

**SENATE RULES COMMITTEE**

SB 445

Office of Senate Floor Analyses

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**THIRD READING**

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Bill No: SB 445  
Author: Wiener (D), et al.  
Amended: 4/10/25  
Vote: 21

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SENATE TRANSPORTATION COMMITTEE: 13-0, 4/22/25

AYES: Cortese, Strickland, Archuleta, Arreguín, Blakespear, Cervantes, Dahle, Gonzalez, Grayson, Limón, Menjivar, Richardson, Umberg

NO VOTE RECORDED: Seyarto, Valladares

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

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**SUBJECT:** Transportation: planning: complete streets facilities: sustainable transportation projects**SOURCE:** Streets for All

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**DIGEST:** This bill (1) requires the California Department of Transportation (Caltrans) on or before February 1, 2027, instead of January 1, 2027, to develop and adopt a project intake, evaluation, and encroachment permit review process for complete streets facilities that are sponsored by a local jurisdiction or a transit agency. (2) Expresses the intent of the Legislature to amend this bill with legislation that accelerates and makes more reliable third-party permits and approvals for preconstruction and construction activities on sustainable transportation projects, as specified.**ANALYSIS:**

Existing law:

- 1) Vests Caltrans with the full possession and control of all state highways and all property and rights in property acquired for state highway purposes.

- 2) Authorizes Caltrans to issue encroachment permits and requires Caltrans to either approve or deny an application from an applicant for an encroachment permit within 60 days of receiving a completed application, as provided.
- 3) Requires Caltrans when notifying the applicant of the denial of an encroachment permit to furnish the applicant a detailed explanation of the reason for the denial.
- 4) Requires Caltrans, on or before January 1, 2027, to develop and adopt a project intake, evaluation, and encroachment permit review process for complete streets facilities that are sponsored by a local jurisdiction or a transit agency.
- 5) Requires Caltrans to annually report to the California Transportation Commission information about project applications pursuant to this process, including the number of applications submitted, permits issued, and days required to process each application.
- 6) Requires Caltrans to appoint an encroachment permit manager in each district to ensure that applications for complete streets facilities are reviewed through the process adopted. Requires the encroachment permit manager to have expertise in bicycle, pedestrian, and transit priority facilities.

This bill:

- 1) Finds and declares that sustainable transportation projects are critical for the growth of the state in a manner that reduces greenhouse gas emissions and helps address the state's housing shortage. It is in the interest of the state to accelerate the construction of sustainable transportation projects and avoid cost escalation, ensuring that more projects are built in a cost-effective manner.
- 2) Finds and declares that third-party permits and approvals for preconstruction and construction activities, including utility relocations, design review, and issuance of encroachment or other similar permits, can be a source of delay for sustainable transportation projects, potentially resulting in cost escalations and projects being built late and over budget.
- 3) Expresses the intent of the Legislature to amend this bill with legislation that accelerates and makes more reliable third-party permits and approvals for preconstruction and construction activities on sustainable transportation projects, including through requiring lead agencies engage early with third parties, setting timelines on design review activities to ensure prompt responses between parties, and limiting third-party requirements associated with permits and other approvals.
- 4) Requires Caltrans on or before February 1, 2027, instead of January 1, 2027, to develop

and adopt a project intake, evaluation, and encroachment permit review process for complete streets facilities that are sponsored by a local jurisdiction or a transit agency.

## Comments

- 1) *Purpose of this bill.* According to the author, “Sustainable transportation projects – including public transportation projects like bus rapid transit, light rail, and passenger rail – are essential for an abundant, affordable, zero-emission future. However, these projects are often plagued by delays as lead agencies navigate a balkanized post-environmental permitting and construction process. Getting approvals and negotiating with 3rd-party entities for utility relocations and other work needed to support a project increases project risk and means we get less clean transportation improvements for more money.

“In its initial form, SB 445 cut red tape to streamline and improve 3rd-party permitting and approval timelines, reducing and containing project costs. Out of a desire to work more closely with the agencies that deliver these projects, the 3rd-party stakeholders whose approvals are necessary for projects to proceed, and the relevant policy committees, I have amended this bill for now to just make a minor change to an existing Caltrans complete streets encroachment permitting code section.”

