## Smith, Watts & Company, LLC.

## Consulting and Governmental Relations

April 28, 2021

TO: Transportation, Water, and Infrastructure Committee

FROM: Mark Watts

SUBJECT: Sacramento Report – May 2021 TWIC Meeting

This report provides a status update on activities undertaken by the Newsom Admisntration and key legislative or state budget activities.

## **Newsom Administration**

Climate Action Plan for Transportation Infrastructure (CAPTI)

The CTC conducted significant Work Shops over two days on that CAPTI – Climate Action Plan and the **public comment on the CAPTI closes on May 4**.

This effort outlines investment strategies for billions of discretionary transportation dollars annually under programming or grant award control of state agencies. The objective of the new plan is to target transportation programs for adaptation to climate change while supporting public health, safety and equity. The plan builds on executive orders signed by Governor Gavin Newsom in 2019 and 2020 targeted at reducing greenhouse gas (GHG) emissions in transportation.

A key aspect the Secretary has emphasized is the recognition that California will continue the "fix-it-first" approach to maintaining the state's highways, roads and bridges as outlined in SB 1.

## Legislature

Because of a boost in state tax revenue and \$26 billion from the American Rescue Plan, the Assembly is revising its 2021 Budget Blueprint, originally unveiled in December. The surplus and federal funding boost will provide additional investment opportunities to ensure, and even accelerate, an economic recovery that is inclusive of all Californians.

Priorities of the Assembly Democratic leadership for recovery activity include:

- Increasing access to green spaces,
- remediation of air, water and ground water pollution, and
- fully funding active transportation project backlog to expand non-motorized mobility.

It is anticipated that as the Governor's annual budget revision to revenue and work load figures will be forthcoming in mid-May, the discussion between the two houses and the governor will be lot more flexible than in prior years due to the fluidity of the state budget revenues.