



2023

**STATE
LEGISLATIVE
PRIORITIES**

SCAG'S STATE LEGISLATIVE PRIORITIES

- 1** Protect transportation budget priorities.
- 2** Support local and regional efforts that address the state's housing crisis.
- 3** Support regional efforts to achieve Greenhouse Gas (GHG) emissions reductions.
- 4** Establish a state Task Force to evaluate and make recommendations to modernize the California Environmental Quality Act (CEQA).



THE SCAG REGION

47.6%

STATE
POPULATION

5.7%

U.S.
POPULATION

38,618
SQUARE
MILES

6
COUNTIES

191
CITIES

16
TRIBAL
GOVERNMENTS



ABOUT SCAG

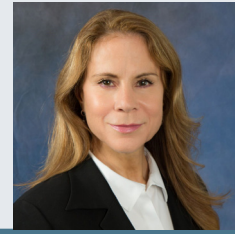
Founded in 1965, the Southern California Association of Governments (SCAG) is a Joint Powers Authority under California state law, established as an association of local governments and agencies that voluntarily convene as a forum to address regional issues. SCAG leads Southern California, serving as a unified voice of the region and empowering local jurisdictions to work toward regional solutions.

The SCAG region encompasses six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura) and 191 cities in an area covering more than 38,000 square miles. The agency develops long-range regional transportation plans, including sustainable communities strategy and growth forecast components, regional transportation improvement programs, regional housing needs allocations and a portion of the South Coast Air Quality management plans.

SCAG is governed by an 86-member board of directors known as the Regional Council whose membership includes local and county elected officials. Additionally, SCAG Bylaws provide for representation of Native American tribes, Air Quality Districts, and the Transportation Corridor Agencies on the Regional Council and policy committees.

In addition to the six counties and 191 cities that make up the SCAG region, SCAG works in partnership with six County Transportation Commissions that hold the primary responsibility for programming and implementing transportation projects, programs and services in their respective counties.

SCAG LEADERSHIP



Jan C. Harnik
Riverside County
Transportation Commission
(RCTC)

PRESIDENT



Art Brown
City of Buena Park
RC District #21

FIRST VICE-PRESIDENT



Curt Hagman
County of San Bernardino

SECOND VICE-PRESIDENT



Clint Lorimore
City of Eastvale
RC District #4

IMMEDIATE PAST PRESIDENT



José Luis Solache
City of Lynwood
RC District #26

LEGISLATIVE COMMITTEE CHAIR

OUR REGION AT-A-GLANCE



18.7M
RESIDENTS



15TH
LARGEST
ECONOMY
WORLDWIDE



\$1.6T
REGIONAL
GDP



40%
NATION'S
CONTAINER
IMPORTS

SCAG'S STATE LEGISLATIVE PRIORITIES

SCAG maintains a State Legislative Platform, which consists of the Regional Council's positions on policies and legislative initiatives related to SCAG's core planning and policy areas – active transportation, affordable housing/housing production, air quality, equity, freight/goods movement, inclusive economic recovery and job creation, sustainability, transportation finance, and transportation safety – that need the leadership and support of the California State Legislature to resolve challenges facing the SCAG region.

The following are SCAG's top four priorities for the 2023 Legislative Year.



1 Protect Transportation Budget Priorities, including historic investments in the state's Active Transportation Program, Transit and Intercity Rail Capital Program, High-Priority Grade Crossing and Separations Fund, and State Highway Account.

In the wake of record-breaking discretionary budget surpluses last year, the Governor and Legislative Leadership crafted a \$15 billion transportation package. Now that the Legislative Analyst Office estimates a budget deficit nearing \$30 billion, the Governor is proposing to claw back portions of that deal, as outlined in his January Budget proposal. This includes:

- **A net \$200 million reduction to the Active Transportation Program (ATP).**

The ATP was created to increase walking and biking trips by improving the safety and mobility of pedestrians and cyclists. In addition, the ATP advances local and regional efforts to achieve greenhouse gas reduction, enhance public health and invest in disadvantaged communities. Demand for ATP funding consistently outpaces available resources. Only about one-quarter of projects requesting funding from the most recent cycle received an award.

