



# Office of the Governor

Item #9  
ARNOLD SCHWARZENEGGER  
THE PEOPLE'S GOVERNOR

## PRESS RELEASE

09/30/2008 GAAS:694:08 FOR IMMEDIATE RELEASE

### Governor Schwarzenegger Signs Sweeping Legislation to Reduce Greenhouse Gas Emissions through Land-Use

Continuing California's environmental leadership in fighting global warming, Governor Arnold Schwarzenegger announced that he has signed SB 375 by Senator Darrell Steinberg (D-Sacramento), which builds on AB 32, California's first-in-the-nation law to reduce greenhouse gas emissions, by adding the nation's first law to control greenhouse gas emissions by curbing sprawl.

 "This landmark bill takes California's fight against global warming to a whole new level, and it creates a model that the rest of the country and world will use," Governor Schwarzenegger said. "When it comes to reducing greenhouse gases, California is first in tackling car emissions, first to tackle low-carbon fuels, and now with this landmark legislation, we are the first in the nation to tackle land-use planning. What this will mean is more environmentally-friendly communities, more sustainable developments, less time people spend in their cars, more alternative transportation options and neighborhoods we can safely and proudly pass on to future generations."

In order to reach the greenhouse gas reduction goals set out in AB 32, the Global Warming Solutions Act of 2006, Californians need to rethink how we design our communities. SB 375 does this by providing emissions-reduction goals around which regions can plan-integrating disjointed planning activities and providing incentives for local governments and developers to follow new conscientiously-planned growth patterns.

 SB 375 enhances the Air Resources Board's (ARB) ability to reach our AB 32 goals by directing ARB to develop regional greenhouse gas emission reduction targets to be achieved from the automobile and light truck sectors for 2020 and 2035. ARB will also work with California's 18 metropolitan planning organizations to align their regional transportation, housing and land-use plans and prepare a "sustainable communities strategy" to reduce the amount of vehicle miles traveled in their respective regions and demonstrate the region's ability to attain its greenhouse gas reduction targets. Spending less time on the road is the single-most powerful way for California to reduce its carbon footprint.

 Additionally, SB 375 provides incentives for creating attractive, walkable and sustainable communities and revitalizing existing communities. The bill also allows home builders to get relief from certain environmental reviews under the California Environmental Quality Act if they build projects consistent with the new sustainable community strategies. It will also encourage the development of more alternative transportation options, which will promote healthy lifestyles and reduce traffic congestion.

The Governor also signed SB 732 by Steinberg which will provide a comprehensive statutory framework to implement new programs under Proposition 84, the \$5.4 billion initiative voters passed in 2006 for safe drinking water, water quality and supply, flood control, natural resource protection and park improvements. The bill also establishes the Strategic Growth Council and will appropriate \$500,000 from Prop 84 to the Resources Agency to support the Council and its activities.

The bill requires the Council to take certain actions with regard to coordinating programs of various state agencies to do the following:

- improve air and water quality,
- improve natural resource protection,

- increase the availability of affordable housing,
- improve transportation,
- meet the goals of AB 32,
- encourage sustainable land use planning and
- revitalize urban community centers in a sustainable manner.

The Council will also manage and award grants and loans to support the planning and development of sustainable communities.

California is leading the fight against climate change with the following strong policies, laws and innovations:

- Global Warming Solutions Act of 2006 (AB 32): AB 32 established a first-in-the-world comprehensive program of regulatory and market mechanisms to achieve real, quantifiable, cost-effective reductions of greenhouse gas emissions. The law will reduce carbon emissions in California to 1990 levels by 2020.
- Low Carbon Fuel Standard (LCFS): California's LCFS requires fuel providers to reduce the carbon intensity of transportation fuels sold in the state, dramatically expanding the market for alternative fuels. To start, the LCFS will reduce carbon content in all passenger vehicle fuels sold in California by at least 10 percent by 2020 and more thereafter.
- Million Solar Roofs Initiative: The Governor's \$2.9 billion incentive plan for home and building owners who install solar electric systems will lead to one million solar roofs in California by the year 2018, provide 3,000 megawatts of clean energy and reduce greenhouse gas emissions by 3 million tons.
- Renewable Portfolio Standard (RPS): California's RPS calls for more energy to come from clean, renewable sources. In 2003, the Governor called for an acceleration of the RPS, pushing for 20 percent of California's energy to come from renewable energy sources by 2010 rather than 2017, seven years earlier than statute. This accelerated standard became law in 2006 when the Governor signed SB 107.
- California's automobile emissions standards: The Governor has been pursuing every avenue possible to enforce California's 2002 law, AB 1493 by Assemblymember Fran Pavley, which allows California to enact and enforce emissions standards to reduce greenhouse gas emissions from automobiles, including a lawsuit against the U.S. Environmental Protection Agency to overturn its decision denying California's waiver request to enforce our standards.

# OFFICE OF THE GOVERNOR

## Arnold Schwarzenegger

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10/01/2008

#### Senate Bill 375: Redesigning Communities to Reduce Greenhouse Gases

10/1/2008



The single-largest source of greenhouse gases in California is emissions from passenger vehicles, and in order to reduce those emissions, we must work to reduce Californians' vehicle-miles traveled (VMTs). That means helping people spend less time in their cars to get to work and to the grocery store. In order to reach California's greenhouse gas reductions goals set out in the Global Warming Solutions Act of 2006 (AB 32), we must rethink how we design our communities.

