

# TRANSPORTATION

The May Revision proposes significant investments in both new transportation infrastructure and maintenance of existing infrastructure. Building upon the more than \$18 billion in investments proposed in the Governor's Budget, the May Revision proposes over \$11 billion of state investment in the transportation system to lead to an equitable recovery that will competitively position the state to pursue significant federal investment that aligns with the American Jobs Plan and other federal budget priorities.

The investments will create quality jobs, accelerate new transportation options and better connectivity throughout the state, support clean transportation projects to achieve our climate goals, and attract new federal investment, often doubling the amount spent from state and local sources.

More specifically, these investments:

- Move the state away from yesterday's fossil fuel-based technologies to tomorrow's cleaner transportation technologies, including zero-emission vehicles and the associated infrastructure.
- Advance projects statewide to improve rail and transit, bringing California's transportation network into this century—including advancement of the nation's first truly high-speed rail project.
- Help complete high-priority projects to move people throughout the state seamlessly in time for the Los Angeles Olympics in 2028.

## TRANSPORTATION

- Accelerate vital safety projects and important “fix-it-first” projects on state highways and bridges, and target critical highway/rail grade separations and grade crossing improvements on key corridors throughout the state.
- Improve safety and access for bicyclists and pedestrians.
- Create thousands of good-paying jobs, reduce at least 26 million metric tons of CO<sub>2</sub> from the environment, and make investments that address inequities in the transportation system by improving transportation choice and access in disadvantaged communities.

In addition to these proposed investments, Caltrans continues to use the substantial increase in transportation revenues provided through SB 1 to address the backlog of maintenance and repairs on the state highway system. Although reduced travel during the COVID-19 Pandemic resulted in marginally lower fuel excise tax revenues than previously forecast, Caltrans was able to take advantage of reduced traffic and unanticipated bid savings to accelerate projects, and continues to move forward with numerous transportation projects using available funding. The May Revision proposes an additional 548 state and contract engineering positions for Caltrans to take advantage of recent bid savings and continue to accelerate projects, further reducing its repair and maintenance backlog on the state's primary highway assets.

California also continues to make significant investments in sustainable transportation infrastructure. In July 2021, the Transportation Agency will release the Climate Action Plan for Transportation Infrastructure (CAPTI). The CAPTI framework is directed by the Governor's Climate Executive Orders N 19-19 and N 79-20. The Action Plan is the product of a collaborative effort that included a robust stakeholder engagement process. By integrating a diverse array of perspectives, this Action Plan is meant to be a holistic framework for aligning state transportation investments with climate goals, while improving public health, and prioritizing equity. The framework includes overarching guiding principles as well as investment strategies as California moves to a more sustainable transportation system.

### **INFRASTRUCTURE PACKAGE**

President Biden's proposed American Jobs Plan will provide a once-in-a-generation investment in broad infrastructure improvements to strengthen the nation's economy and prepare for lasting growth and prosperity. In addition to the American Jobs Plan, federal legislation to reauthorize and increase funding for surface transportation programs is expected this year, with increased spending expected in federal

discretionary programs for which California will be well-positioned to compete. The state is uniquely positioned to take advantage of these funds based on its clean transportation leadership and ongoing funding commitments. With the enactment of programs like Cap and Trade and SB 1, the state will be ready to leverage state dollars to match and maximize the federal investment.

To further enhance the state's position and readiness for these anticipated funds, the May Revision proposes investing an additional \$11 billion in the transportation system and related zero-emission vehicle (ZEV) efforts (see Climate Resilience Chapter for additional ZEV details). The transportation infrastructure package includes roadway fix-it-first projects, High-Speed Rail and other rail, transit and active transportation projects throughout the state, enhanced safety projects, and projects to support connectivity in advance of the 2028 Los Angeles Olympics.