- **A net \$2 billion reduction to the Transit and Intercity Rail Capital Program (TIRCP).**

TIRCP provides grants to fund transformative transit capital improvements that modernize California's intercity, commuter and urban rail systems, as well as bus transit systems. These projects greatly reduce GHG emissions, helping regions meet their GHG reduction targets. In addition, the availability of TIRCP resources increases California's competitiveness when applying for grant opportunities provided by the Infrastructure Investment and Jobs Act (IIJA).

Similar to active transportation, transit is a key component of local, regional, and state efforts to combat climate change and reduce congestion, and a critical social service. The ATP and TIRCP programs represent strong partnerships between the local, regional and state levels of government and are fundamental to achieving our shared climate goals.

- **Delaying funds for the High-Priority Grade Crossing and Separation Funds.**

High-Priority Grade Crossing and Separation funds are vital for projects aimed at improving safety and mobility for pedestrians, cyclists and motorists at rail crossings.

These funds support projects that eliminate risks and delays by separating motorized and non-motorized traffic from rail crossings that support Southern California's robust goods movement industry. The goods movement industry is a cornerstone of the local economy in the SCAG region, supporting about 27 percent of our regional gross regional product (GRP).

Currently, 81% of the SCAG region's High Injury Network – defined as sections of roadways where the highest concentrations of collisions occur – is in equity areas, such as state designated disadvantaged communities, federally designated environmental justice areas and communities of concern. With growing railroad traffic, vehicular delays at grade crossings are expected to increase considerably by 2045. Therefore, the High-Priority Grade Crossing and Separation program presents the best opportunity to protect our region's most vulnerable communities, while supporting a sector of the economy that provides employment opportunities to millions of Californians and greatly contributes to the local and national economies.

- **Taking from the State Highway Account (SHA) to backfill deeper cuts.**

The State Highway Account (SHA) funds several key transportation programs, including the Active Transportation Program (ATP) mentioned above; Local Assistance Program (LPA) that provides funding for the local transportation needs of more than 600 cities and counties; State Transportation Improvement Program (STIP), which provides flexible funding for intercity-rail, mass-transit and highway improvements; and the State Highway Operation and Protection Program (SHOPP), which funds "fix it first" and safety projects on the state's roadways. Together, these interdependent programs ensure that our multimodal transportation system can keep up with increased demand, as the SCAG region's population is expected to add 3.7 million people by 2045.

SCAG recognizes the State's unenviable position in dealing with an estimated \$30 billion budget shortfall. As such, the entire Southern California region is committed to being a thought partner with the Administration and Legislature on budget solutions that do not come compromise our State's sustainable future, meeting our climate goals, or that provide a more affordable, equitable and comprehensive transportation system for all Californians.



Southern California cities and counties are committed to doing our part to address the statewide housing affordability crisis. To assist local jurisdictions through the Regional Housing Needs Assessment (RHNA) and Housing Element update processes, the State created the Regional Early Action Planning (REAP) program in 2019 and the REAP 2.0 program in 2021. These actions represent the first time the State provided funding to regions to conduct the RHNA program and support regional housing planning efforts.

Over the past three years, SCAG has used its REAP 1 grant funding to provide technical assistance to local jurisdictions, create development streamlining initiatives and develop a housing leadership academy, all to stimulate housing development in the Southern California region. REAP 2.0 takes the program to the next level by aligning our housing and transportation planning efforts. Through the REAP 2.0 program, funding will be made available to accelerate the implementation of regional and local plans by using local knowledge to support housing development in locations that maximize GHG emissions reductions, consistent with our region's adopted Sustainable Communities Strategy.

