



November 25, 2024

The Honorable Gavin Newsom  
Governor, State of California  
1021 O Street, Suite 9000  
Sacramento, CA 95814

## Re: Proposed 2025-26 Budget Request for the Active Transportation Program

Dear Governor Newsom,

Our state faces pressures from climate change, poor air quality, congestion, lack of accessibility, and increasing fatalities on our roads. California is making progress with more and more people transitioning to zero-emission vehicles each year, yet more is needed to significantly reduce emissions from the transportation sector, improve the quality of life for all Californians, and meet state climate mandates under SB 32 and AB 1279<sup>1</sup>. As you prepare your next budget, we ask you to honor your commitment to increase funding for the Active Transportation Program, and we outline three options for how you can deliver greater investment in this highly successful and deeply oversubscribed program.

California continues to suffer the worst air pollution in the nation every single year with far too much asthma, lung cancer, and even premature death due to toxic air<sup>2</sup>. Despite our efforts to implement CAPTI and reduce vehicle miles traveled (VMT), data shows that VMT has increased back up to pre-pandemic levels and continues to grow<sup>3</sup>. Nearly 10% of Americans do not have access to a vehicle<sup>4</sup> and struggle to get to their destinations due to unreliable public transportation and unsafe pedestrian infrastructure, while Californians who do have vehicles struggle to afford them as auto loans have significantly increased over the last three years<sup>5</sup>. Traffic and pedestrian fatalities have also both increased in the last year, with over 4 thousand people dying in vehicle accidents<sup>6</sup>. These issues will only get harder to address over the next four years of the Trump Administration as we lose a strong federal partner to help implement our EV mandates and encourage VMT reduction and mode shift.

While the numbers look dire, we still have an opportunity to turn things around and create a more clean, sustainable, affordable, and accessible transportation system. One solution is for California to build more pedestrian and bicycle infrastructure to create a safe and accessible alternative to driving. Having this option will allow more Californians to choose not to drive to their destinations, reducing traffic on our roads which will lead to fewer GHG and air pollutant emissions. Additionally, by building more infrastructure we can make walking and biking safer, which will encourage even more people to use them and reduce pedestrian fatalities.

California already has a program designed to fund these types of projects, the Active Transportation Program. Administered by the California Transportation Commission (CTC), this program has successfully funded over 1,000 projects since its inception<sup>7</sup>, with 85% of those

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<sup>1</sup> California Air Resources Board (2022) 2022 Progress Report: California's Sustainable Communities and Climate Protection Act <https://ww2.arb.ca.gov/sites/default/files/2023-05/2022-SB150-MainReport-FINAL-ADA.pdf>

<sup>2</sup> American Lung Association (2024) Most Polluted Cities <https://www.lung.org/research/sota/city-rankings/most-polluted-cities>

<sup>3</sup> California Air Resources Board (2024) SB 150 Dashboard - Tracking Progress - Sustainable Communities <https://ww2.arb.ca.gov/our-work/programs/sustainable-communities-program/sb-150-dashboard-tracking-progress-sustainable>

<sup>4</sup> Schaeffer, K. (2024) 1 in 10 Americans rarely or never drive a car. *Pew Research Center* <https://www.pewresearch.org/short-reads/2024/11/14/1-in-10-americans-rarely-or-never-drive-a-car/>

<sup>5</sup> Hoover, S., Ramos, S., and White, E. (2023) Startling Increase in California Auto Loans. *California Policy Lab* <https://www.capolicylab.org/wp-content/uploads/2023/09/Startling-Increase-in-California-Auto-Loans.pdf>

<sup>6</sup> California Office of Traffic Safety (2024) California Traffic Safety Quick Stats <https://www.ots.ca.gov/ots-and-traffic-safety/score-card/>

<sup>7</sup> Appleyard, B. et al. (2024) Ten Years Forward: An Evaluation of California's Active Transportation Program. *Mineta Transportation Institute* <https://transweb.sjsu.edu/sites/default/files/2230-Appleyard-Administrative-Transportation-Infrastructure-Pedestrian.pdf>

projects being located in and benefiting disadvantaged communities<sup>8</sup>. A report recently published by the CTC further highlights all of the benefits this program achieved just last year, showcasing that the projects funded by the program will reduce GHG emissions by 89,000 metric tons, reduce NOx pollutants by 16 tons, and result in 6,000 fewer crashes and 223 fewer fatalities<sup>9</sup>.

The program achieved such phenomenal success in 2022 because it received a one-time influx of an additional \$1.05 billion, which allowed it to fund over 60 additional projects, tripling the number of projects usually funded by the program. However, the program has been facing hardships since that influx. Last year, the program received a \$400M cut which nearly fully wiped its funding for the current cycle. As a result, the CTC currently proposes to only fund 13 projects this year despite receiving almost 300 applications totaling \$2.5B in asks.

Given the importance of this program for the future of California, we are concerned about further cuts to the program. The CTC estimates that \$1.5B is needed in order to fully fund all of the competitive projects within the program<sup>10</sup>. Additionally, during the budget discussions last year, there was a commitment to restore funding if additional funds became available. **We call on you to honor this agreement and increase funding for the Active Transportation Program** as every dollar counts towards creating a better future for California. We urge you to allocate an additional \$700M to the ATP program, which would fund almost 60 new projects. While this is still far below the need, it would go a long way toward building a more sustainable California. We understand that California might be heading into another budget deficit year, and provide below some alternative sources of funding if there is no funding available in the General Fund.