Senate Bill 375 by incoming Senator Pro Tem Darrell Steinberg would be the nation's first law to control greenhouse gas emissions by curbing sprawl. SB 375 provides emissions-reducing goals for which regions can plan, integrates disjointed planning activities, and provides incentives for local governments and developers to follow new conscientiously-planned growth patterns. SB 375 enhances the Air Resources Board's (ARB) ability to reach AB 32 goals.

Just as the railroad transformed California, and decades later our freeway system did the same, SB 375 will be responsible for reshaping the face of California's communities into more sustainable, walkable communities, with alternative transportation options and increased quality of life.

#### *Reducing Harmful Greenhouse Gases Through Better Land-Use Planning*

For California to reach its greenhouse gas reduction goals, we must address how the state's communities grow. This law will direct the ARB to set greenhouse gas reduction targets for regions of the state and work with California's 18 metropolitan planning organizations (MPOs) to align their transportation, housing, and regional land-use plans with greenhouse gas reductions in mind.

**FACT:** California's population - now 38 million - is projected to grow to 46 million by 2030, the equivalent of adding eight new San Franciscos to the state. More people means more cars, and more cars means more miles driven, and that growth threatens to erode the progress of all other vehicle-related global warming reduction measures ARB is currently developing.

And that will mean less greenhouse gases emitted. Practically, this will mean envisioning and planning for communities that rely less on automobiles and get Californians out of their cars for routine trips such as to work and the grocery store. Spending less time on the road is the single-most

powerful way for California to reduce its carbon footprint.

**FACT:** Passenger vehicles are the largest single source of greenhouse gas emissions in California, accounting for 30 percent of the total.

It will also mean a higher quality of life. SB 375 provides incentives for creating attractive, walkable, sustainable communities and revitalizing existing ones. It will also encourage the development of more alternative transportation options. By doing so, this law will promote healthy lifestyles and reduce traffic congestion so Californians can spend less time on the road.

### *A First-In-The-Nation Move*

For the state that epitomizes car culture to tackle the global warming problem of long commutes is a historic event. Over much of the past century, California was shaped largely by the automobile - our freeway system, our drive-thru restaurants, our bedroom communities. Starting now, our environmental goals and our focus on healthy lifestyles will give a facelift to California's car culture.

This is another first for California, which continues to lead the nation and the world in its aggressive fight against global warming. No other state in the nation is tackling land-use planning related to greenhouse gases.

The Governor continues to work to boost California's economy while protecting its environment. Governor Schwarzenegger's green initiatives will mean jobs in California and more opportunities in the emerging green-tech and clean-tech industries as innovators work to develop new ways to reduce greenhouse gas emissions.

### *The Legislation*

Senate Bill 375 (Darrell Steinberg, D-Sacramento) requires the ARB to develop regional greenhouse gas emission reduction targets to be achieved from the automobile and light truck sectors for 2020 and 2035. The 18 MPOs in California will prepare a "sustainable communities strategy" to reduce the amount of vehicle miles traveled (VMT) in their respective regions and demonstrate the ability for the region to attain ARB's targets.

- ARB would later determine if each region is on track to meet their targets.
- Builders also would get relief from certain environmental reviews under California Environmental Quality Act if they build projects consistent with the new sustainable community strategies.
- In addition, cities would get extra time -- eight years instead of five -- to update housing plans required by the state.

*The Governor's Record on Reducing Greenhouse Gas Emissions:* With strong policies, laws and innovation, California is leading the fight against climate change.

- Global Warming Solutions Act of 2006 (AB 32): AB32 established a first-in-the-world comprehensive program of regulatory and market mechanisms to achieve real, quantifiable, cost-effective reductions of greenhouse gas emissions. The law will reduce carbon emissions in California to 1990 levels by 2020.
- Low Carbon Fuel Standard (LCFS): California's LCFS requires fuel providers to reduce the

carbon intensity of transportation fuels sold in the state, dramatically expanding the market for alternative fuels. By 2020, the LCFS will reduce carbon content in all passenger vehicle fuels sold in California by 10 percent.

- **Million Solar Roofs Initiative:** The Governor's \$2.9 billion incentive plan for home and building owners who install solar electric systems will lead to one million solar roofs in California by the year 2018, provide 3,000 megawatts of clean energy and reduce greenhouse gas emissions by 3 million tons.
- **Renewable Portfolio Standard (RPS):** California's RPS calls for more energy to come from clean, renewable sources. In 2003, the Governor called for an acceleration of the RPS, pushing for 20 percent of California's energy to come from renewable energy sources by 2010 rather than 2017, seven years earlier than statute. This accelerated standard became law in 2006, when the Governor signed SB 107.
- **California's automobile emissions standards:** The Governor has been pursuing every avenue possible to enforce California's 2002 California law, AB 1493 by Assemblymember Fran Pavley, which allows California to enact and enforce emissions standards to reduce greenhouse gas emissions from automobiles, including a lawsuit against the U.S. Environmental Protection Agency to overturn its decision denying a waiver to enforce state regulations to limit greenhouse gas emissions from cars.

