projects within LCTC's jurisdiction have been identified for recission or delays under the DOT review. However, given the significant shift in policy and recent government shutdown, LCTC will continue to monitor progress closely to mitigate any potential risks.

Key Federal Policy Shift and Shutdown Takeaways

- Planning, operations, streets, and highway funding remain stable.
- Funding opportunities may become available to support road expansion and maintenance.
- Active Transportation Program (ATP) and transit construction/implementation are at risk if funds are not yet obligated.
- Transit reimbursements and federal approvals are primary pressure points.
- Shutdown duration impacts local agencies: short-term is manageable; long-term could stress cash flow.
- LCTC staff will monitor, and report impacts and opportunities in real time.

Reauthorization of the next surface transportation bill is due in the fall of 2026. LCTC staff is working diligently to advocate for a more rural-centric formulaic funding distribution. Attached to this report is the most recent correspondence on this effort. More correspondence and collaboration is planned between LCTC staff, LCTC leadership, and the office of Transportation Secretary Sean Duffy over the next 6 months.