



Protect Our Progress

EFFECTIVENESS & ACCOUNTABILITY INITIATIVE



Senate Select Committee on Infrastructure Streamlining and Workforce Equity

Thursday, June 29, 2023

Issue:

Accelerating environmental mitigation by Caltrans as reflected in SB 145 (Newman and Friedman)

Summary:

This bill authorizes the Department of Transportation (Caltrans) to take several actions related to its environmental mitigation or advanced environmental mitigation. Specifically, this bill authorizes Caltrans to acquire environmental mitigation property for the state highway system to be preserved, restored and maintained as natural habitat to offset environmental impacts caused by the system, or for advance mitigation purposes and to transfer or purchase the property, as provided; to create an endowment and enter into agreements, as provided, for an environmental mitigation property to fund the establishment and maintenance of the property; to enter into an agreement for the purchase of, or use an alternative method to purchase, environmental mitigation credits for mitigation responsibilities or advance mitigation purposes, as provided; to enter into a cooperative agreement to hold, manage and invest in an endowment for an environmental mitigation property and disburse payments from the endowment, as provided; and to enter into agreements with certain public and private entities for the purpose of mitigating the environmental impacts of transportation projects or for advance mitigation including the advancement of funds, as necessary.

Starting July 1, 2025, Caltrans is required to provide an annual written report to the Legislature with information about its environmental mitigation program. These provisions sunset December 31, 2033, although any agreements, including endowments, remain in effect. In addition, this bill states that Caltrans will provide an endowment for the habitat on any structures required to satisfy certain mitigation requirements under the California Endangered Species Act. This measure includes an urgency clause.

Comments:

SB 1 (Beall, Chapter 5, Statutes of 2017) established the Advance Mitigation Program at Caltrans authorizing Caltrans to plan and implement advance mitigation solutions for its future transportation projects. According to Caltrans, the primary goal of the Advance Mitigation Program is to address “longer-term future environmental mitigation needs resulting in improved environmental, economic and project delivery outcomes. By consolidating the forecasted mitigation needs of multiple future transportation projects, Caltrans can potentially provide strategically placed and environmentally sound replacement habitat and shorten project delivery timelines, resulting in both time and cost savings. Ultimately, the [Advance Mitigation] Program aims to help Caltrans meet conservation goals in addition to regulatory requirements.”

State law authorizes the creation and transfer of endowments by certain state or local government entities to third parties to fund the management and maintenance of mitigation or other conservation properties. This bill explicitly authorizes Caltrans to fund endowments, as provided.