

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 07/01/2019
POSITION: Oppose

BILL NUMBER: SB 127
AUTHOR: Wiener, Scott

BILL SUMMARY: Transportation funding: active transportation: complete streets.

This bill makes significant changes to Department of Transportation (Caltrans) policies to further prioritize complete streets in its projects. These changes include requiring Caltrans to create an Active Transportation Assets Branch within the Transportation Asset Management office and requiring Caltrans, commencing with the 2022 State Highway Operation and Protection Program (SHOPP), to include new complete streets elements as part of all SHOPP projects located along certain types of state and local roads.

FISCAL SUMMARY

While Caltrans was unable to provide a fiscal estimate of this bill prior to the completion of this analysis, Finance estimates the fiscal impact of the bill to be in the tens of millions of dollars annually, including increased Caltrans administrative costs associated with the newly created Active Transportation Assets Branch and increased transportation project costs to incorporate complete streets elements into more SHOPP projects.

COMMENTS

Finance opposes this bill because it significantly increases state costs and makes it more difficult for the state to meet the goals outlined in Road Repair and Accountability Act of 2017 (SB 1, Beall, 2017). In addition, Caltrans already incorporates complete streets elements into projects when it is appropriate.

A complete street is a transportation facility that is planned, designed, operated, and maintained to provide safe mobility for all users, including bicyclists, pedestrians, transit vehicles, truckers, and motorists, appropriate to the function and context of the facility.

Current Caltrans policy prioritizes complete streets in several ways, and Caltrans is continually implementing new policies that focus on adding these elements to projects when it is feasible. It adopted its complete streets policy in 2008 and renewed it in 2014. In 2010, Caltrans issued its Complete Streets Implementation Plan and in 2014 issued its Complete Streets Implementation Plan 2.0. Each of these plans included dozens of action items to further prioritize complete streets elements, including adding complete streets to the Caltrans Highway Design Manual and committing to work with local agencies to look for additional opportunities to incorporate complete streets into its projects. In addition to these specific plans and policies, Caltrans includes complete streets elements in its SHOPP projects when it is appropriate.

The state's Active Transportation Program (ATP) dedicates \$220 million per year to local entities for active transportation projects. ATP funding was nearly doubled in 2017 by SB 1, and the majority of ATP projects contain multiple complete streets elements.

Caltrans currently includes complete streets elements in its SHOPP projects, but only when it is

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| Analyst J. Moore | Date | Program Budget Manager Erika Li | Date |
| Department Deputy Director | | Date | |
| Governor's Office: | By: | Date: | Position Approved _____ Position Disapproved _____ |
| BILL ANALYSIS | | | Form DF-43 (Rev 03/95 Buff) |

Wiener, Scott

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COMMENTS (continued)

appropriate to do so. This bill requires Caltrans to incorporate complete streets in all SHOPP projects located along certain types of state and local roads, or go through an onerous process to exempt the project from the requirement. Examples of projects Caltrans currently performs without incorporating complete streets include:

- A project where there is not enough right-of-way adjacent to the road to include complete streets elements, such as a highway through mountains or other geographical features.
- A project where Caltrans would have to procure additional right-of-way to include complete streets elements, which may be prohibitively expensive or may significantly delay the project.
- A project in an isolated section of road, such that incorporating complete streets elements into the project would not make sense because any resulting bike or pedestrian path would be short and isolated.
- A project where there is only enough right-of-way adjacent to the road for one type of improvement, and the community would prefer a bus lane or other improvement instead to complete streets elements.

In all of these cases, this bill eliminates Caltrans' discretion to include or exclude complete streets elements unless it goes through the onerous process to exempt the project created by the bill.

This bill will increase the cost of SHOPP projects significantly, and because transportation funding in California is limited, the bill will result in Caltrans completing fewer projects than currently planned. Completing fewer projects will impact the state's ability to reach the goals of SB 1, which include achieving a 90 percent level of service for maintenance of various transportation assets and rehabilitating highways such that 98 percent of state highways are in good or fair condition by 2027.

| Code/Department Agency or Revenue Type | SO | (Fiscal Impact by Fiscal Year) | | | | | | Fund Code |
|--|-----------------------------|--------------------------------|------|------|-----------------|---------------|--------------|--------------|
| | | LA | PROP | | 2019-2020 FC | 2020-2021 FC | 2021-2022 FC | |
| | RV | 98 | FC | | | | | |
| 2660/Caltrans | SO | No | A | -- C | 10,000-99,999 C | 10,000-99,999 | 0042 | |
| <u>Fund Code</u> | <u>Title</u> | | | | | | | |
| 0042 | Highway Account, State, STF | | | | | | | |