



New Goals vs. Old Conventions: California's Climate Goals & Transportation Spending

In 2016, California set an ambitious goal to reduce greenhouse gas (GHG) emissions to 40% below 1990 levels by 2030 in SB 32. Threats from climate change will only get worse if we continue business as usual: achieving this goal is essential.

Transportation is California's single largest source of greenhouse gas emissions.

According to the California Transportation Plan 2040: "California's goal for all sectors and economic activities is to reduce GHG emissions while we go about our daily business. For transportation, this means making significant changes in how we travel."ⁱ

To achieve its climate goals, California must transform land use and transportation.

Even ambitious adoption of alternative vehicle technology and fuels will not be enough to reduce emissions. If half of new car sales in California are zero emission and half of transportation fuels come from renewable sources by 2035, we will still need shifts in land use and transportation to achieve our climate goals.ⁱⁱ These shifts will also reduce congested highways, improve public health, create equitable mobility options, and improve quality of life.

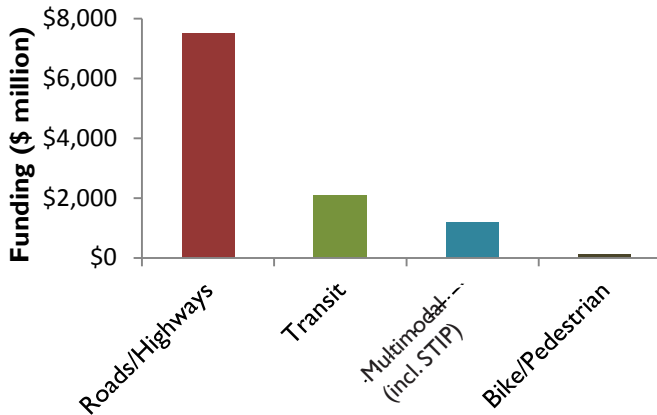
We must:

1. Make public transit, walking, and biking safe and convenient
2. Avoid highway development that makes sprawl development cheaper and destinations further to reach
3. Dramatically reduce solo driving

But today, the vast majority of state transportation funding is totally disconnected from California's climate goals.ⁱⁱⁱ

Recent research finds that the state's "*ambitious climate objectives are not fully reflected in its practices for allocating transportation revenue.*" While California has made strides to invest in sustainable and equitable transportation with programs including the Active Transportation Program and cap and trade, the funding in these programs is marginal compared to the total funding available. For example, cap and trade accounts for only 7% of California's total transportation funding.^{iv}

State-Funded Transportation Programs (FY 18/19)



(Does not include debt service on transportation bonds, funding from bond proceeds, or funding carried over from previous years.)

Source: LAO 2018 California's Transportation System.

Case in point: The 2018 STIP.

The State Transportation Improvement Program (STIP) is a 5-year capital improvement program. The majority of funds in the STIP are from the State Highway Account, which can only be used for highways, roads, active transportation facilities, and mass transit guideways. Most of the STIP goes to local projects from the regions. Each region develops a plan with local projects to be funded over the next 20 years. Based on that plan, each region prepares a list of projects to receive the state's STIP funding in the next 4-5 years. With a closer look, we see that these regional lists are mostly business as usual: more highways and roads. The state is missing an opportunity to use its dollars to reduce GHGs now.

Here's a snapshot of the 2018 STIP funding of regional projects:

- Roads/highways: \$1.3 billion (80%)
- Transit: \$330 million (20%)
- Bike/pedestrian: Hard to know; the state does not track investments in active transportation.
- All 8 counties in the San Joaquin Valley used 100% on roads/highways and \$0 on transit.
- 13 of 20 counties in the "Big Four" regions (SCAG, SANDAG, MTC, and SACOG) used 100% of this funding on roads/highways and \$0 on transit.

It's time for change.

California must dramatically change how transportation dollars are spent. It's time to examine and shift our spending and the regulations guiding our spending decisions to better invest in healthy, sustainable, equitable communities.

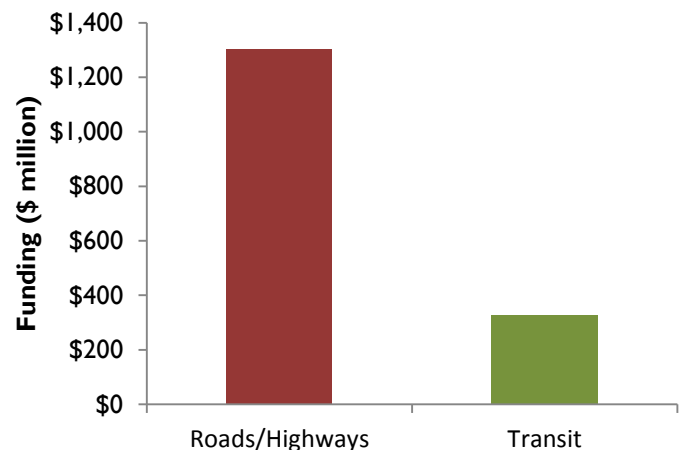
These investments will pay off for all Californians, not only by meeting climate goals, but by protecting air quality, supporting healthy active lifestyles, reducing inequalities, and protecting resources.

Most state transportation funding is going toward projects that increase driving and greenhouse gases.

Transportation funding comes from federal and local sources—in addition to the state—and most transportation projects are planned at the local and regional level. However, the state generates about one-third of the total funding, totaling about \$12 billion in FY 18/19. Of that state-generated revenue, only 19% was dedicated to transit, one-third of which is for high-speed rail.

Progress has been made, but it's not enough to make up for the past: between 2001 and 2011, the state dedicated only 8% of capital funding to new transit.^v

Statewide 2018 STIP Funding Distribution to Regional Projects



Source: California Transportation Commission 2018 STIP

i. Caltrans. "California Transportation Plan 2040." June 2016.

ii. Air Resources Board 2017 Scoping Plan.

iii. Sciarra, Lee. National Center for Sustainable Transportation. "Aligning California's Transportation Funding with its Climate Policies." January 2018.

iv. LAO 2018 California's Transportation System.

v. Legislative Analyst Office. "A Ten-Year Perspective: California Infrastructure Spending."