REPORT No: 16-017
Meeting Date: January 27, 2016

Alameda-Contra Costa Transit District

STAFF REPORT

TO: External Affairs Committee
AC Transit Board of Directors

FROM: Michael A. Hursh, General Manager
SUBJECT: Monthly Legislative Report

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider recommending receipt of the Monthly Legislative Report.

EXECUTIVE SUMMARY:

Congress returned to the second session of the 114th Congress on Monday, January 11. Before adjourning in December, Congress approved a Tax Extenders and Omnibus Appropriations package. The Fiscal Year 2016 appropriations bill included $57.6 billion in transportation-related funding. The tax plan includes the extension of several tax credits, most notably giving a permanent increase to transportation benefits for employees who utilize public transportation to be equal with tax credits for parking costs. This puts transit riders on par with their peers who drive to work.

On Monday, January 4, the Legislature reconvened regular session. Governor Brown released a $122.6 billion budget proposal for 2016 – 2017, on Thursday, January 7. The budget plan includes the Governor’s transportation funding proposal that was released last summer, which provides $36 billion over a decade to maintain highways and roads and expand public transit. Discussion continues among members of the Conference Committee on Transportation Infrastructure, however, no concrete action has emerged.

BUDGETARY/FISCAL IMPACT:

There is no budgetary or fiscal impact associated with this report.

BACKGROUND/RATIONALE:

Federal Legislation Update

Congress returned to the second session of the 114th Congress on Monday, January 11. Before adjourning in December, Congress approved a Tax Extenders and Omnibus Appropriations package. The Fiscal Year 2016 appropriations bill included $57.6 billion in transportation-related funding. The tax plan includes the extension of several tax credits, most notably giving a permanent increase to transportation benefits for employees who utilize public transportation to be equal with tax credits for parking costs. This puts transit riders on par with their peers who drive to work.
President Obama gave his seventh and final State of the Union address on Tuesday, January 12. The President’s budget for Fiscal Year 2017 is expected to be released on February 9. It is unclear what transportation priorities will be included in the new budget proposal.

State Legislation Update

On Monday, January 4, the Legislature reconvened regular session. Governor Brown released a $122.6 billion budget proposal for 2016 – 2017, on Thursday, January 7. The budget plan includes the Governor’s transportation funding proposal that was released last summer, which provides $36 billion over a decade to maintain highways and roads and expand public transit. Discussion continues among members of the Conference Committee on Transportation Infrastructure, however, no concrete action has emerged.

A formal vote to elevate Assemblymember Anthony Rendon (D- Lakewood) as the new Speaker was held on Monday, January 11, and the swearing-in ceremony will take place on March 7.

On Friday, December 4, President Peeples and General Manager Hursh hosted a tour for Assemblymember Bill Quirk. He represents Hayward, Castro Valley, San Lorenzo, Ashland, Cherryland, Fairview, and North Fremont. They visited the hydrogen fueling station at Division 2 in Emeryville. As a former NASA scientist, Assemblymember Quirk is greatly supportive of our HyRoad Program. They also toured Central Dispatch, our largest communications facilitate.

ADVANTAGES/DISADVANTAGES:

This report is provided to inform the Board of monthly legislative activities and to seek its approval to support or oppose legislation affecting AC Transit. This provides clear direction to legislators and other bodies of AC Transit’s positions.

ALTERNATIVES ANALYSIS:

This report provides an update of monthly legislative activities. AC Transit could opt to defer from legislative positions and operate without making its positions known, leaving the District vulnerable to unfavorable legislation.

PRIOR RELEVANT BOARD ACTIONS/POLICIES:

Staff Report 15-215: 2015 Federal and State Legislative Advocacy Programs

ATTACHMENTS:

1. State Legislative Report from Platinum Advisors
2. State Legislative Bill Matrix
3. FY 2016 Federal Advocacy Program
4. FY 2016 State Advocacy Program

Executive Staff Approval: Beverly Greene, Director of Legislative Affairs & Community Relations
Prepared by: Estee Sepulveda, External Affairs Representative
January 6, 2016

TO: Director Chris Peeples, President, and
Members of the Board
Michael Hursh, General Manager
Beverly Greene, Director of Legislative Affairs & Community Relations
FR: Steve Wallauch
Platinum Advisors

RE: LEGISLATIVE UPDATE

The Legislature reconvened Monday to begin what promises to be an ambitious and interesting year. Senate Pro Tem De León held press conferences in L.A. and Sacramento to present an outline of the Senate’s “No Place Like Home” initiative that would leverage Prop 63 funds to finance $2 billion in bonds to provide rehabilitation and housing for mentally ill homeless, as well as use $200 million in general fund revenue for short term rental subsidies. A new Speaker, Anthony Rendon, will take control of priorities in the Assembly in March and has specified education as high on his list.