- **Los Angeles Olympics**—\$1 billion General Fund to deliver critical projects in time for the 2028 Olympic Games.
- **Priority Transit and Rail Projects**—\$1 billion General Fund for transit and rail projects statewide that improve rail and transit connectivity between state and regional/local services.
- **Active Transportation**—\$500 million General Fund to advance projects that increase the proportion of trips accomplished by walking and biking, increase the safety and mobility of non-motorized users, advance efforts of regional agencies to achieve greenhouse gas reduction goals, enhance public health, and benefit many types of users, especially in disadvantaged communities.
- **High Priority Grade Separations and Grade Crossing Improvements**—\$500 million General Fund to support critical safety improvements throughout the state.
- **High-Speed Rail**—\$4.2 billion Proposition 1A to complete high-speed rail construction in the Central Valley, advance work to launch service between Merced and Bakersfield, advance planning and project design for the entire project, and leverage potential federal funds.
- **State Highway Rehabilitation and Local Roads and Bridges**—\$2 billion (\$1.1 billion special funds through 2028, and \$968 million federal funds) to support the advancement of priority State Highway Operation and Protection Program (SHOPP) projects, Interregional Transportation Improvement Program (ITIP) projects, and local road and bridge investments.

- **Zero-Emission Rail and Transit Equipment Purchases and Infrastructure**—\$407 million (\$100 million General Fund, \$280 million Public Transportation Account, and \$27 million federal funds) to demonstrate and purchase or lease state-of-the-art, clean bus and rail equipment and infrastructure that eliminate fossil fuel emissions and increase intercity rail and intercity bus frequencies.
- **Zero-Emission Buses and Trucks**—\$1.4 billion (\$1.3 billion General Fund, \$87 million Air Pollution Control Fund) to demonstrate and purchase or lease green buses and trucks. These funds are budgeted outside of the transportation budget and are included and described in the Climate Resilience Chapter.

### CLEAN CALIFORNIA INITIATIVE

The May Revision also includes the new Clean California Initiative in which Caltrans will partner with local governments in a statewide beautification effort. One-time funding of \$1.5 billion General Fund will be used for a three-year effort to clean up garbage statewide, beautify the state's transportation network, educate the public about the harms of litter, and create long-lasting litter deterrents. Integral to this effort are close partnerships with local entities, with a focus on increasing resources dedicated to eliminating trash and implementing measures to reduce future litter, creating a cleaner, healthier California. The initiative will also provide resources to beautify the state highways and local roads with regional art and other projects that will serve as community gateways. Thousands of jobs will be created through this initiative in state and local government, as well as the private sector and will provide lasting benefits to communities—especially underserved communities.

Across California, in underserved communities, urban and rural areas, this plan will result in:

- Over one million cubic yards and 17,000 tons of litter eliminated.
- Numerous beautification and litter abatement projects on the state's transportation system.
- Thousands of low barrier jobs for people experiencing or exiting homelessness, at-risk youth, veterans, and those re-entering the workforce post-incarceration.
- Hundreds of art installations that will have a lasting impact, creating jobs and opportunities for local artists and students.

Local streets and roads, along with state highways and freeways, will be positively impacted by this proposal, from eliminating litter to engaging local communities, to quickly implementing sustainable and green beautification projects that incorporate installations by local artists and help transform dilapidated roadsides into unifying spaces.

This effort will consist of:

- \$418 million for litter abatement activities, strengthening trash collection efforts by Caltrans and partners to eliminate over one million cubic yards of trash from state routes, increasing access to waste facilities and providing free monthly disposal days.
- \$430 million for state beautification projects, implementing sustainable, green beautification projects that enhance safety and transform dividing highways into public spaces that unify communities.
- \$444 million for local beautification projects, supporting communities, students, and local artists by working together to create meaningful, livable spaces and establishing a local grant program to match efforts that enhance communities and reduce litter on local streets, tribal land, and near transit centers.
- \$75 million for grants for hundreds of art installations on the state and local transportation system.
- \$50 million for a public education campaign and outreach to schools and students.
- \$83 million over three years for project design, construction, local support and engagement, and administration required to deliver this initiative.