

APPENDIX C: Existing adopted policy

Purpose: This document compiles summaries of California policies, legislation, and regulatory reforms related to transit, housing, climate, and environmental review. It is intended as a reference document to be used by the California State Transportation Agency in preparation of a broader Transit Transformation Task Force report. The content is based on enacted statutes, official state agency materials, and other publicly available sources.

AB 32 Global Warming Solutions Act (2006) – AB 32 requires California to reduce its GHG emissions to 1990 levels by 2020. The bill requires CARB to develop a Scoping Plan to layout the strategy to meet the GHG reduction goal. ¹

CARB Scoping Plan – The California Air Resources Board (CARB) updates the Scoping Plan every five years to outline the state’s strategy for achieving its statutory GHG reduction targets. The Scoping Plan identifies transportation as the largest source of emissions and sets policy direction for mode shift, fleet electrification, and land use planning. Although it does not allocate funding directly, the Scoping Plan informs the design and eligibility criteria of multiple state programs, including GGRF-funded transit grants and state climate bond proposals, and serves as a guiding document for aligning transportation investments with climate goals.²

SB 375 Sustainable Communities and Climate Protection Act (2008) – SB 375 requires California’s Metropolitan Planning Organizations (MPOs) to develop Sustainable Communities Strategies (SCS) as part of their regional transportation plans. These strategies must demonstrate how the region will meet greenhouse gas (GHG) reduction targets set by the California Air Resources Board (CARB) through coordinated land use and transportation planning that reduces vehicle miles traveled. Projects that align with an adopted SCS are prioritized for funding through state programs such as the Affordable Housing and Sustainable Communities (AHSC) program, the Transit and Intercity Rail Capital Program (TIRCP), and the Active Transportation Program (ATP). SB 375 supports the objectives of AB 32 by integrating land use, housing and transportation planning to reduce GHG emissions from passenger vehicles. ³

SB 1 Road Repair and Accountability Act (2017) – SB 1 allocated billions of dollars annually to maintain the State’s transportation infrastructure. Funding from SB 1 is split between State and local agencies, and supports projects like transit improvements, road maintenance, and active transportation options. SB 1 has several funding programs and is overseen by the California Transportation Commission (CTC).⁴

Cap and Trade / Cap and Invest – California’s Cap-and-Trade program sets a declining cap on statewide GHG emissions and requires large emitters to purchase emission allowances. Revenue from the auction of these allowances is deposited into the Greenhouse Gas Reduction Fund (GGRF), which funds a variety of climate programs. Transit agencies receive support from this fund through the Low Carbon Transit Operations Program

¹ [AB 32](#)

² [Climate Change Scoping Plan](#)

³ [SB 375](#)

⁴ [SB 1](#)

(LCTOP), the Transit and Intercity Rail Capital Program (TIRCP), and programs such as the Clean Mobility Options and the Sustainable Transportation Equity Project (STEP), all of which require demonstration of GHG or vehicle miles traveled (VMT) reductions and benefits to disadvantaged communities.⁵

CEQA Reforms:

- 1. AB 130 (2025) Housing Development and Environmental Review** – AB 130 exempts most infill housing developments from review under the California Environmental Quality Act (CEQA). This statutory change aims to streamline housing production across the state by minimizing environmental review requirements for qualifying infill projects in urbanized areas.⁶
- 2. SB 131 (2025) California Environmental Quality Act (CEQA) Reform** – SB 131 provides statutory CEQA exemptions for specific project types including advanced manufacturing facilities in industrial zones, high-speed rail infrastructure, and wildfire mitigation projects.⁷
- 3. AB 2553 (2024) Major Transit Stops** – CEQA originally defined a major transit stop to include, among other locations, the intersection of 2 or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. SB 2553 revises the definition of major transit stops to increase the frequency of service interval to 20 minutes. Additionally, AB 2553 aims to increase the development of housing near major transit stops by lowering traffic impact fees for housing projects within a certain radius of a major transit stop.⁸
- 4. AB 2011 (2022) The Affordable Housing and High Road Job Act** – AB 2011 allows ministerial approval (and CEQA exemption) for certain affordable and mixed-income housing projects on commercially zoned properties along high-quality transit corridors.⁹
- 5. SB 7 (2021) Jobs and Economic Improvement Through Environmental Leadership Act** – SB 7 provides expedited judicial review (within 270 days) for qualifying large-scale infill projects, clean energy, and transit infrastructure, if they meet specific labor, environmental, and GHG reduction criteria.¹⁰

⁵ [Cap and Trade Program](#)

⁶ [AB 130](#)

⁷ [SB 131](#)

⁸ [AB 2553](#)

⁹ [AB 2011](#)

¹⁰ [SB 7](#)

6. **SB 288 (2020) CEQA Exemptions for Transit and Alternative Transportation**

Projects – SB 288 exempts CEQA on various transportation projects, including transit prioritization projects, transit wayfinding and customer information projects, pedestrian and bicycle facilities projects, charging infrastructure for zero-emission buses, and new rapid transit, bus, or light rail service.¹¹

Regional Housing Needs Policy (RHNA) – California’s RHNA process assigns housing production targets to cities and counties based on projected population growth, affordability levels, access to jobs and transit, and housing equity considerations. California’s local governments then adopt housing plans (called [housing elements](#)) as part of their “general plan” (also required by the state) to show how the jurisdiction will meet local housing needs. Jurisdictions are incentivized to zone for housing near high-quality transit corridors to meet state housing goals as part of California’s Pro-housing Designation Program. Cities that implement and adopt pro-housing policies in their general plans and comply with RHNA receive additional scoring consideration in competitive state programs such as the Affordable Housing and Sustainable Communities (AHSC) and Infill Infrastructure Grant (IIG) programs. Transit agencies working in these jurisdictions may be involved in planning for station-area development or in implementing infrastructure improvements supported by those grants.