The special sessions on transportation infrastructure and health care financing continue to limp along, and the Governor will release his 2016-17 budget proposal Thursday morning at 10:00. In addition, the November ballot will be lengthy, with eight measures already qualified and numerous others including legalizing recreational marijuana, the extension of Proposition 30, and a new tobacco tax in circulation. We will send an additional update later this week outlining the Governor’s budget proposals.

Rumored Legislation: There has been quiet chatter for the past month about a proposal to alter the allocation of AB 1107 sales tax money. Assemblywoman Catherine Baker is exploring a proposal that would expand the eligibility for the 25% share to include Livermore Amador Valley Transit Authority, Eastern Contra Costa Transit District, and the Central Contra Costa Transit Authority. Existing law authorizes MTC to allocate these funds between BART, SFMTA, and AC Transit, and historically these funds have been split evenly between SFMTA and AC Transit. These funds are used to maintain the operation of lifeline service.

New Speaker Scheduled: At the end of session the Assembly Democrats selected Assemblyman Anthony Redon to be the next Assembly Speaker. Speaker Toni Atkin’s office announced that the formal vote elevating Assemblyman Rendon to Speaker will be held on January 11th. The swearing in ceremony and transition will then be held on March 7th.
Budget: The New Year also brings a new budget proposal from the Governor. With the LAO’s rosy projections that are noted below, it will be interesting to see how the Governor sees the fiscal future – no doubt it will be abundantly more cautious. With respect to transportation funding, the proposed budget is expected to include the Governor’s funding proposal released last summer, and maybe extra funds for highway projects. However, any extra transportation funding might just maintain the status quo because the BOE will likely need to adjust the gas tax downward, again, due to lower than projected gas prices.

Upbeat LAO: The LAO’s annual Fiscal Outlook Report states that the “budget is better prepared for an economic downturn than it has been at any point in decades.” The LAO predicts that 2015-16 will end with a $3.5 billion surplus, which will mostly be consumed by Prop 2’s rainy day fund. Assuming spending stays constant, the LAO predicts 2016-17 fiscal year could end with a reserve of $11.5 billion. LAO even commented that new spending commitments could be added to the budget.

The LAO does caution that any forecast is fraught with assumptions that may not pan out. The LAO includes scenarios were revenues drop or a recession hits; however, even under the recession scenario reserves are sufficient to soften the blow until 2019-20. While the Department of Finance will take a more conservative outlook when its budget is released later this week.

Not all Projections are Positive: The outlook for transportation funds continues to be dire. Under the gas tax swap, the BOE is required to annually adjust what is called the “price based excise tax” in order to keep the swap revenue neutral. For the 2015-16 fiscal year the BOE was required for reduce this excise tax from 18 cent per gallon to 12 cents per gallon. This reduced revenue available for the SHOPP, STIP, and local streets and roads by nearly $900 million.

With continued low gas prices, the BOE is expected to further reduce the price based excise tax by at least 2 cents – dropping this excise tax from 12 cents to 10 cents per gallon. This 2 cent reduction would cut revenue for local streets and roads by $131 million, and also reduce STIP revenue by $131 million. The BOE is required to adopt a new rate by March 1 of each year, and that new rate takes effect on July 1st. While the BOE’s estimate for any adjustment to the price based excise tax should be available in late January, the Governor’s proposed budget will also include its own estimate on any adjustment to the price based excise tax.