What They're Saying About Senate Bill 375:

**Contra Costa Times: "Reducing Greenhouse Gas Emissions Is Best Accomplished With A Comprehensive Plan That Includes Land Use."** "Technology will play a major role as hybrid and other high-mileage cars replace less efficient vehicles. But more must be done if California is to meet its goals. Less driving as well as greater fuel efficiency is needed. That is where Senate Bill 375 by Darrell Steinberg, D-Sacramento, comes in. The measure's supporters understand that reducing greenhouse gas emissions is best accomplished with a comprehensive plan that includes land use to go along with transportation strategies." (Editorial, "Smart Growth Measure Fights Greenhouse Gas Emissions," *Contra Costa Times*, 8/31/08)

- **Contra Costa Times:** "We are confident that Californians can significantly cut back on their consumption of fossil fuels with new technology and intelligent development that results in less driving. SB 375 is an important part of that strategy and merits bipartisan support in the Legislature and the governor's signature." (Editorial, "Smart Growth Measure Fights Greenhouse Gas Emissions," *Contra Costa Times*, 8/31/08)

**Bakersfield Californian: "The Bill Would Create Opportunities For Local Creativity In The Pursuit Of Common, Statewide Benefits."** (Editorial, "We Must Change The Way We Think About Growth," *Bakersfield Californian*, 8/30/08)

- **Bakersfield Californian:** "Creatively Applied, Attractively Rendered Urban Density Built Around Mass Transit Lends Itself To Job Growth, Affordable Housing And Protection Of Farmland, Never Mind Cleaner Air." "Steinberg's bill would not eliminate the suburbs or the big, ranch-style homes that some people prefer, but rather create an environment that would give homebuyers more responsible and affordable options. Creatively applied, attractively rendered urban density built around mass transit lends itself to job growth, affordable housing and protection of farmland, never mind cleaner air. The time to take bold strides in that direction is now." (Editorial, "We Must Change The Way We Think About Growth," *Bakersfield Californian*, 8/30/08)

***The Fresno Bee: "A Carefully Crafted Effort To Rein In Sprawl, Cut Greenhouse Gas Emissions, Boost Mass Transit."*** "... The measure, Senate Bill 375, by Sen. Darrell Steinberg, D-Sacramento, is a carefully crafted effort to rein in sprawl, cut greenhouse gas emissions, boost mass transit and increase the amount of affordable housing in the state. It deserves the governor's signature." (Editorial, "Bill To Reward Smart Growth; Bipartisan Effort Addresses Several Of State's Biggest Problems," *The Fresno Bee*, 8/31/08)

- ***The Fresno Bee: "SB 375 Is A Real Breakthrough... The Need Is Obvious."*** (Editorial, "Bill To Reward Smart Growth; Bipartisan Effort Addresses Several Of State's Biggest Problems," *The Fresno Bee*, 8/31/08)

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Senate Bill No. 375

\_\_\_\_\_  
Passed the Senate August 30, 2008

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*Secretary of the Senate*

\_\_\_\_\_  
Passed the Assembly August 25, 2008

\_\_\_\_\_  
*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2008, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Sections 65080, 65400, 65583, 65584.01, 65584.02, 65584.04, 65587, and 65588 of, and to add Sections 14522.1, 14522.2, and 65080.01 to, the Government Code, and to amend Section 21061.3 of, to add Section 21159.28 to, and to add Chapter 4.2 (commencing with Section 21155) to Division 13 of, the Public Resources Code, relating to environmental quality.

## LEGISLATIVE COUNSEL'S DIGEST

SB 375, Steinberg. Transportation planning: travel demand models: sustainable communities strategy: environmental review.

(1) Existing law requires certain transportation planning activities by the Department of Transportation and by designated regional transportation planning agencies, including development of a regional transportation plan. Certain of these agencies are designated under federal law as metropolitan planning organizations. Existing law authorizes the California Transportation Commission, in cooperation with the regional agencies, to prescribe study areas for analysis and evaluation.

This bill would require the commission to maintain guidelines, as specified, for travel demand models used in the development of regional transportation plans by metropolitan planning organizations. The bill would require the commission to consult with various agencies in this regard, and to form an advisory committee and to hold workshops before amending the guidelines.

This bill would also require the regional transportation plan for regions of the state with a metropolitan planning organization to adopt a sustainable communities strategy, as part of its regional transportation plan, as specified, designed to achieve certain goals for the reduction of greenhouse gas emissions from automobiles and light trucks in a region. The bill would require the State Air Resources Board, working in consultation with the metropolitan planning organizations, to provide each affected region with greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035 by September 30, 2010, to appoint a Regional Targets Advisory Committee to recommend factors and methodologies for setting those targets, and to update



those targets every 8 years. The bill would require certain transportation planning and programming activities by the metropolitan planning organizations to be consistent with the sustainable communities strategy contained in the regional transportation plan, but would state that certain transportation projects programmed for funding on or before December 31, 2011, are not required to be consistent with the sustainable communities strategy process. To the extent the sustainable communities strategy is unable to achieve the greenhouse gas emission reduction targets, the bill would require affected metropolitan planning organizations to prepare an alternative planning strategy to the sustainable communities strategy showing how the targets would be achieved through alternative development patterns, infrastructure, or additional transportation measures or policies. The bill would require the State Air Resources Board to review each metropolitan planning organization's sustainable communities strategy and alternative planning strategy to determine whether the strategy, if implemented, would achieve the greenhouse gas emission reduction targets. The bill would require a strategy that is found to be insufficient by the state board to be revised by the metropolitan planning organization, with a minimum requirement that the metropolitan planning organization must obtain state board acceptance that an alternative planning strategy, if implemented, would achieve the targets. The bill would state that the adopted strategies do not regulate the use of land and are not subject to state approval, and that city or county land use policies, including the general plan, are not required to be consistent with the regional transportation plan, which would include the sustainable growth strategy, or the alternative planning strategy. The bill would also require the metropolitan planning organization to hold specified informational meetings in this regard with local elected officials and would require a public participation program with workshops and public hearings for the public, among other things. The bill would enact other related provisions.