- 2) *Transportation and climate change.* Emissions from the transportation sector, the state’s largest source of greenhouse gases (GHGs), are still on the rise despite statewide GHG emission reduction efforts and increasingly ambitious targets. Shifting people to cleaner modes of transportation, such as transit or bicycle and walking, also serves as a major component of the state’s goal to reach carbon neutrality by 2045. According to the California Air Resource Board’s 2022 Scoping Plan, including the transition to cleaner vehicles and low-carbon fuels, the path to carbon neutrality by 2045 also depends on reducing the amount people drive or vehicle miles traveled by 25% by 2030 and 30% by 2045.
- 3) *Caltrans Encroachment permits.* California has a large network of highways and local streets and roads, consisting of almost 400,000 lane-miles of pavement and over 25,000 bridges. The state highway system, owned and managed by Caltrans, is made up of roughly 50,000 lane miles and 13,000 bridges, including both federal and state highways. Whenever anyone, such as a local government, developer, utility company, or a private citizen wants to do work on any portion of the state’s right-of-way, they must obtain an encroachment permit from Caltrans. Caltrans must either approve or deny an encroachment permit application within 60 calendar days, upon determination that the application is complete. However, the actual time of the total permit process can take much longer based upon the scope and complexity of the proposed work and the completeness of all necessary environmental and other statutory requirements prior to official submittal of the application.

In practice, Caltrans, usually through one of the districts, works directly with the entity applying for the permit. In most instances the length of time for the development of the project and the application for the permit depends on the complexity of the proposed activity. Generally, if a project request is under \$1 million in cost, the permit would be issued or denied within the 60 day time period. If a project is over \$1 million, it would likely constitute a more complex oversight project, which would bring Caltrans into the project process earlier, such as assisting with design and environmental review, which can cause the permit process to take much longer.

- 4) *More complete streets and transit priority facilities on the state highway system.* In an effort to facilitate mode shift, the Legislature approved and Governor Newsom signed into law SB 960 (Wiener, Chapter 630, Statutes of 2024), requiring Caltrans to better incorporate complete streets facilities into planning, design, and construction on the state highway system. Complete streets include bicycle and pedestrian facilities and transit priority facilities. Transit priority facilities are changes to the roadway layout and operations to improve transit efficiency, speed, and reliability.

SB 960 requires Caltrans to develop a transit priority policy and adopt guidance for defining performance measures to support the fast movement of transit vehicles on the state highway system. SB 960 also requires Caltrans to build complete streets into its project planning and asset management program. Additionally, Caltrans must commit to specific targets to incorporate complete streets into state highway reconstruction projects, including on entrances and exits that interact with local streets.

- 5) *Keeping up with the permits.* As detailed above, Caltrans is required to approve or deny an encroachment permit in 60 days, but in practice it may take much longer depending on the size and scope of the project. To help expedite locally-sponsored complete street projects, SB 960 requires Caltrans, on or before January 1, 2027, to develop and adopt a process for project intake, project evaluation, and encroachment permit review for complete streets facilities. The projects must be sponsored by a local jurisdiction or a transit agency.

Additionally, Caltrans must report annually to the California Transportation Commission regarding project applications submitted through the new process. The report must include: the number of completed applications submitted, the number of encroachment permits issued, and the number of days required to process each application. Finally, Caltrans is required to designate an encroachment permit manager in each district to ensure that applications for complete streets facilities are reviewed through the new process. The encroachment permit manager must have expertise in bicycle, pedestrian, and transit priority facilities. SB 445 changes the date Caltrans has to develop and adopt the new process from January 1 to February 1, 2027.

- 6) *Author intends to continue working on project delivery streamlining.* SB 445 contains findings and declarations regarding the critical need for sustainable transportation projects,

including that it is the intent of the state to accelerate the construction of these projects and avoid costs escalations. Additionally, this bill declares that so-called third party permits and approvals for activities, such as utility relocations, design review, and the issuance of permits can be a source of delay for a project. Recent amendments to SB 445 removed language to require certain timeframes for third party agreements and permit and project approvals.

SB 445 also expresses the intent of the Legislature to amend this bill with legislation that accelerates and makes more reliable third-party permits and approvals for preconstruction and construction activities on sustainable transportation projects, including through requiring lead agencies engage early with third parties, setting timelines on design review activities to ensure prompt responses between parties, and limiting third-party requirements associated with permits and other approvals.

After SB 445 was substantially amended on April 9, 2025, the committee reached out to stakeholders to verify their position on this bill. Many stakeholders confirmed their position on the amended bill; however, those writing in support and opposition still speak to the original provisions of SB 445. The issues raised will help serve as the basis for further work as noted by the author. The organizations listed in this analysis confirmed to the committee their position on the amended bill.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

**SUPPORT:** (Verified 5/5/25)

Streets for All (Source)  
California Yimby  
Climate Action California  
Move LA  
U.S. High Speed Rail Association

**OPPOSITION:** (Verified 5/5/25)

Calbroadband  
Pacific Gas and Electric Company  
San Diego Gas and Electric Company  
Southern California Edison  
Southern California Gas Company  
United States Telecom Association DBA UStelecom - the Broadband Association

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5/7/25 16:05:25

\*\*\*\* END \*\*\*\*