Transportation Compromise: While the Special Session on Transportation continues, discussions have moved behind closed doors. These private discussions will hopefully produce one more push for a compromise before Speaker Atkins leaves her post in March. The Co-Chairman of the Conference Committee, Assemblyman Jimmy Gomez, has been meeting with members over the past month in an effort to reach an agreement, and Senator Jim Beall along with Republican Senator Anthony Cannella have been pushing their funding package that totals nearly $6 billion. The Senators’ proposal includes a mix of vehicle fees, fuel excise taxes, and loan repayments. Optimism is low at this point, but any activity is a step forward.
Public Comments: The CalSTA released the draft guidelines for the next round of funding for the Transit & Intercity Rail Capital Program. The release of these guidelines starts the 30 day public comment period, which closes on January 22nd. Comments should be submitted via email. CalSTA will hold two workshops to review the guidelines, one on January 19th in Southern California and January 20th in Northern California—times and locations to be announced. The final guidelines will be released with the call for projects in early February. The most significant changes involve incorporating the changes made by SB 9. SB 9 not only clarifies the eligibility of bus and ferry projects the legislation also authorizes the development a multi-year funding program. Other changes included in the 2016 guidelines include eligibility for smart phone ticketing, transit effectiveness studies, and leveraging other greenhouse gas funded programs.

Advanced Clean Transit: In CARB’s pursuit to transition all transit operators to zero emission vehicles, CARB staff has created the Advanced Clean Transit Advisory Committee. CARB and California Transit Association held an initial meeting last month at OCTA; however, CARB plans to expand this group to include all interested parties ranging from operators and equipment manufacturers to clean air advocacy groups. The first meeting is currently scheduled for Friday January 29th at 10:00 a.m. in Sacramento. While this meeting will be webcast, CARB is looking for Committee members with differing perspectives to participate in person at future meetings. If you are interested in participating as a Committee member, you should contact Shirin Barfjani by January 18th.

New Transportation Proposal: Assemblyman Jim Frazier introduced AB 1591 which would generate nearly $8 billion annually for transportation investments. This proposal shares many elements with Senator Beall’s proposal, and the other funding proposals released last year. The bill includes the following elements:

- $3.3 billion annually by increasing the gasoline excise by 22.5 cents. This new base rate would be adjusted for inflation. 5% of these funds would be set aside for a State and Local Partnership Program for counties currently without a local transportation sales tax program. The remaining would be placed in the Road Maintenance and Rehabilitation Account, where the funds would be split equally with 50% allocated to state highway maintenance projects and 50% allocated to cities and counties for street and road maintenance projects.
- $840 million annually by increasing the diesel fuel excise tax by 30 cents, and indexing it for inflation. This revenue would be dedicated the Trade Corridor Investment Fund.
- $1.24 billion by increasing vehicles registration fees by $38. These funds would be deposited in the Road Maintenance and Rehabilitation Account.
- $16 million by imposing an annual surcharge of $165 on all zero emission vehicles. These funds would be deposited in the Road Maintenance and Rehabilitation Account.
- Return nearly $1 billion in truck weight fees annually to the State Highway Account. This halts the use of truck weight fees for transportation bond debt payments.
• Repay over two years $879 million in outstanding loans made from various transportation accounts to the general fund. This one time revenue would be allocated to cities and counties for road improvement projects.

• Increase the share of cap & trade auction revenue appropriated to the Transit & Intercity Rail Program from 10% to 20%. This would increase this Program from $200 million annually to $400 million annually.

• Annually appropriate 20% of cap & trade auction revenue, about $400 million per year, to the Trade Corridor Investment Fund. This new program would use cap & trade revenue to improve the state’s freight corridors.
The second half of session starts with the rush to meet the House of Origin deadline, whereby all measures must be moved to the second house by January 31st. This deadline does not apply to special session bills, and Constitutional amendments are also exempt from this deadline. The matrix notes which bill face the House of Origin deadline.