Because the bill would impose additional duties on local agencies, it would impose a state-mandated local program.

(2) The Planning and Zoning Law requires each city, county, or city and county to prepare and adopt a general plan for its jurisdiction that contains certain mandatory elements, including a housing element. Existing law requires the housing element to

identify the existing and projected housing needs of all economic segments of the community.

Existing law requires the housing element, among other things, to contain a program which sets forth a 5-year schedule of actions of the local government to implement the goals and objectives of the housing element. Existing law requires the program to identify actions that will be undertaken to make sites available to accommodate various housing needs, including, in certain cases, the rezoning of sites to accommodate 100% of the need for housing for very low and low-income households.

This bill would instead require the program to set forth a schedule of actions during the planning period, as defined, and require each action to have a timetable for implementation. The bill would generally require rezoning of certain sites to accommodate certain housing needs within specified times, with an opportunity for an extension time in certain cases, and would require the local government to hold a noticed public hearing within 30 days after the deadline for compliance expires. The bill would, under certain conditions, prohibit a local government that fails to complete a required rezoning within the timeframe required from disapproving a housing development project, as defined, or from taking various other actions that would render the project infeasible, and would allow the project applicant or any interested person to bring an action to enforce these provisions. The bill would also allow a court to compel a local government to complete the rezoning within specified times and to impose sanctions on the local government if the court order or judgment is not carried out, and would provide that in certain cases the local government shall bear the burden of proof relative to actions brought to compel compliance with specified deadlines and requirements.

Existing law requires each local government to review and revise its housing element as frequently as appropriate, but not less than every 5 years.

This bill would extend that time period to 8 years for those local governments that are located within a region covered by a metropolitan planning organization in a nonattainment region or by a metropolitan planning organization or regional transportation planning agency that meets certain requirements. The bill would also provide that, in certain cases, the time period would be reduced to 4 years or other periods, as specified.

The bill would enact other related provisions. Because the bill would impose additional duties on local governments relative to the housing element of the general plan, it would thereby impose a state-mandated local program.

(3) The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

 This bill would exempt from CEQA a transit priority project, as defined, that meets certain requirements and that is declared by the legislative body of a local jurisdiction to be a sustainable communities project. The transit priority project would need to be consistent with a metropolitan planning organization's sustainable communities strategy or an alternative planning strategy that has been determined by the State Air Resources Board to achieve the greenhouse gas emission reductions targets. The bill would provide for limited CEQA review of various other transit priority projects.

 The bill, with respect to other residential or mixed-use residential projects meeting certain requirements, would exempt the environmental documents for those projects from being required to include certain information regarding growth inducing impacts or impacts from certain vehicle trips.

The bill would also authorize the legislative body of a local jurisdiction to adopt traffic mitigation measures for transit priority projects. The bill would exempt a transit priority project seeking a land use approval from compliance with additional measures for traffic impacts, if the local jurisdiction has adopted those traffic mitigation measures.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares all of the following:

(a) The transportation sector contributes over 40 percent of the greenhouse gas emissions in the State of California; automobiles and light trucks alone contribute almost 30 percent. The transportation sector is the single largest contributor of greenhouse gases of any sector.

(b) In 2006, the Legislature passed and the Governor signed Assembly Bill 32 (Chapter 488 of the Statutes of 2006; hereafter AB 32), which requires the State of California to reduce its greenhouse gas emissions to 1990 levels no later than 2020. According to the State Air Resources Board, in 1990 greenhouse gas emissions from automobiles and light trucks were 108 million metric tons, but by 2004 these emissions had increased to 135 million metric tons.

(c) Greenhouse gas emissions from automobiles and light trucks can be substantially reduced by new vehicle technology and by the increased use of low carbon fuel. However, even taking these measures into account, it will be necessary to achieve significant additional greenhouse gas reductions from changed land use patterns and improved transportation. Without improved land use and transportation policy, California will not be able to achieve the goals of AB 32.

(d) In addition, automobiles and light trucks account for 50 percent of air pollution in California and 70 percent of its consumption of petroleum. Changes in land use and transportation policy, based upon established modeling methodology, will provide significant assistance to California's goals to implement the federal and state Clean Air Acts and to reduce its dependence on petroleum.

(e) Current federal law requires regional transportation planning agencies to include a land use allocation in the regional transportation plan. Some regions have engaged in a regional

“blueprint” process to prepare the land use allocation. This process has been open and transparent. The Legislature intends, by this act, to build upon that successful process by requiring metropolitan planning organizations to develop and incorporate a sustainable communities strategy which will be the land use allocation in the regional transportation plan.