### **Proposal #1: State Highway Account**

The State Highway Account (SHA) is a key funding source as it receives funding from the state excise tax and federal gas and diesel tax, which flows into key transportation programs such as the State Highway Operations and Protection Program (SHOPP) and the State Transportation Improvement Program (STIP). The State Highway Account received \$5.9 billion in the last budget year. While a great amount of that funding had already been appropriated into other programs, \$200M remained in that account after all of the expenditures had been completed. We believe some of this leftover funding could be allocated toward the Active Transportation Program.

### **Proposal #2: State Highway Operations and Protection Program**

The SHOPP program similarly receives \$5.2B each year for the purpose of maintaining our roads. While we strongly support ensuring our roads are properly maintained, we have been concerned that some of the projects within the SHOPP program are being used to make it easier to construct additional highway lanes despite the statute prohibiting such uses. One such example is the Yolo-80 project in Sacramento which was found to be using SHOPP funding to help expand the highway<sup>11</sup>. Additionally, the SHOPP Guidelines allow for funding of new

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<sup>8</sup> California Transportation Commission (2024) Active Transportation Program (ATP)

<https://catc.ca.gov/programs/active-transportation-program>

<sup>9</sup> California Transportation Commission (2024) 2023 Active Transportation Program Benefits Report

<https://catc.ca.gov/-/media/ctc-media/documents/programs/atp/2023-atp-benefits-report-for-posting-v2.pdf>

<sup>10</sup> California Transportation Commission (2024) Senate Bill 1121 Final State and Local Transportation Interim Needs Assessment <https://catc.ca.gov/-/media/ctc-media/documents/programs/sb1121/ctc-final-sb-1121-01-29-24-a11y.pdf>

<sup>11</sup> Khan, D. (2023) Caltrans official says she was demoted for objecting to highway expansion. *Politico*  
[www.politico.com/news/2023/10/03/caltrans-official-demoted-whistleblower-complaint-00119767](http://www.politico.com/news/2023/10/03/caltrans-official-demoted-whistleblower-complaint-00119767)

auxiliary lanes despite there being no evidence that those lanes do not contribute to lane capacity. In order to ensure that all projects within this program are following the law, California could conduct an audit of the SHOPP program and redistribute funding to the Active Transportation Program from any project found resulting in an increase in lane capacity.

### **Proposal #3: Infrastructure Investment and Jobs Act**

The federal Infrastructure Investment and Jobs Act (IIJA) provided California with \$4.8B last year for the construction of various federally-eligible projects. One of these IIJA programs is the National Highway Performance Program (NHPP) which supports projects constructed on the national highway system. While rare, the Active Transportation Program does fund these types of projects. This year, 43 projects applying to the ATP had a portion of their project located on the highway system and none of these projects were able to receive funding due to cuts to the program. In addition, up to 50 percent of any federal program, including NHPP, can be flexed to other programs for other eligible uses on the state and local transportation system, such as the Surface Transportation Block Grant Program, Highway Safety Improvement Program, Congestion Mitigation and Air Quality Improvement Program, and the Carbon Reduction Program. This highlights an opportunity to use or flex federal funding to fund eligible ATP projects, which could also help make California more competitive for federal funding.

Our state is currently on the precipice of change. We have an opportunity to limit the impacts of climate change and poor air quality by increasing investments in clean, sustainable, affordable, and accessible transportation options. We have an opportunity to ensure that children feel safe walking to school. We have an opportunity to help low-income communities find employment opportunities that do not require them to spend a large portion of their paycheck on transportation. We have an opportunity to prevent needless deaths from traffic violence by building safer bicycle and pedestrian infrastructure. We urge you to honor the commitment made last year and increase funding for the Active Transportation Program.

Sincerely,

Sofia Rafikova, Policy Advocate  
Coalition for Clean Air

Jonathan Matz, California Senior Policy Manager  
Safe Routes Partnership

Kevin Shin, Co-Executive Director  
California Walks

Iman Sylvain, PhD, Western Regional Director  
Rails to Trails Conservancy

Jared Sanchez, Policy Director  
CalBike

Jeanie Ward-Waller, Interim Director  
ClimatePlan

Carter Rubin, Director of State Transportation Advocacy  
NRDC

Michael Schneider, CEO  
Streets For All

Carter Lavin, Co-Founder  
Transbay Coalition

Matthew Baker, Policy Director  
Planning and Conservation League

Eli Lipmen  
Move California

David Diaz, MPH, Executive Director  
Active San Gabriel Valley

Eli Akira Kaufman  
BikeLA

Ross Pringle, Communications Director  
Claremont Streets for People

Christy Zamani, Executive Director  
Day One

Stuart Wood, Executive Director  
Sustainable Claremont

Kathy Dervin, Co Chair  
350 Bay Area Transportation Cmt

Zack Deutsch-Gross  
Policy Director, Transform