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<tr>
<th>Bills</th>
<th>Subject</th>
<th>Status</th>
<th>Client - Position</th>
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<tbody>
<tr>
<td>AB 464</td>
<td>Transactions and use taxes: maximum combined rate</td>
<td>VETOED</td>
<td>SUPPORT</td>
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<td>(Mullin D)</td>
<td>Existing law caps the cumulative total amount of locally imposed sales</td>
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<td>taxes at 2%. However, many counties, including Alameda, are currently</td>
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<td>at that limit. AB 464 would amend existing to adjust the cap up to 3%.</td>
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<td>Governor Brown vetoed this measure. While his veto message stated he</td>
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<td>supported increases for specific counties (i.e. Alameda County), he</td>
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<td>was reluctant to increase for all given the number of taxes being</td>
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<td>discussed for the 2016 ballot.</td>
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<td>AB 516</td>
<td>Vehicles: temporary license plates</td>
<td>SENATE INACTIVE</td>
<td>SUPPORT</td>
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<td>(Mullin D)</td>
<td>This bill was placed on the Inactive File in order to provide</td>
<td>FILE – Two-Year</td>
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<td>additional time to address concerns expressed by the CHP on whether</td>
<td>BILL</td>
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<td>the temporary plates are readable by photo scanners, as well as work</td>
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<td>with the Administration on the authority for car dealers to impose a</td>
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<td>fee to issue these temporary plates.</td>
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<td>AB 516 would require the DMV to develop a system that issues a</td>
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<td>temporary license plate that would be installed when a vehicle is sold.</td>
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<td>The purpose of the bill is to improve the ability to identify</td>
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<td>vehicles and eliminate any reason for a vehicle to be driven without</td>
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<td></td>
<td>a plate.</td>
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<td>AB 857</td>
<td>California Clean Truck, Bus, and Off-Road Vehicle and Equipment</td>
<td>SENATE APPR –</td>
<td>Oppose</td>
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<tr>
<td>(Perea D)</td>
<td>program essentially codifies CARB’s existing programs aimed at</td>
<td>Suspense File</td>
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<td>funding projects that lead to</td>
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<td>Technology Program.</td>
<td>the commercialization of zero emission trucks and buses. SB 1204 also directs until January 1, 2018, 20% of the funds annually to truck projects. AB 857 would increase the amount of funds dedicated to truck projects. From January 2018 to January 2023, AB 857 would require CARB to direct at least 50% or $100 million, whichever is greater, of cap &amp; trade revenue dedicated to this program toward zero and near-zero heavy-duty truck projects and low emission natural gas trucks. AB 857 would significantly increase the truck set-aside, which would limit CARB's ability to fund zero emission bus projects.</td>
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<td><strong>AB 1008</strong>&lt;br&gt;(Quirk D)&lt;br&gt;Public utilities: sale of hydrogen to public as a motor vehicle fuel.</td>
<td>AB 1008 would amend existing law to add hydrogen sold for the purpose of being used as a vehicle fuel will not be regulated as a public utility. Existing law currently exempts the sale of natural gas and electricity sold to power vehicles as a regulated as a public utility. AB 1008 would create parity in how hydrogen is regulated when used as a transportation fuel.</td>
<td>Signed Into Law&lt;br&gt;Chapter 109, Statutes of 2015&lt;br&gt;Support</td>
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<td><strong>AB 1250</strong>&lt;br&gt;(Bloom D)&lt;br&gt;Vehicles: buses: gross axle weight</td>
<td>AB 1250 is sponsored by the CTA. The bill was recently amended to include a potential solution to the bus axle weight issue. In general, the amendments would phase in a curb weight per axle weight of 22,000 pounds for transit vehicles. • Establish a two-step process whereby procurements issued after January 1, 2016 must be for vehicles with a curb weight per axle, beginning at 23,000 pounds per axle, and for solicitations issued after January 1, 2019 must have a per axle curb weight of 22,000 pounds. • Establishes a declining curb weight per axle for an articulated transit bus or a zero-emission transit bus, beginning at 25,000 pounds per axle, for buses procured through a solicitation issued</td>
<td>Signed into Law – SUPPORT&lt;br&gt;Chapter 484, Statutes of 2015</td>
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between January 1, 2016, and December 31, 2017, and ending at 22,000 pounds for buses procured through a solicitation issued on or after January 1, 2022.

- Require a transit operator operating an articulated transit bus to, by July 1, 2016, and annually thereafter, provide cities and counties a notice providing a description of the approximate routes where the articulated transit bus is scheduled to provide service.
- Define "curb weight," for purposes of this bill, as the total weight of a fully loaded transit bus, including maximum fuel, oil, and coolant, and all equipment used in the normal operation of the bus, not including passengers or a driver.

ACA 4
(Frazier D)
Local government transportation projects: special taxes: voter approval.

ACA 4 would amend the Constitution to lower approval threshold to impose a special sales tax that provides funding for local transportation project to 55%. Local transportation projects are defined to include the funding needs for local streets and roads, state highways and freeways, and public transit systems. ACA 4 does not lower the voter threshold for parcel taxes.

ABX 7
(Nazarlan D)
Public transit: funding.

ABX 7 would increase the share of cap & trade funds dedicated to transit. The bill would increase the amount allocated to the Low Carbon Transit Operations Program from 5% to 10%, and increase the amount allocated to the Transit & Intercity Rail Capital Program from 10% to 20%.

