



LASSEN COUNTY TRANSPORTATION COMMISSION
REGIONAL TRANSPORTATION PLANING AGENCY

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John L. Clerici, Executive Secretary

Staff Report

Date: August 5, 2022
To: Lassen County Transportation Commission
From: John Clerici, Executive Secretary
Subject: Executive Secretary's Report

AGENDA ITEM 5.01B

Transportation Planning

Active Transportation Plan (Bikes and Pedestrians)

The ATP is nearing completion. Most of the text has been revised, and staff is currently circulating a draft prioritized list of projects (attached) to the TAC and ATP stakeholders for review and comment. Staff will also present the ATP to the Lassen County Board of Supervisors, and the Susanville City Council prior to the final ATP being brought to the Commission for adoption.

ATP Grant

Staff completed and submitted a new Active Transportation Program grant application for construction of the Riverside Dr. Bike Path project. This project includes construction of a Class I path from Riverside Park to the existing Susan River Path on the south side of Riverside Drive. The project requires a bike/pedestrian bridge over the Susan River. LCTC staff are coordinated closely with City staff to complete the grant application. We expect to hear back on whether the grant was successful in the fall.

US 395

The US 395 Coalition effort has taken a number of positive turns over the last few months. There have been two positive/constructive meetings (May 26 and July 28) of the Coalition, which have helped re-energize and focus the groups work. Stakeholders on the Nevada side have been tasked to provide information on trends in trucking traffic starting in the Reno/Sparks area and moving north on US 395. On the California side, Commission staff will be engaging Caltrans D2 to identify a project(s) to carry forward for more detailed planning analysis. In addition, staff will be coordinating other state and federal agencies (DOD, OPR and the CTC for example) to identify needs and funding opportunities. Their next meeting is September 22.

In addition, staff has developed an administrative draft of the Finance Strategy for US 395 and have begun circulating it to agencies and other stakeholders for review and comment.

Lassen County ZEV Infrastructure Grant

Notice to proceed was received from Caltrans in July and have begun activities to begin implementing the grant. An RFP to engage a qualified consultant will likely be released later in the Fall. In addition, staff will be engaging other stakeholders (federal and state agencies, LMUD and others) who will have direct interest in this effort.

State and Federal Funding

State Transportation Funding

On May 13, 2022, Governor Newsom released the FY 2022/23 “May Revise” budget totaling \$300.7 billion, which is a record high. The State has experienced significant growth in tax revenues, much higher than anticipated, and now has a discretionary surplus projected to reach \$97.5 billion after billions more are programmed to schools, pension liabilities, and other reserves. The final budget is being worked on now with adoption anticipated in the coming weeks.

The Governor’s 2022/23 budget includes nearly \$22 billion for transportation both through the general fund and selected bond funds. This accounts for 7.6% of the overall budget proposal. The transportation investments outlined in the budget proposal aligns with the Climate Action Plan for Transportation Infrastructure (CAPTI), released in July 2021, which details how the state proposes to invest billions of dollars to combat and adapt to climate change while supporting public health, safety, and equity. Within the CAPTI framework the budget specifically addresses the following seven focus areas called out directly in the proposed budget summary:

- Reduce millions of metric tons of carbon dioxide from the environment.
- Advance projects statewide to improve rail and transit connectivity between state and local/regional services—including advancement of the nation’s first truly high-speed rail project.
- Enhance safety and access for bicyclists and pedestrians and target critical highway/rail grade separations and grade crossing improvements on key corridors throughout the state to reduce fatalities and injuries on the transportation system.
- Support climate resiliency and reduce risks from climate impacts.
- Remove barriers and connect disadvantaged communities, increasing access to opportunity.
- Deliver transportation projects that support the development of compact or infill housing to help California meet its housing goals.
- Move the state away from fossil fuel-based technologies and toward cleaner transportation technologies, including zero-emission vehicles and clean infrastructure.

More detail on the Governor’s 2022-23 Budget can be found here: <https://www.ebudget.ca.gov/budget/2022-23MR/#/BudgetSummary>

State Transportation Legislation

Some of the California legislative bills that LCTC staff is tracking include:

AB 1626 (Nguyen R) Motor Vehicle Fuel Tax Law: limitation on adjustment. Existing law, 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 into this state, or sold in this state, at a specified rate per gallon. Existing law requires the department to annually adjust the tax imposed by increasing the rates based on the California Consumer Price Index, as specified.

This bill would limit the above-described annual adjustment to a maximum of 2% for rate adjustments made on or after July 1, 2023. This bill contains other related provisions.