These planning efforts are already paying dividends, with 95 of the SCAG region's cities and counties having fully compliant Housing Elements. These 95 Housing Elements represent newly identified,

developable sites for nearly 1,000,000 new housing units in Southern California across all affordability levels.

As the Administration and Legislature consider legislative bills and budgetary priorities for affordable housing and housing production, SCAG offers the following considerations:

- Continue to invest in the Infill Infrastructure Grant Program, a public-private partnership which provides funding for infrastructure improvements that support affordable housing in climate-friendly, infill locations.
- Ensure that the Department of Housing and Community Development's "Revamp the RHNA" report includes thoughtful and meaningful stakeholder participation.
- Provide additional flexibility for cities and counties that continue to work to update their Housing Elements in good faith, especially as it pertains to state funding opportunities.

Thank you for recognizing the important role regional agencies play in convening all housing stakeholders and establishing economies of scale to address the statewide housing crisis. SCAG looks forward to the continued partnership on this topic of critical importance.



SB 375 requires Metropolitan Planning Organizations (MPOs) to create a Sustainable Communities Strategies (SCS) in conjunction with their Regional Transportation Plan (RTP) as a blueprint to achieving reductions in GHG emissions from the transportation sector.

SCAG's RTP/SCS contains more than 3,000 projects, including but not limited to active transportation projects, land-use strategies, managed lanes, railroad grade separations and street safety improvements. Those 3,000 projects are evaluated as an entire system – how they work together – and not individually. While some infrastructure projects may render significant climate benefits, other projects may represent responsible community improvements that advance an affordable housing, air quality conformity, economic development, equity or safety goal. In their totality, those 3,000 projects achieve our region's 19 percent per capita GHG reduction target, as accepted by the California Air Resources Board.

Recent state legislation has attempted to devalue the regional approach to achieving GHG reductions. SCAG, meanwhile,

encourages implementation of the Sustainable Communities Strategies as the most effective way to achieve GHG reduction.

As the Administration and Legislature consider legislative bills and budgetary priorities relating to the regions' sustainable communities strategies, SCAG offers the following considerations:

- Continue to invest in the Infill Infrastructure Grant Program, a public-private partnership which provides funding for infrastructure improvements that support affordable housing in climate-friendly, infill locations.
- Protect investments in the Transit and Intercity Rail Capital Program that expand California's intercity, commuter and urban rail and bus mass transit systems. These investments have the co-benefit of unlocking the full potential of Priority Growth Areas' capacity to reduce GHG.
- Maintain a robust Active Transportation Program to increase the number of walking and biking trips, effectively reducing GHG emissions while also promoting equity, public health and safety.



The California Environmental Quality Act (CEQA) was signed into law by Governor Ronald Reagan in 1970. In recent years, the Legislature has granted a modest number of CEQA exemptions for priority infill, housing and zero-emission transportation projects that help California achieve our ambitious climate and housing goals. However, comprehensive modernization is lacking. While many of these one-off changes are welcome, CEQA litigation continues to target, delay and even stop responsible community improvements, such as transit expansion, renewable energy and infill housing.

Environmental lawsuits typically target high-density housing and transit projects in urban locations, precisely the types of projects that must be built to relieve the state's housing affordability crisis and achieve our climate goals. It also leads to increased construction timelines that translate to increased costs for developers and consumers and even prevent public investment from going as far as it could. It is time to modernize CEQA and preserve the intent of

the law—environmental protection and public participation—while limiting CEQA abuses. To help identify ways to modernize CEQA, SCAG offers the following considerations:

- Establish a Task Force to convene all relevant stakeholders to identify serious proposals to modernize CEQA.
- Stakeholder participation should include representatives from business, climate and environmental advocates, equity communities, the home building industry, organized labor, metropolitan planning organizations and public utilities, among others.
- The Task Force should conduct virtual and in-person public hearings throughout the state. A final report with recommendations could be due to the Legislature by the end of 2024.