ABX 8
(Chiu D)
Diesel sales and use tax.

Starting on July 1, 2016, ABX 8 would impose a sales tax on diesel fuel sales of 5.25%. This revenue would be deposited into the Public Transportation Account and allocated to operators through the State Transit Assistance formula.

The bill would also sunset the existing 1.75% gas tax swap add-on sales tax imposed on diesel fuel sales on July 1, 2016. Thus replacing the existing 1.75% rate with the 5.25% rate.
| **SB 9**  
**Beall D**  
Greenhouse Gas Reduction Fund: Transit and Intercity Rail Capital Program. | As currently drafted SB 9 makes the following beneficial changes to the Transit Capital & Intercity Rail Program:  
- Requires CalSTA to consider the extent to which a project reduces GHG emissions in selecting projects for funding.  
- Clarifies eligible applicants include bus, rail, and ferry operators.  
- Authorizes CalSTA to enter into and execute a multiyear funding agreement with an eligible applicant for a multiyear project.  
Authorizes a lead applicant agency to apply to CTC for a letter of no prejudice in order to allow the lead applicant to expend their own funds for the project and be eligible for future reimbursement. | Signed Into Law – Chapter 710, Statutes of 2015  
**SUPPORT** |
| **SB 391**  
**Huff R**  
Assault and battery: transit employees | SB 391 would enhance the penalties for assault or battery of a transit employee. Specifically SB 391 adds transit employee to the list of individuals, such as police officers, firefighters and medical personnel. The fines for assault or battery of a transit employee would increase to a fine not exceeding $2,000 or up to 1 year in jail, or both. | SENATE PUB S. HOUSE OF ORIGIN  
Deadline January 31  
**SUPPORT** |
| **SB 413**  
**Wieckowski D**  
Public transit: prohibited conduct. | SB 413 is sponsored by the California Transit Association. This bill would add two more activities to the list of activities punishable by a fine or administrative penalty when on a transit vehicle or facility.  
SB 413 would make failure to comply with a warning related to loud or unreasonable noise subject to a penalty. The bill also removes the exemption of juveniles from the administrative penalties process.  
*The bill was amended to replace the failure to yield a seat reserved for an elderly or disabled person with language that would authorize an operator to adopt an ordinance to enforce failure to yield a seat as an infraction.*  
Signed Into Law – Chapter 765, Statutes of 2015  
**SUPPORT** |
| **SB 508**  
**Beall D**  
Transit operations: | SB 508 is sponsored by CTA. This bill makes several changes to the fare box recovery ratio calculation and eligibility criteria for STA funds.  
*However, the bill was recently amended to delete* | Signed Into Law – Chapter 716, Statutes of 2015  
**SUPPORT** |
financial requirements

The ability to exempt health and pension costs.

SB 508 makes the following changes:

- Deletes the fare box recovery requirement that agencies maintain the ratio they achieved in 1978-79.
- Excludes the principal and interest payments on capital projects funded with certificates of participation.
- Excludes from the operating cost definition the cost of fuel, alternative fuel, power, insurance premiums, settlement payments, and state and federal mandates.
- Clarifies that local funds used to meet the farebox ratio includes any nonstate or nonfederal grants.
- Replaces the “pass / fail” nature of the STA qualifying criteria, with a sliding scale.

SB 508 also clarifies that a portion of local transportation funds can be used educational programs promoting bicycling and pedestrian safety.

SBX1 1

This bill was approved on a party line vote by the Senate Committee on Transportation & Infrastructure. SBX1 1 is the Senate Democrats' transportation funding proposal that would generate up to $4.3 billion annually in new revenue. The funds would primarily be used to fund state highway and local and street and road maintenance needs.

SBX1 1 was amended to include new restrictions on spending existing SHOPP and STIP funds. First, Caltrans and any local agency spending SHOPP or STIP funds on an improvement project must include bicycle and pedestrian safety, access and mobility improvements in the project as specified.