(f) The California Environmental Quality Act (CEQA) is California’s premier environmental statute. New provisions of CEQA should be enacted so that the statute encourages developers to submit applications and local governments to make land use decisions that will help the state achieve its climate goals under AB 32, assist in the achievement of state and federal air quality standards, and increase petroleum conservation.

(g) Current planning models and analytical techniques used for making transportation infrastructure decisions and for air quality planning should be able to assess the effects of policy choices, such as residential development patterns, expanded transit service and accessibility, the walkability of communities, and the use of economic incentives and disincentives.

(h) The California Transportation Commission has developed guidelines for travel demand models used in the development of regional transportation plans. This act assures the commission’s continued oversight of the guidelines, as the commission may update them as needed from time to time.

(i) California local governments need a sustainable source of funding to be able to accommodate patterns of growth consistent with the state’s climate, air quality, and energy conservation goals.

SEC. 2. Section 14522.1 is added to the Government Code, to read:

14522.1. (a) (1) The commission, in consultation with the department and the State Air Resources Board, shall maintain guidelines for travel demand models used in the development of regional transportation plans by federally designated metropolitan planning organizations.

(2) Any revision of the guidelines shall include the formation of an advisory committee that shall include representatives of the metropolitan planning organizations, the department, organizations knowledgeable in the creation and use of travel demand models, local governments, and organizations concerned with the impacts of transportation investments on communities and the environment.

Before amending the guidelines, the commission shall hold two workshops on the guidelines, one in northern California and one in southern California. The workshops shall be incorporated into regular commission meetings.

(b) The guidelines shall, at a minimum and to the extent practicable, taking into account such factors as the size and available resources of the metropolitan planning organization, account for all of the following:

(1) The relationship between land use density and household vehicle ownership and vehicle miles traveled in a way that is consistent with statistical research.

(2) The impact of enhanced transit service levels on household vehicle ownership and vehicle miles traveled.

(3) Changes in travel and land development likely to result from highway or passenger rail expansion.

(4) Mode splitting that allocates trips between automobile, transit, carpool, and bicycle and pedestrian trips. If a travel demand model is unable to forecast bicycle and pedestrian trips, another means may be used to estimate those trips.

(5) Speed and frequency, days, and hours of operation of transit service.

SEC. 3. Section 14522.2 is added to the Government Code, to read:

14522.2. (a) A metropolitan planning organization shall disseminate the methodology, results, and key assumptions of whichever travel demand models it uses in a way that would be useable and understandable to the public.

(b) Transportation planning agencies other than those identified in paragraph (1) of subdivision (a) of Section 14522.1, cities, and counties are encouraged, but not required, to utilize travel demand models that are consistent with the guidelines in the development of their regional transportation plans.

SEC. 4. Section 65080 of the Government Code is amended to read:

65080. (a) Each transportation planning agency designated under Section 29532 or 29532.1 shall prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system, including, but not limited to, mass transportation, highway, railroad, maritime, bicycle, pedestrian, goods movement, and aviation facilities and services. The plan



shall be action-oriented and pragmatic, considering both the short-term and long-term future, and shall present clear, concise policy guidance to local and state officials. The regional transportation plan shall consider factors specified in Section 134 of Title 23 of the United States Code. Each transportation planning agency shall consider and incorporate, as appropriate, the transportation plans of cities, counties, districts, private organizations, and state and federal agencies.



(b) The regional transportation plan shall be an internally consistent document and shall include all of the following:

(1) A policy element that describes the transportation issues in the region, identifies and quantifies regional needs, and describes the desired short-range and long-range transportation goals, and pragmatic objective and policy statements. The objective and policy statements shall be consistent with the funding estimates of the financial element. The policy element of transportation planning agencies with populations that exceed 200,000 persons may quantify a set of indicators including, but not limited to, all of the following:

(A) Measures of mobility and traffic congestion, including, but not limited to, daily vehicle hours of delay per capita and vehicle miles traveled per capita.

(B) Measures of road and bridge maintenance and rehabilitation needs, including, but not limited to, roadway pavement and bridge conditions.

(C) Measures of means of travel, including, but not limited to, percentage share of all trips (work and nonwork) made by all of the following:

- (i) Single occupant vehicle.
- (ii) Multiple occupant vehicle or carpool.
- (iii) Public transit including commuter rail and intercity rail.
- (iv) Walking.
- (v) Bicycling.

(D) Measures of safety and security, including, but not limited to, total injuries and fatalities assigned to each of the modes set forth in subparagraph (C).

(E) Measures of equity and accessibility, including, but not limited to, percentage of the population served by frequent and reliable public transit, with a breakdown by income bracket, and

percentage of all jobs accessible by frequent and reliable public transit service, with a breakdown by income bracket.

(F) The requirements of this section may be met utilizing existing sources of information. No additional traffic counts, household surveys, or other sources of data shall be required.

(2) A sustainable communities strategy prepared by each metropolitan planning organization as follows:

(A) No later than September 30, 2010, the State Air Resources Board shall provide each affected region with greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035, respectively.

