



May 27, 2026

Lauren Sanchez, Chair
California Air Resources Board
P.O. Box 2815
Sacramento, CA 95812

RE: Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms

Dear Chair Sanchez:

On behalf of SunLine Transit Agency (SunLine), I write to request that the California Air Resources Board delay action on the proposed amendments to the Cap and Invest program which would have devastating impacts on state transit and housing funding. I also wish to express our strong support for preserving and strengthening California's long-standing investments in transit, mobility, and sustainable community programs funded through the State's Cap-and-Invest program and Greenhouse Gas Reduction Fund (GGRF).

For many transit agencies and communities across California, programs such as the Low Carbon Transit Operations Program (LCTOP), Transit and Intercity Rail Capital Program (TIRCP), and Affordable Housing and Sustainable Communities (AHSC) Program have delivered meaningful and measurable environmental, mobility, and equity benefits. In the Coachella Valley, these investments have directly improved access to jobs, education, healthcare, and essential services for residents who rely on public transportation every day.

SunLine has benefited from annual LCTOP allocations that have supported expanded transit services, critical capital improvements, and fare assistance programs for students through our Haul Pass program. The Haul Pass program has helped reduce transportation barriers for high school and college students throughout the Coachella Valley by providing free access to transit services and expanding mobility opportunities for youth and working families.

LCTOP allocations help sustain public transit routes that provide critical transportation access for students throughout the Coachella Valley, many of whom rely on transit as their only dependable means of getting to school, work, and essential daily activities. Reductions to this funding would disproportionately impact students and working families who already face transportation and economic challenges, potentially limiting access to education, employment opportunities, and supportive services.

Through SunLine's Haul Pass program, transit access is currently provided to students across three school districts within the Coachella Valley, including participation from 23 high schools, as well as College of the Desert and California State University, San Bernardino. Since 2018, the program has provided nearly 1.6 million student trips throughout the region, averaging approximately 200,000 trips annually. For many students, these services are not simply a convenience, but a lifeline that allows them to attend classes consistently, participate in educational programs, maintain part-time



MEMBERS: Desert Hot Springs Palm Springs Cathedral City Rancho Mirage
Palm Desert Indian Wells La Quinta Indio Coachella Riverside County

employment, and pursue opportunities that may otherwise be out of reach. The need for these investments remains significant. SunLine's 2025 onboard customer survey found that nearly 80 percent of surveyed riders did not have access to a personal vehicle for the trip they were making, demonstrating a high level of transit dependency within our service area. The survey also found that approximately 72 percent of riders use SunLine four or more days per week, reflecting the importance of reliable and affordable transit service in the daily lives of our riders. Additionally, work and school represented the two largest trip purposes among surveyed riders, accounting for more than 50 percent of trips. These findings reinforce that public transit is essential for many residents in our region.

Beyond transit operations, AHSC funding has also delivered meaningful community improvements within the Coachella Valley. SunLine was a direct recipient of AHSC funding for the Coachella Transit Hub, which improved regional connectivity and access to transit in the eastern Coachella Valley. Today, the Coachella Transit Hub is the third most utilized stop within SunLine's service area, which includes more than 570 bus stops. More recently, SunLine partnered with the City of Desert Hot Springs on another successful AHSC award supporting a future mobility hub and related community improvements in Desert Hot Springs. These projects demonstrate how coordinated investments in transportation, housing, and sustainable infrastructure can create long-term environmental and economic benefits for underserved communities.

Programs funded through Cap-and-Invest have produced a number of statewide initiatives promoting equity and reducing mobility barriers amongst some of the most at-risk communities while reducing 37.7 million metric tons of pollution. The Coachella Valley is home to more than 400,000 residents, 13% of whom live in poverty. SunLine provides a lifeline to the Coachella Valley, meeting its mobility needs while contributing more than \$250,000,000 annually in economic activity through state and federal grants, which includes programs such as LCTOP, AHSC, and TIRCP. Together these programs promote equity in community through poverty reduction, youth mobility, addressing future transportation needs through clean energy vehicles and strengthening the local economy.

SunLine respectfully urges the California Air Resources Board to secure strong and reliable funding for transit and sustainable community programs through the Cap-and-Invest program. Continued investment in these proven programs is essential to supporting California's climate goals while ensuring communities throughout the state continue to benefit from affordable, reliable, and sustainable transportation options.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Mona Babauta", written over a horizontal line.

Mona Babauta
CEO/General Manager
SunLine Transit Agency