Climate Action Plan for Transportation Infrastructure (CAPTI) – CAPTI details how the state recommends investing billions of discretionary transportation dollars annually to aggressively combat and adapt to climate change while supporting public health, safety and equity. CAPTI builds on executive orders signed by Governor Gavin Newsom in 2019 and 2020 targeted at reducing greenhouse gas (GHG) emissions in transportation, which account for more than 40 percent of all polluting emissions, to reach the state's ambitious climate goals.

- [EO N-19-19](#) directs CalSTA to leverage discretionary state transportation funds to reduce GHG emissions in the transportation sector and adapt to climate change.
- [EO N-79-20](#) reaffirms the state's commitment to implementing EO N-19-19, and sets a date no later than July 15, 2021, for CalSTA to "identify near term actions, and investment strategies, to improve clean transportation, sustainable freight and transit options, while continuing a 'fix-it-first' approach to our transportation system."

CAPTI was first adopted in 2021. Since then, CalSTA has reported on its implementation progress with the release of two annual reports. CAPTI 2.0 was released in February 2025,

¹¹ [SB 288](#)

outlining 4 new strategies and 14 new actions to implement the CAPTI investment framework.¹²

Transportation Development Act (1971) – The Mills-Alquist-Deddeh Act (SB 325) was enacted by the California Legislature to improve existing public transportation services and encourage regional transportation coordination. Known as the Transportation Development Act (TDA) of 1971, this law provides funding to be allocated to transit and non-transit related purposes that comply with regional transportation plans.

TDA established two funding sources; the Local Transportation Fund (LTF), and the State Transit Assistance (STA) fund. Providing certain conditions are met, counties with a population under 500,000 (according to the 1970 federal census) may also use the LTF for local streets and roads, construction and maintenance. The STA funding can only be used for transportation planning and mass transportation purposes.

- Local Transportation Fund - LTF is derived from a ¼ cent of the general sales tax collected statewide. The State Board of Equalization, based on sales tax collected in each county, returns the general sales tax revenues to each county's LTF.
- State Transit Assistance Fund- The STA funds are appropriated by the legislature to the State Controller's Office (SCO). The SCO then allocates the tax revenue, by formula, to planning agencies and other selected agencies. Statute requires that 50% of STA funds be allocated according to population and 50% be allocated according to transit operator revenues from the prior fiscal year.

Public Utilities Code (PUC) section 99241 authorizes Caltrans to administer the statutes and regulations of the Transportation Development Act (TDA).¹³

AB 1779 and SB 1225 Intercity Passenger Rail Act of 2012 – AB 1779 and SB 1225 require CalSTA to establish a set of uniform performance standards for all corridors and operators to control costs and improve efficiency of state-supported intercity passenger rail services. Uniform Performance Standards were adopted by CalSTA on June 30, 2014.¹⁴

SB 960 Complete Streets (2024) – SB 960 requires all transportation projects funded or overseen by Caltrans to incorporate “complete streets” elements and develop a Transit Priority policy and guidance for transit priority facilities on state highways. The bill also includes the targets and performance measures adopted by the CTC must reflect state transportation goals and objectives for complete streets assets that reflect the existence

¹² [CAPTI](#)

¹³ [TDA](#)

¹⁴ [AB 1779](#)

and conditions of bicycle, pedestrian, and transit priority facilities on the state highway system. SB 960 also mandates that the State Highway System Management Plan (SHSMP) needs to include specific quantifiable accomplishments, goals, objectives, costs, and performance measures for complete streets facilities and transit priority facilities, as specified. Lastly, the bill requires Caltrans to develop and adopt a project intake, evaluation, and encroachment permit review process for complete streets facilities that are sponsored by local jurisdictions or transit agencies.¹⁵

AB 917 Automated Enforcement of Bus Lanes (2022) – AB 917 allows transit agencies to install automated forward-facing parking control cameras on public transit vehicles to capture video evidence of parking violations in transit-only lanes and transit stops.¹⁶

SB 434 Public Transit for All: Improving Safety & Increasing Ridership (2023) – SB 434 requires the ten public transit agencies with the most unlinked trips in 2019 to conduct and publish surveys on rider’s experience with street harassment, including demographic data and incidents. The ten public transit agencies must collect and publish survey data on or before December 31, 2024.¹⁷

¹⁵ [SB 960](#)

¹⁶ [AB 917](#)

¹⁷ [SB 434](#)