(i) No later than January 31, 2009, the state board shall appoint a Regional Targets Advisory Committee to recommend factors to be considered and methodologies to be used for setting greenhouse gas emission reduction targets for the affected regions. The committee shall be composed of representatives of the metropolitan planning organizations, affected air districts, the League of California Cities, the California State Association of Counties, local transportation agencies, and members of the public, including homebuilders, environmental organizations, planning organizations, environmental justice organizations, affordable housing organizations, and others. The advisory committee shall transmit a report with its recommendations to the state board no later than September 30, 2009. In recommending factors to be considered and methodologies to be used, the advisory committee may consider any relevant issues, including, but not limited to, data needs, modeling techniques, growth forecasts, the impacts of regional jobs-housing balance on interregional travel and greenhouse gas emissions, economic and demographic trends, the magnitude of greenhouse gas reduction benefits from a variety of land use and transportation strategies, and appropriate methods to describe regional targets and to monitor performance in attaining those targets. The state board shall consider the report prior to setting the targets.

(ii) Prior to setting the targets for a region, the state board shall exchange technical information with the metropolitan planning organization and the affected air district. The metropolitan planning organization may recommend a target for the region. The metropolitan planning organization shall hold at least one public workshop within the region after receipt of the report from the

advisory committee. The state board shall release draft targets for each region no later than June 30, 2010.

(iii) In establishing these targets, the state board shall take into account greenhouse gas emission reductions that will be achieved by improved vehicle emission standards, changes in fuel composition, and other measures it has approved that will reduce greenhouse gas emissions in the affected regions, and prospective measures the state board plans to adopt to reduce greenhouse gas emissions from other greenhouse gas emission sources as that term is defined in subdivision (i) of Section 38505 of the Health and Safety Code and consistent with the regulations promulgated pursuant to the California Global Warming Solutions Act of 2006 (Division 12.5 (commencing with Section 38500) of the Health and Safety Code).

(iv) The state board shall update the regional greenhouse gas emission reduction targets every eight years consistent with each metropolitan planning organization's timeframe for updating its regional transportation plan under federal law until 2050. The state board may revise the targets every four years based on changes in the factors considered under clause (iii) above. The state board shall exchange technical information with the Department of Transportation, metropolitan planning organizations, local governments, and affected air districts and engage in a consultative process with public and private stakeholders prior to updating these targets.

(v) The greenhouse gas emission reduction targets may be expressed in gross tons, tons per capita, tons per household, or in any other metric deemed appropriate by the state board.

(B) Each metropolitan planning organization shall prepare a sustainable communities strategy, subject to the requirements of Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, including the requirement to utilize the most recent planning assumptions considering local general plans and other factors. The sustainable communities strategy shall (i) identify the general location of uses, residential densities, and building intensities within the region; (ii) identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period of the regional transportation plan taking into account net migration into the region, population growth, household



formation and employment growth; (iii) identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Section 65584; (iv) identify a transportation network to service the transportation needs of the region; (v) gather and consider the best practically available scientific information regarding resource areas and farmland in the region as defined in subdivisions (a) and (b) of Section 65080.01; (vi) consider the state housing goals specified in Sections 65580 and 65581; (vii) set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the greenhouse gas emissions from automobiles and light trucks to achieve, if there is a feasible way to do so, the greenhouse gas emission reduction targets approved by the state board; and (viii) allow the regional transportation plan to comply with Section 176 of the federal Clean Air Act (42 U.S.C. Sec. 7506). Within the jurisdiction of the Metropolitan Transportation Commission, as defined by Section 66502, the Association of Bay Area Governments shall be responsible for clauses (i), (ii), (iii), (v), and (vi), the Metropolitan Transportation Commission shall be responsible for clauses (iv) and (viii); and the Association of Bay Area Governments and the Metropolitan Transportation Commission shall jointly be responsible for clause (vii).

(C) In the region served by the multicounty transportation planning agency described in Section 130004 of the Public Utilities Code, a subregional council of governments and the county transportation commission may work together to propose the sustainable communities strategy and an alternative planning strategy, if one is prepared pursuant to subparagraph (H), for that subregional area. The metropolitan planning organization may adopt a framework for a subregional sustainable communities strategy or a subregional alternative planning strategy to address the intraregional land use, transportation, economic, air quality, and climate policy relationships. The metropolitan planning organization shall include the subregional sustainable communities strategy for that subregion in the regional sustainable communities strategy to the extent consistent with this section and federal law and approve the subregional alternative planning strategy, if one is prepared pursuant to subparagraph (H), for that subregional area to the extent consistent with this section. The metropolitan planning

organization shall develop overall guidelines, create public participation plans pursuant to subparagraph (E), ensure coordination, resolve conflicts, make sure that the overall plan complies with applicable legal requirements, and adopt the plan for the region.

(D) The metropolitan planning organization shall conduct at least two informational meetings in each county within the region for members of the board of supervisors and city councils on the sustainable communities strategy and alternative planning strategy, if any. The metropolitan planning organization may conduct only one informational meeting if it is attended by representatives of the county board of supervisors and city council members representing a majority of the cities representing a majority of the population in the incorporated areas of that county. Notice of the meeting shall be sent to the clerk of the board of supervisors and to each city clerk. The purpose of the meeting shall be to present a draft of the sustainable communities strategy to the members of the board of supervisors and the city council members in that county and to solicit and consider their input and recommendations.

(E) Each metropolitan planning organization shall adopt a public participation plan, for development of the sustainable communities strategy and an alternative planning strategy, if any, that includes all of the following:

(i) Outreach efforts to encourage the active participation of a broad range of stakeholder groups in the planning process, consistent with the agency's adopted Federal Public Participation Plan, including, but not limited to, affordable housing advocates, transportation advocates, neighborhood and community groups, environmental advocates, home builder representatives, broad-based business organizations, landowners, commercial property interests, and homeowner associations.