AB 1638 (Kiley R) Motor Vehicle Fuel Tax Law: suspension of tax. This bill would suspend the imposition of the tax on motor vehicle fuels for 6 months. The bill would direct the Controller to transfer a specified amount from the General Fund to the Motor Vehicle Fuel Account in the Transportation Tax Fund. By transferring General Fund moneys to a continuously appropriated account, this bill would make an appropriation.

AB 1909 (Friedman D) Vehicles: bicycle omnibus bill. Current law prohibits the operation of a motorized bicycle or a class 3 electric bicycle on a bicycle path or trail, bikeway, bicycle lane, equestrian trail, or hiking or recreational trail, as specified. Current law authorizes a local authority to additionally prohibit the operation of class 1 and class 2 electric bicycles on these facilities. This bill would remove the prohibition of class 3 electric bicycles on these facilities and would remove the authority of a local jurisdiction to prohibit class 1 and class 2 electric bicycles on these facilities. The bill would instead authorize a local authority to prohibit the operation of a class 3 electric bicycle at a motor-assisted speed greater than 20 miles per hour. This bill contains other related provisions and other existing laws.

AB 2075 (Ting D) Energy: electric vehicle charging standards. Current law requires the State Energy Resources Conservation and Development Commission to prescribe, by regulation, among other things, lighting, insulation, climate control system, and other building design and construction standards, energy and water conservation design standards, and appliance efficiency standards to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy and to manage energy loads to help maintain electrical grid reliability, as specified. This bill would require the commission to additionally adopt, by regulation, electric vehicle charging standards to be incorporated into other building design and construction standards, as specified.

AB 2237 (Friedman D) Regional transportation plan: Active Transportation Program. Current law requires the Strategic Growth Council, by January 31, 2022, to complete an overview of the California Transportation Plan and all sustainable communities strategies and alternative planning strategies, an assessment of how implementation of the California Transportation Plan, sustainable communities strategies, and alternative planning strategies will influence the configuration of the statewide integrated multimodal transportation system, and a review of the potential impacts and opportunities for coordination of specified funding programs. This bill would require the council to convene key state agencies, metropolitan planning agencies, regional transportation agencies, and local governments to assist the council in completing the report. AB

2344 (Friedman D) Wildlife connectivity: transportation projects. Would require the Department of Fish and Wildlife to investigate, study, and identify those areas in the state that are essential to wildlife movement and habitat connectivity and that are threatened by specified factors. The bill would require DFW, in coordination with Caltrans, to establish a wildlife connectivity action plan on or before January 1, 2024, and to update the plan at least once every 5 years thereafter. The bill would require the plan to include, among other things, maps that identify the locations of certain areas, including connectivity areas and natural landscape areas, as defined.

AB 2346 (Gabriel D) Outdoor recreation: Equitable access grant program. Would require the Natural Resources Agency to develop the Equitable Access Grants Program to provide financial and technical assistance to local governments and nonprofit organizations to implement community access projects, as defined, that improve the use, equitable admittance, and engagement with the public in stewardship of outdoor recreation areas or facilities located within the state.

AB 2514 (Dahle, Megan R) Road Maintenance and Rehabilitation Account: apportionment of funds: underserved rural communities. Current law continuously appropriates \$200,000,000 annually from the State-Local Partnership Program Account for allocation by the California Transportation Commission for a program commonly known as the Local Partnership Program to local or regional transportation agencies that have sought and received voter approval of taxes or that have imposed certain fees, which taxes or fees are dedicated solely for road maintenance and rehabilitation and other transportation improvement projects. Current law requires the commission, in cooperation with the Department of Transportation, transportation planning agencies, county transportation commissions, and other local agencies, to develop guidelines for the allocation of those moneys. This bill would provide for the allocation by the commission under the Local Partnership Program to underserved rural communities, as defined, regardless of whether they have sought and received voter approval of taxes or that have imposed certain fees, which taxes or fees are dedicated solely for road maintenance and rehabilitation and other transportation improvement projects.

SB 1019 (Dodd D) Transportation Resilience Program. This bill would establish the Transportation Resilience Program in the Department of Transportation, to be funded in the annual Budget Act from 15% of the available federal National Highway Performance Program funds and 100% of the available federal Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation program funds. The bill would provide for funds to be allocated by the California Transportation Commission for climate adaptation planning and resilience improvements, as defined, that address or mitigate the risk of recurring damage to, or closures of, the state highway system, other federal-aid roads, public transit facilities, and other surface transportation assets from extreme weather events, sea level rise, or other climate change-fueled natural hazards. The bill would establish specified eligibility criteria for projects to receive funding under the program and would require the commission to prioritize projects that meet certain criteria.

