



June 13, 2025

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

The Honorable Mike McGuire, President pro Tempore
California State Senate
1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable Robert Rivas, Speaker
California State Assembly
1021 O Street, Suite 8330
Sacramento, CA 95814

RE: Maintain Critical GGRF Investment in CARB’s Community-Based Plans-Sustainable Community Strategies

We, the undersigned, representing local government entities, environmental and sustainable economic development organizations, community-based groups, and mobility providers from across the state, write to you today to voice our significant concerns with the proposed cuts to the Greenhouse Gas Reduction Fund (GGRF) investment in the California Air Resources Board’s (CARB) Community Based Plans-Sustainable Community Strategies (CBP-SCS) included in Governor Newsom’s May Revision. This budget line-item funds, among other programs, the Sustainable Transportation Equity Project (STEP), Clean Mobility Options (CMO), and Clean Mobility in Schools (CMIS) programs. These are all competitive grant programs that aim to reduce greenhouse gas (GHG) emissions and vehicle miles traveled (VMT), improve air quality, and address community-identified mobility needs. These programs are, today, funding transportation services that have proved to be a lifeline for priority communities across California and brought real economic, health, and educational benefits that could soon disappear without continued state support.

As negotiations on the budget continue, we urge you to maintain the previously approved investment for this line-item through Fiscal Year (FY) 2027-28 of \$279 million, including \$100 million for FY 2025-26.

With support from the Governor and Legislature, CARB established a series of equity-focused programs under CBP-SCS, including STEP, CMO, and CMIS, to deliver on the state's environmental and public health objectives, while targeting benefits to communities that experience the brunt of climate change impacts and environmental harms because of longstanding transportation inequities. These programs fund projects developed by priority communities for priority communities, shifting significant decision-making power to these communities; build awareness of the viability and benefits of clean

transportation options; and support access to jobs, health care services, and educational opportunities. Taken together, these programs fund community transportation needs assessments, capacity building activities, as well as public transit and shared mobility projects (e.g. car share, bikeshare, ride-hailing services, and microtransit) that address community-identified mobility needs and that provide alternatives to car ownership.

From transporting seniors and youth populations using zero-emission microtransit in border towns with poor air-quality like Calexico, to addressing generations of transit disinvestment in communities like Bayview in San Francisco or Richmond, CBP-SCS funded services are making a real difference in people's lives today. According to [CARB's Climate Investment – 2025 Annual Report](#), these programs have funded more than 100 projects statewide, with 100% of total investment benefitting priority communities, and reduced approximately 30,000 tons of carbon dioxide. These programs have proved so impactful that past funding cycles have been dramatically over-subscribed.

We understand that, with limited resources, the state must make difficult decisions in selecting the programs it will fund from the GGRF. However, we urge you to maintain funding for the CBP-SCS budget line-item, and specifically, the STEP, CMO, and CMIS programs which help priority communities, at the previously approved level - not just because they reduce GHG emissions and improve air quality, but because they also redress years of underinvestment that has left these communities with fewer transportation options and fewer employment, healthcare, and educational opportunities. We also ask that you engage with us on maintaining and increasing state investment in these programs in the years ahead. Without this funding, CARB will not have funding to advance additional projects that provide targeted benefit to our most vulnerable Californians, undermining years of investment and lessons learned from these expanding and improving mobility options. Additionally, while negotiations continue regarding additional aspects of GGRF investments in the May Revise, we also urge the state to ensure funding is maintained for previously approved one-time General Fund and GGRF investments in TIRCP Cycle 6 and SB 125, which now supports several successful CBP-SCS initiatives.

We look forward to working with you to advance a Cap-and-Trade Expenditure Plan that maintains the previously approved GGRF investment for CBP-SCS through Fiscal Year 2027-28 of \$279 million, including \$100 million for FY 2025-26.

Sincerely,

Via Transportation
California Forward
Circulate San Diego

City Heights Community Development
City of Cupertino
City of Santa Clara

City of West Sacramento

Move LA

Move California

North Park Main Street

Redding Area Bus Authority

Richmond Mayor Eduardo Martinez

TransForm

Tri-Delta Transit

SPUR

Urban Collaborative Project CDC

cc: The Honorable Scott Wiener, Chair, Senate Budget and Fiscal Review Committee
The Honorable Jesse Gabriel, Chair, Assembly Budget Committee
The Honorable Ben Allen, Chair, Senate Budget Subcommittee No. 2
The Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4
The Honorable Jacqui Irwin, Chair, Joint Legislative Committee on Climate Change Policies
The Honorable Henry Stern, Vice Chair, Joint Legislative Committee on Climate Change Policies
Members and Consultants, Senate Budget & Fiscal Review Committee
Members and Consultants, Assembly Budget Committee
Members and Consultants, Joint Legislative Committee on Climate Change
Matt Almy, Program Budget Manager, California Department of Finance
Steve Cliff, Executive Officer, California Air Resources Board