Second, the expenditure of SHOPP and STIP funds shall, if feasible, be implemented in a manner that reduces GHG emissions and benefits vulnerable disadvantaged communities. The CTC is required to adopt performance criteria specified in the bill to implement and review.
The funds would be equally split between Caltrans maintenance projects and local street and road projects. Half the funds allocated to cities and counties is split equally, with the city share being allocated on a per capita basis and the county share being allocated pursuant to the

The funding provisions in SBX11 includes the following:

- Gasoline excise tax increases by 12 cents.
- Diesel excise tax increases by 22 cents. Of this amount, 12 cents is dedicated to trade corridor improvement projects.
- Eliminates the BOE's annual true-up of the gas tax swap and replaces it with a fixed swap excise tax of 17 cents that would be adjusted for inflation by the BOE every three years.
- Expands the allowable use of these funds by cities and counties to include maintenance and rehabilitation, safety projects, grade separation projects, and active transportation projects associated with any other allowable project.
- If a city or county has a pavement condition index of 85 or higher then it could use the funds for any transportation purpose.
- Imposes a $35 "Road Access Charge". This is in addition to the vehicle registration fee increase of $100 on alternative fueled vehicles and $35 on all other vehicles.
- The $35 Road Access Charge would be deposited into the Road Maintenance and Rehabilitation Account, and the weight fee revenue would continue to be used for debt payments in order to eliminate any general fund impact.
- 5% dedicated to the State and Local Partnership Program (SLPP), which can be matched by counties that currently do not have a local transportation sales tax.
- The sunset date is deleted.
HUTA formula, which is based on registered vehicles and road miles.

**SBX 2**  
**Huff R**  
Greenhouse Gas Reduction Fund.

SBX 2 is part of the Senate Republican Caucuses proposal to direct cap & trade auction revenue to transportation projects. It is estimated that this would direct $1.9 billion to transportation projects.

SBX 2 would direct all auction proceeds that are derived from including transportation fuels in the cap & trade program shall be appropriated by the Legislature for transportation infrastructure, including public streets and highways, but not high speed rail.

**SBX 7**  
**Allen D**  
Diesel sales and use tax.

Identical to ABX 8, SBX 7 would replace the existing 1.75% diesel fuel sales tax that was imposed as part of the gas tax swap with a 5.25% sales tax rate.

Starting on July 1, 2016, SBX 7 would impose a sales tax on diesel fuel sales of 5.25%, and sunset the existing 1.75% sales tax rate imposed on diesel fuel sales. This revenue would be deposited into the Public Transportation Account and allocated to operators through the State Transit Assistance formula.

**SBX 8**  
**Hill D**  
Public transit: funding.

SBX 8 is identical to ABX 7.

SBX 8 would the amount allocated to the Low Carbon Transit Operations Program from 5% to 10%, and increase the amount allocated to the Transit & Intercity Rail Capital Program from 10% to 20%.

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<th>Table 2: Board Watch Positions</th>
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<td><strong>Bills</strong></td>
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| AB 61 | *AB 61 is scheduled to be heard by the Assembly Committee on Transportation on January 11th.*  
Shuttle services: loading and unloading of passengers.  
This bill would allow a local government to permit private shuttle bus services to use public transit stops if an agreement is reached between the public transit operator and the private shuttle operator. | ASSEMBLY TRANS.  
House of Origin  
Deadline January 31 | Watch |
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<tr>
<th><strong>AB 1287</strong>&lt;br&gt;<strong>[Chiu D]</strong>&lt;br&gt;Vehicles: parking violations: cameras</th>
<th>AB 1287 deletes the sunset date on special provisions that allow the City &amp; County of San Francisco to install forward facing video cameras on buses that are used to issue tickets for vehicles parked in bus only lanes.</th>
<th>Signed Into Law – Chapter 485, Statutes of 2015</th>
<th>WATCH</th>
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<td><strong>ABX1 24</strong>&lt;br&gt;<strong>[Levine D]</strong>&lt;br&gt;Bay Area Transportation Commission: election of commissioners.</td>
<td>ABX1 24 would re-designate MTC the Bay Area Transportation Commission, whose board would be comprised of directly elected representatives. The bill would establish the election of commissioners with districts consisting of 750,000 residents. However, districts that include a toll bridge within the district boundaries shall elect two commissioners from that district. The bill would also merge BATA into the new Bay Area Transportation Commission.</td>
<td>ASSEMBLY PRINT</td>
<td>WATCH</td>
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<td><strong>SB 16</strong>&lt;br&gt;<strong>[Beall D]</strong>&lt;br&gt;Transportation funding.</td>
<td>SB 16 is the Senate’s proposed transportation funding proposal, which would generate up to $3.6 billion annually over the next 5 years. The funds would primarily be used to fund state highway and local and street and road maintenance needs. This funding plan would remain in place through the 2019-2020 fiscal year, unless it is extended by the Legislature. New revenues would be generated by increasing the excise tax on gasoline (10 cents) and diesel fuel (12 cents), a .35% increase in the Vehicles License Fee would be phased in, vehicle registration fees would increase by $35 and by $100 for alternatively fueled vehicles. In addition, SB 16 would phase out the use of truck weight fees for bond debt service, thus returning these funds to transportation uses. SB 16 would dedicate 5% of the funds toward an incentive program to encourage new local transportation sales tax programs – counties with an existing sales tax program are eligible for these funds. The remaining funds are split between Caltrans maintenance projects and local street and road projects.</td>
<td>SENATE FLOOR&lt;br&gt;House of Origin&lt;br&gt;Deadline January 31.</td>
<td>WATCH</td>
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<td><strong>SB 254</strong>&lt;br&gt;<strong>[Allen D]</strong>&lt;br&gt;State highways: relinquishment.</td>
<td>SB 254 was amended to include the legislature’s proposal to streamline the relinquishment process. Existing law requires legislative approval to relinquish state highways.</td>
<td>ASSEMBLY TRANSP – Two-Year Bill</td>
<td>Watch</td>
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relinquish any state highway segment to local control. SB 254 would streamline this process by authorizing the California Transportation Commission to relinquish portions of the state highway system to a county or city without legislative action.