(ii) Consultation with congestion management agencies, transportation agencies, and transportation commissions.

(iii) Workshops throughout the region to provide the public with the information and tools necessary to provide a clear understanding of the issues and policy choices. At least one workshop shall be held in each county in the region. For counties with a population greater than 500,000, at least three workshops shall be held. Each workshop, to the extent practicable, shall include urban simulation computer modeling to create visual

representations of the sustainable communities strategy and the alternative planning strategy.

(iv) Preparation and circulation of a draft sustainable communities strategy and an alternative planning strategy, if one is prepared, not less than 55 days before adoption of a final regional transportation plan.

(v) At least three public hearings on the draft sustainable communities strategy in the regional transportation plan and alternative planning strategy, if one is prepared. If the metropolitan transportation organization consists of a single county, at least two public hearings shall be held. To the maximum extent feasible, the hearings shall be in different parts of the region to maximize the opportunity for participation by members of the public throughout the region.

(vi) A process for enabling members of the public to provide a single request to receive notices, information, and updates.

(F) In preparing a sustainable communities strategy, the metropolitan planning organization shall consider spheres of influence that have been adopted by the local agency formation commissions within its region.

(G) Prior to adopting a sustainable communities strategy, the metropolitan planning organization shall quantify the reduction in greenhouse gas emissions projected to be achieved by the sustainable communities strategy and set forth the difference, if any, between the amount of that reduction and the target for the region established by the state board.

(H) If the sustainable communities strategy, prepared in compliance with subparagraph (B) or (C), is unable to reduce greenhouse gas emissions to achieve the greenhouse gas emission reduction targets established by the state board, the metropolitan planning organization shall prepare an alternative planning strategy to the sustainable communities strategy showing how those greenhouse gas emission targets would be achieved through alternative development patterns, infrastructure, or additional transportation measures or policies. The alternative planning strategy shall be a separate document from the regional transportation plan, but it may be adopted concurrently with the regional transportation plan. In preparing the alternative planning strategy, the metropolitan planning organization:



(i) Shall identify the principal impediments to achieving the targets within the sustainable communities strategy.

(ii) May include an alternative development pattern for the region pursuant to subparagraphs (B) to (F), inclusive.

(iii) Shall describe how the greenhouse gas emission reduction targets would be achieved by the alternative planning strategy, and why the development pattern, measures, and policies in the alternative planning strategy are the most practicable choices for achievement of the greenhouse gas emission reduction targets.

(iv) An alternative development pattern set forth in the alternative planning strategy shall comply with Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, except to the extent that compliance will prevent achievement of the greenhouse gas emission reduction targets approved by the state board.

(v) For purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code), an alternative planning strategy shall not constitute a land use plan, policy, or regulation, and the inconsistency of a project with an alternative planning strategy shall not be a consideration in determining whether a project may have an environmental effect.

(I) (i) Prior to starting the public participation process adopted pursuant to subparagraph (E) of paragraph (2) of subdivision (b) of Section 65080, the metropolitan planning organization shall submit a description to the state board of the technical methodology it intends to use to estimate the greenhouse gas emissions from its sustainable communities strategy and, if appropriate, its alternative planning strategy. The state board shall respond to the metropolitan planning organization in a timely manner with written comments about the technical methodology, including specifically describing any aspects of that methodology it concludes will not yield accurate estimates of greenhouse gas emissions, and suggested remedies. The metropolitan planning organization is encouraged to work with the state board until the state board concludes that the technical methodology operates accurately.

(ii) After adoption, a metropolitan planning organization shall submit a sustainable communities strategy or an alternative planning strategy, if one has been adopted, to the state board for review, including the quantification of the greenhouse gas emission



reductions the strategy would achieve and a description of the technical methodology used to obtain that result. Review by the state board shall be limited to acceptance or rejection of the metropolitan planning organization's determination that the strategy submitted would, if implemented, achieve the greenhouse gas emission reduction targets established by the state board. The state board shall complete its review within 60 days.



(iii) If the state board determines that the strategy submitted would not, if implemented, achieve the greenhouse gas emission reduction targets, the metropolitan planning organization shall revise its strategy or adopt an alternative planning strategy, if not previously adopted, and submit the strategy for review pursuant to clause (ii). At a minimum, the metropolitan planning organization must obtain state board acceptance that an alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets established for that region by the state board.



(J) Neither a sustainable communities strategy nor an alternative planning strategy regulates the use of land, nor, except as provided by subparagraph (I), shall either one be subject to any state approval. Nothing in a sustainable communities strategy shall be interpreted as superseding the exercise of the land use authority of cities and counties within the region. Nothing in this section shall be interpreted to limit the state board's authority under any other provision of law. Nothing in this section shall be interpreted to authorize the abrogation of any vested right whether created by statute or by common law. Nothing in this section shall require a city's or county's land use policies and regulations, including its general plan, to be consistent with the regional transportation plan or an alternative planning strategy. Nothing in this section requires a metropolitan planning organization to approve a sustainable communities strategy that would be inconsistent with Part 450 of Title 23 of, or Part 93 of Title 40 of, the Code of Federal Regulations and any administrative guidance under those regulations. Nothing in this section relieves a public or private entity or any person from compliance with any other local, state, or federal law.



