



June 26, 2025

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

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

The Honorable Scott Wiener  
Chair, Senate Budget and Fiscal Review  
1020 N. Street, Room 502  
Sacramento, CA 95814

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

The Honorable Jesse Gabriel  
Chair, Assembly Budget Committee  
1021 O Street, Suite 8230  
Sacramento, CA 95814

**Re: SUPPORT- Budget Trailer Bill AB130 (Committee on Budget) and SB 130 (Committee on Budget and Fiscal Review)**

Dear Governor Newsom, pro Tem McGuire, Speaker Rivas, Chair Wiener, and Chair Gabriel,

The undersigned organizations work to advance land use, housing, and transportation policies in order to create a more sustainable, equitable, and prosperous state. We support trailer bills AB130 and SB130, which will reduce transportation emissions, grow transit ridership, and make it easier to build transit-oriented homes. This is a powerful package of interventions that are needed to reach the state’s climate and affordability goals.

California has ambitious climate goals. CARB’s Scoping Plan sets targets of a 25% reduction in VMT by 2030 and a 30% reduction by 2045 relative to 2015 levels. Achieving these reductions by shifting drivers to transit would require as much as a five-fold to ten-fold increase in transit ridership above pre-COVID levels by 2045. However, Californians have been driving more, not less. This pattern of driving to work and other destinations — and its resulting environmental

impact — stems from the sprawling geography of homes and jobs, and an auto-oriented infrastructure system that builds ever outward.

Last year, the state initiated the Transit Transformation Task Force, which is charged with identifying solutions to grow transit ridership in the service of reaching our climate goals and making public transit more financially sustainable. But transit agencies cannot achieve those outcomes on their own. Good land use policy is good transportation policy and good climate policy. The Climate-Aligned Housing trailer bill and statewide VMT mitigation bank are critical steps that the state can take to boost transit ridership and transit's financial sustainability over time.

We support the inclusion of provisions to exempt infill housing projects from CEQA when they comply with local zoning requirements. This will expedite much-needed housing that is affordable to all income levels. Many of these infill locations are also served by transit, which helps reduce the combined cost burden of transportation and housing. Transportation is the second largest household cost for Californians - second only to housing - and driving is the most expensive way to get around. Adopting proven land-use strategies that bring people closer to transit is good for our environment and good for our wallets.

Further, we support establishing a statewide VMT mitigation bank, as proposed in the Climate-Aligned Housing trailer bill. This bill will provide project sponsors the option to contribute VMT mitigation funds toward transit-oriented affordable housing and the horizontal infrastructure that supports it, which are often expensive and lack public funding. It also allows developers to contribute to active transportation at a scale that can enhance safety and mobility for all. Together these strategies can help solve our housing crisis and create more sustainable ways to travel. The bill ensures that all projects funded through the mitigation bank will pay prevailing wages, which will lift up wages for many residential construction workers. Further, by allowing developers to contribute to a centralized mitigation bank, the program will streamline compliance, reduce project delays, and ensure that mitigation investments deliver long-term environmental and community benefits.

We urge your support for these common-sense bills. Thank you for your strong leadership on solving the state's housing crisis and creating more sustainable mobility options for all.

Sincerely,

Eli Lipmen  
Director  
Move California

Denny Zane  
Founder & Strategy Director  
Move LA

Laura Tolhoff  
Transportation Policy Director  
SPUR

Jordan Grimes  
State & Regional Resilience Manager  
Greenbelt Alliance

David Harrison  
Director of Public Policy  
San Francisco Chamber of Commerce

Colin Parent  
Chief Executive Officer and General Counsel  
Circulate SD

Todd David  
Political Director  
Abundant Network

Marc Vukceвич  
Director of State Policy  
Streets for All