Specifically, SB 254 would allow the CTC to relinquish any portion of the state highway once Caltrans has entered into an agreement with the recipient of the highway segment and has placed the highway in a “state of good repair.”

| SB 497 | SB 497 would require the State Department of Education to collect specified data from each school district, charter school, county office of education, and regional occupation center that provides pupil transportation. This information would then be posted on the Department’s website along with the statewide average cost per mile and cost per pupil. Governor Brown vetoed this bill because this same information can already be collected voluntarily by the Department of Education. |
| SBX 6 | SBX 6 makes two significant changes. First, it would delete the continuous appropriation of 25% of cap & trade funds to the High Speed Rail Authority. Second, after the allocations are made to the Low Carbon Transit Operations Program, Transit & Intercity Rail Program, and the Affordable Housing & Sustainable Communities Program, the remaining 65% would be continuously appropriated to the CTC. The CTC would allocate the funds to high-priority transportation projects with 40% to state highway projects, 40% to local street and road projects, and 20% to public transit projects. | VETOED | WATCH |
2016 Federal Advocacy Program

Funding

- FY 2016 Grant Opportunities- Secure federal funds for key capital projects and support funding for 2016 Project Priorities for:
  - Within the Small Starts Program and other programs
  - AC Transit's Intelligent Transportation and Communication System upgrades
  - Bus lifting equipment program
  - Rehabilitation of aging facilities
  - Zero Emission Bus Programs

- Advocate for supplemental funding through the Federal Transit Administration to offset rising operating costs without jeopardizing total funding available for capital projects.

- Support funding for the Transbay Terminal.

- Support/seek additional funding for essential services including, but not limited to services for access to work, school or medical facilities.

- Support efforts to rescind the planned across-the-board cuts to all federal programs, called "Sequestration," as enacted under the Budget Control Act of 2011.

- Support federal funds for the purchase of zero emission buses.

- Support funding initiatives that maintain the fiscal integrity of the District and that all unfunded federal mandates are funded, including Safety Management Systems (SMS).

- Support funding initiatives that enable the District to maintain buses and bus facilities in a state of good repair.

Transportation Authorization Principles

- Support efforts to increase the gas tax or to increase other revenues to replenish and sustain long-term growth of the Highway Trust Fund/Mass Transit Account.

- Support transportation authorization reform that emphasizes greater funding levels to urban mass transit systems, and oppose efforts to reduce spending on transit formula programs, and support stronger performance criteria.
- Support FTA and Congressional efforts to make State of Good Repair for transit bus systems a strategic priority and include more funding.

- Support increased funding for Small Starts programs and broad funding eligibility in federal transit programs, including Small Starts programs.

- Seek revisions to the Metropolitan Planning Organization (MPO) grandfather clause that supports the direct representation of transit properties on MPOs.