UPDATE ON INCLUSIVE ECONOMIC RECOVERY STRATEGY

SCAG's Inclusive Economic Recovery Strategy (IERS) was adopted by our Regional Council in July 2021. The IERS, grounded in data analysis, literature review, and best practices in equity and inclusion, reflects priorities and needs raised during stakeholder convenings and sets forth strategies for SCAG's role in advancing equitable regional economic recovery and growth.

With Senator Susan Rubio's strong leadership, SCAG was awarded \$3.5 million in one-time State funding to implement several core recommendations developed in the IERS. The grant funding is now being implemented through an agreement with the California Workforce Development Board. This project has five study areas and deliverables: (1) Supporting expansion of the number of, and access to, middle-wage jobs; (2) Strengthening supply chains and access to contracting opportunities for small, minority- and woman-owned businesses; (3) Developing recommendations for expanding construction apprenticeships and training; (4) Providing regional economic data; and (5) Addressing barriers to accessing training and employment.

PROJECTS AND TIMELINE



Job Quality Index

Identify and quantify quality jobs for SCAG region

- RFP Released – Fall 2022
- Project Start – November 2022
- Projected Framework Completion – June 2023



Family-Supporting Jobs Plans

Expand access to living-wage jobs

- MOU finalized – March 2023
- Project Start – Spring 2023
- Projected Completion – Fall 2023



Economic Impacts Study of Racial and Gender Inequality

Identify economic impacts of racial and gender inequity for each county in SCAG region

- Project Start – Winter 2022
- Projected Completion – Fall 2023



Apprenticeships Report

Develop recommendations and best practices for expanding pipeline to construction training and apprenticeships to help meet regional housing needs

- Project Start – Winter 2022
- Projected Release Date – Fall 2023



Inclusive Procurement Toolkits

Support our region's diverse local businesses by expanding public and private contracting opportunities

- RFP Released – January 2023
- Project Start – Spring 2023
- Projected Completion – Fall 2023



Human Capital Needs Report

Develop recommendations and best practices for addressing barriers to training and employment, with focus on lower income communities and communities of color

- RFP Release – Spring 2023
- Project Start – Summer 2023
- Projected Completion – Spring 2024

UPDATE ON CONNECT SOCAL



SCAG is currently updating its Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), known as Connect SoCal. Connect SoCal is a long-range visioning plan that seeks to meet the region’s air quality and greenhouse gas reduction goals, while balancing future mobility and housing needs with economic, environmental and public health goals. Connect SoCal embodies a collective vision for the region’s future and is developed with input from local governments, county transportation commissions (CTCs), tribal governments, non-profit organizations, businesses and local stakeholders within the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura. A driving question for this update is: how can the region become more resilient and equitable? The update will also consider how the COVID-19 pandemic may have impacted longstanding trends and planning assumptions.

At the heart of Connect SoCal are thousands of transportation projects—ranging from railroad grade separations to additional bicycle lanes, new transit hubs, highway improvements and replacement bridges. These future investments were included in county plans developed by the six county transportation commissions in the SCAG region and seek to expand mobility choices, reduce traffic bottlenecks and improve the efficiency of the region’s network.

Connect SoCal is an important planning document for the region, allowing project sponsors to qualify for federal funding. The plan will take into account operations and maintenance costs to ensure reliability, longevity and cost effectiveness. In addition, Connect SoCal will be supported by a combination of transportation and land use strategies that help the region achieve state greenhouse gas emission reduction goals and federal Clean Air Act requirements, preserve open space areas, improve public health and roadway safety, support our vital goods movement industry and utilize resources more efficiently.

In Spring 2023, SCAG will be receiving early input from stakeholders through in-person and virtual open house style workshops, pop-up events, Community Based Organization partnerships and an online survey. Following this outreach process and based on updated research and data inputs, SCAG will prepare a draft RTP/SCS for release for public comment this fall. SCAG anticipates consideration of a Proposed Final Connect SoCal 2024 in April 2024. For more information, please visit ConnectSoCal.org.

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