(K) Nothing in this section requires projects programmed for funding on or before December 31, 2011, to be subject to the provisions of this paragraph if they (i) are contained in the 2007

or 2009 Federal Statewide Transportation Improvement Program, (ii) are funded pursuant to Chapter 12.49 (commencing with Section 8879.20) of Division 1 of Title 2, or (iii) were specifically listed in a ballot measure prior to December 31, 2008, approving a sales tax increase for transportation projects. Nothing in this section shall require a transportation sales tax authority to change the funding allocations approved by the voters for categories of transportation projects in a sales tax measure adopted prior to December 31, 2010. For purposes of this subparagraph, a transportation sales tax authority is a district, as defined in Section 7252 of the Revenue and Taxation Code, that is authorized to impose a sales tax for transportation purposes.

(L) A metropolitan planning organization, or a regional transportation planning agency not within a metropolitan planning organization, that is required to adopt a regional transportation plan not less than every five years, may elect to adopt the plan not less than every four years. This election shall be made by the board of directors of the metropolitan planning organization or regional transportation planning agency no later than June 1, 2009, or thereafter 54 months prior to the statutory deadline for the adoption of housing elements for the local jurisdictions within the region, after a public hearing at which comments are accepted from members of the public and representatives of cities and counties within the region covered by the metropolitan planning organization or regional transportation planning agency. Notice of the public hearing shall be given to the general public and by mail to cities and counties within the region no later than 30 days prior to the date of the public hearing. Notice of election shall be promptly given to the Department of Housing and Community Development. The metropolitan planning organization or the regional transportation planning agency shall complete its next regional transportation plan within three years of the notice of election.

(M) Two or more of the metropolitan planning organizations for Fresno County, Kern County, Kings County, Madera County, Merced County, San Joaquin County, Stanislaus County, and Tulare County may work together to develop and adopt multiregional goals and policies that may address interregional land use, transportation, economic, air quality, and climate relationships. The participating metropolitan planning organizations

may also develop a multiregional sustainable communities strategy, to the extent consistent with federal law, or an alternative planning strategy for adoption by the metropolitan planning organizations. Each participating metropolitan planning organization shall consider any adopted multiregional goals and policies in the development of a sustainable communities strategy and, if applicable, an alternative planning strategy for its region.

(3) An action element that describes the programs and actions necessary to implement the plan and assigns implementation responsibilities. The action element may describe all transportation projects proposed for development during the 20-year or greater life of the plan. The action element shall consider congestion management programming activities carried out within the region.

(4) (A) A financial element that summarizes the cost of plan implementation constrained by a realistic projection of available revenues. The financial element shall also contain recommendations for allocation of funds. A county transportation commission created pursuant to Section 130000 of the Public Utilities Code shall be responsible for recommending projects to be funded with regional improvement funds, if the project is consistent with the regional transportation plan. The first five years of the financial element shall be based on the five-year estimate of funds developed pursuant to Section 14524. The financial element may recommend the development of specified new sources of revenue, consistent with the policy element and action element.

(B) The financial element of transportation planning agencies with populations that exceed 200,000 persons may include a project cost breakdown for all projects proposed for development during the 20-year life of the plan that includes total expenditures and related percentages of total expenditures for all of the following:

- (i) State highway expansion.
- (ii) State highway rehabilitation, maintenance, and operations.
- (iii) Local road and street expansion.
- (iv) Local road and street rehabilitation, maintenance, and operation.
- (v) Mass transit, commuter rail, and intercity rail expansion.
- (vi) Mass transit, commuter rail, and intercity rail rehabilitation, maintenance, and operations.
- (vii) Pedestrian and bicycle facilities.
- (viii) Environmental enhancements and mitigation.

(ix) Research and planning.

(x) Other categories.

(C) The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall consider financial incentives for cities and counties that have resource areas or farmland, as defined in Section 65080.01, for the purposes of, for example, transportation investments for the preservation and safety of the city street or county road system and farm to market and interconnectivity transportation needs. The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall also consider financial assistance for counties to address countywide service responsibilities in counties that contribute towards the greenhouse gas emission reduction targets by implementing policies for growth to occur within their cities.

(c) Each transportation planning agency may also include other factors of local significance as an element of the regional transportation plan, including, but not limited to, issues of mobility for specific sectors of the community, including, but not limited to, senior citizens.

(d) Except as otherwise provided in this subdivision, each transportation planning agency shall adopt and submit, every four years, an updated regional transportation plan to the California Transportation Commission and the Department of Transportation. A transportation planning agency located in a federally designated air quality attainment area or that does not contain an urbanized area may at its option adopt and submit a regional transportation plan every five years. When applicable, the plan shall be consistent with federal planning and programming requirements and shall conform to the regional transportation plan guidelines adopted by the California Transportation Commission. Prior to adoption of the regional transportation plan, a public hearing shall be held after the giving of notice of the hearing by publication in the affected county or counties pursuant to Section 6061.

SEC. 5. Section 65080.01 is added to the Government Code, to read:

65080.01. The following definitions apply to terms used in Section 65080:

(a) "Resource areas" include (1) all publicly owned parks and open space; (2) open space or habitat areas protected by natural