- Support legislation through the federal highway and transportation authorization for safety requirements based on agency size and transportation mode.

**Other Advocacy**

- Advocate for transit-supportive legislation that mitigates climate change and/or calls for environmental stewardship and related funding.

- Support funding and coordination between Health and Human Service (HHS) agencies and other transportation agencies to provide services to HHS clients.

- Support modal parity in the commute tax benefits.

- Support legislation that relieves the fiscal burden of mandatory regulations.

- Support legislation that encourages Single Payer health insurance.

- Advocate for American with Disabilities Act improvements

- Monitor actions regarding the pension reform law (PEPRA).
Funding

- Support efforts to implement future transportation authorizations that at least maintain funding level for mass transit projects and programs for bus operators in the Bay Area.

- Support the development and implementation of an expenditure plan for AB 32 cap and trade revenue that provides an equitable investment in mass transit capital improvements, operations, and infill/transit oriented development (TOD).

- Actively participate in the California Air Resources Board's (CARB) Advanced Clean Transit regulatory process.

- Support efforts that create new sources of operating funds with equitable distribution to reflect urban transit needs.

- Support efforts to sustain existing transit revenues, including the State Transit Assistance (STA) program to offset the decrease in diesel fuel consumption.

- Support efforts that would exempt public transit providers from state sales tax.

- Support local ability to increase fees and gas taxes to be used for local mass transit purposes.

- Support legislation and programs that would provide funding to offset the costs of climate change initiatives, clean air and clean fuels and implementation of AC Transit's Climate Action Plan.

- Support congestion pricing strategies and legislation that provide an equitable multi-modal distribution of generated revenues.

- Support legislative or administrative action to remove State barriers so that Medicaid transportation funds can be used for public transit services, including ADA paratransit services.

- Support funding and coordination between Health and Human Service (HHS) agencies and other transportation agencies to provide services to HHS clients.

- Support efforts to provide funding for essential services including, but not limited to, services for access to work, school or medical facilities.
• Support funding initiatives that maintain the fiscal integrity of the District and that all mandates that require funding are sufficiently funded by mandating agency.

**Equipment and Operations**

• Support legislation or administrative action that would direct Caltrans to establish and maintain HOV and HOT lanes on state highway routes and to improve existing lane management to maximize throughput.

• Support incentives to provide bus contra flow lanes on the San Francisco-Oakland Bay Bridge to/from the Transbay Terminal.

• Support legislation to exempt public transit vehicles from state and local truck route ordinances.

• Support legislation or administrative action that would direct Caltrans to permit permanent use of freeway shoulders by public transit buses.

**Transit Incentives**

• Support legislation to provide incentives for employees and employers to use public transportation to commute to work, including tax credits for purchasing transit passes.

• Support Clean Air Initiatives that encourage increased public transit use.

• Support incentives that would give auto insurance credits to heavy transit users.

• Support legislation to provide incentives for local governments and developers to incorporate transit passes into the cost of housing.

**Environment and Transit Supportive Land Use**

• Advocate for transit-supportive legislation that addresses climate change, healthy communities and environments.

• Foster transit supportive land use initiatives that require coordination with transit providers in the initial stages of local planning or project development that impacts transit, including density level decisions or TODs; and advocate for the required use of:
  o Transit streets agreements, and
  o Complete streets plans in which local transportation plans anticipate use of all modes.

• Support improvement to the California Environmental Protection Agency’s (Cal/EPA) screening process to better reflect the disadvantage communities of the East Bay.
Policy Interests

- Support simple majority vote for local transportation ballot tax initiatives.
- Support legislation to allow District to ban persons for specified offenses from entering district property, including buses.
- Seek revisions to the Metropolitan Planning Organization (MPO) grandfather clause that supports the direct representation of transit properties on MPOs.
- Support legislation for STA formula reform that includes federal operating funding as eligible revenue.
- Support efforts that maintain existing Workers' Compensation regulation.
- Consider efforts to reform tort general damages.
- Monitor actions regarding the pension reform law (PEPRA).
- Support legislation that requires jurisdictions to install Transit Signal Priority equipment in order to receive money for traffic signal upgrades.
- Support efforts to authorize AC Transit to enforce parking and moving violations in bus-only lanes and bus stops through forward-facing cameras and contracted county law enforcement departments.
- Seek to clarify treatment of independent transit agency retirement systems.
- Support legislation that reduces liability for common carriers.