SB 1156 (Grove R) Motor Vehicle Fuel Tax: Diesel Fuel Tax: inflation adjustment. Current law, the Motor Vehicle Fuel Tax Law and Diesel Fuel Tax Law, impose a tax upon each gallon of motor vehicle fuel or diesel fuel removed from a refinery or terminal rack in this state, entered into this state, or sold in this state, at a specified rate per gallon. Current law annually adjusts the rates of the taxes imposed by those laws based on inflation. This bill would remove the requirement for future inflation adjustments of those taxes.

SB 1356 (Grove R) Gross vehicle weight. Current state and federal law sets limits on the total gross weight imposed on the highway by a vehicle or vehicle combination with any group of 2 or more consecutive axles, not to exceed 80,000 pounds, as specified. Current law authorizes vehicles or vehicle combinations in certain circumstances to carry a gross vehicle weight in excess of 80,000 pounds, such as vehicles transporting logs. Current law authorizes the Department of Transportation or local authorities to issue a special permit authorizing an applicant to operate or move a vehicle or combination of vehicles on a highway of a weight exceeding that maximum. This bill would increase the maximum gross weight for a vehicle or combination of vehicles transporting a load composed solely of a petroleum-based fuel to 88,000 pounds.

Federal Transportation Funding

On November 15, 2021, President Biden signed into law a \$1.1 trillion infrastructure bill known as the Infrastructure Investment and Jobs Act (IIJA), enacting the 2,701-page bill into law following bipartisan votes in both the U.S. House of Representatives in November and Senate in August. The IIJA replaces and nearly doubles the investment made by the FAST Act which was the last five-year surface transportation bill passed in 2017, expired in 2020, and was extended for one year. The IIJA also included a new five-year surface transportation reauthorization giving the Highway Trust Fund contract authority for highways, roads, and bridges for FY 2022 through FY 2026. The IIJA provides \$973 billion over five years beginning in 2022. This includes \$552 billion in new investments for infrastructure related to transportation, water, power and energy, remediation, public lands, broadband, and resilience. Nearly all of the existing transportation funding

programs received significant increases. For example, these existing programs received the following increases in funding:

- Surface Transportation Block Grant (STBG) – 32%
- Congestion Mitigation and Air Quality (CMAQ) – 10%
- Transportation Alternatives Program (ATP in California) – 76%
- Transit State of Good Repair – 70%
- Low-No Emission Buses – 525%

While these increases are significant, the biggest change in this transportation bill is the increase in discretionary grant program funding, increased by 400%. There are twelve new competitive transportation funding programs included in this new investment plan with a focus on climate and equity, electrification, greenhouse gas reduction, and resilience. Discretionary programs span a wide array of focus areas. Some of those that are more applicable to the needs of the LCTC region are listed below and include the amounts available under the IIJA nationwide.

- BUILD/RAISE Grants - \$7.5 billion
- Bridge Grant Program - \$12.5 billion
- Rural Grant Program - \$2 billion (for high-cost rural projects)
- Protect Grant Program “Resiliency” - \$1.4 billion
- Electric Vehicle Charging - \$2.5 billion
- Broadband to States - \$42 billion
- Broadband Middle Mile Grants \$1 billion

California is expected to receive \$40 billion of formula-based transportation funding over the five years of the bill, and billions more through competitive programs. LCTC and partner agencies will be able to access these transportation funds through the following means.

1. Competitively through federal grants such as RAISE, INFRA, and state grants such as the ATP
2. Suballocations directly to jurisdictions based on population, similar to STBGP
3. Federal formula allocations directly to transit operators and airports

The first rollout of funding is anticipated to be the formula programs which already have mechanisms and guidance in place to distribute funds to the states, cities, and counties. This will likely be followed by existing competitive grant programs, such as the ATP, BUILD/RAISE, and Highway Safety Improvement Programs. Finally, sometime likely later in 2022, the new competitive programs will be rolled out once new guidance is developed.

LCTC has already started to discuss all of these programs with City, County, and Transit staff to prepare projects to be submitted. While we maintain an ongoing priority project list consistent with the adopted Regional Transportation Plan (currently being updated), it is critical that we revisit those projects as new programs, such as the IIJA, become available. As these programs are rolled out, LCTC staff will be briefing the Commission on opportunities to apply for and secure transportation funding. One thing to keep in mind is that the IIJA is not a stimulus package but a long-standing surface transportation bill. Therefore, the strategy is to identify a suite of projects that can take advantage of the funding throughout the life of this bill.