STAFF REPORT

TO: AC Transit Board of Directors  
FROM: Michael A. Hursh, General Manager  
SUBJECT: Monthly Legislative Report

ACTION ITEM

RECOMMENDED ACTION(S):
Consider receiving the Monthly Legislative Report and approval of legislative positions.

BACKGROUND/RATIONALE:

Federal Legislation Update

Congress narrowly avoided a government shutdown by approving a one-week continuing resolution to fund the federal government until May 5th. Subsequently, Congress approved a full-year omnibus appropriations package through the end of the fiscal year (FY) on September 30th. This bipartisan deal was achieved once the Trump Administration backed down from their recommendations on spending cuts in the FY 2017 budget and insistence on using the funding bill to provide $1.4 billion for construction of the Mexican border wall.

The omnibus bill honors the Fixing America's Surface Transportation (FAST) Act funding levels for FY 2017. The package provides a total of $57.651 billion in transportation discretionary appropriations, $350 million above 2016 and $5.5 billion above President Obama’s budget request. Highlights include $500 million for the Transportation Investment Generating Economic Recovery (TIGER) grant program and $2.4 billion for the Capital Investment Grants (CIG) program — versus $2.17 billion in FY 2016. The CIG appropriation temporarily eases pressure from the Trump Administration to cut 55 projects in the CIG program pipeline including CALTRAIN electrification. Discussions on the FY 2018 budget continue and the final presidential budget proposal is expected to be released in late May.

On April 27th, the Federal Transit Administration published a notice of funding availability for the Low and No Emission grant program. This notice offers the availability of $31.5 million, which is reduced from the $55 million that was authorized in the FAST Act because Congress had yet to complete the FY 2017 appropriations bill. Grant applications are due by June 26th.

State Legislation Update

The Legislature returned from Spring Break on April 17th to begin the sprint toward the first hearing deadline on April 28th. This is the deadline for policy committees to hear all bills with a fiscal impact, which is most of the bills. Non-fiscal bills have until May 12th to move out of policy committees. Budget subcommittees finished discussions in preparation for the release of the May Revise, which will likely be release by May 12th.
The long legal battle over California’s cap & trade program took one step closer to the end. The state appeals court in a 2-1 decision confirmed the superior court decision and sided with the state in finding that the cap & trade program is not an illegal tax.

Staff recommendation:

1) AB 378 (Garcia) Greenhouse gases, criteria air pollutants, and toxic air contaminants.

Staff recommends a watch position. This bill extends the Air Resources Board's (ARB) cap-and-trade authority to 2030 and integrates specified air quality performance requirements into the program. Specifically, this bill prohibits ARB from permitting a facility to increase its annual greenhouse gas (GHG) emissions compared to the average of emissions reported from 2014 to 2016. It also authorizes ARB to adopt "no-trade zones" or facility-specific declining GHG limits where facilities' emissions contribute to a cumulative pollution burden that creates a significant health impact. Lastly, it prohibits ARB, after 2020, from allocating allowances pursuant to cap-and-trade to an industrial facility that does not meet the air pollutant emissions standards.

2) AB 673 (Chu) Public transit operators: bus procurement: safety considerations.

Staff recommends a support position. The Board took a watch position on AB 673 in March 2017, however, the bill was substantially amended on April 18th. The language in the bill that required specific safety features on all new buses has been removed. The Board may want to consider a support position on the amended bill. As amended, AB 673 would require a transit operator, before purchasing new buses, to take into consideration recommendations and best practices developed by bus drivers that reduce the risk of assault on the driver, reduce blind spots created by bus equipment, and enhance the safety of passengers, driver, pedestrians and other vehicles. The following provisions requiring new buses to be equipped with these features have been removed from the bill:

- Transparent, glare-free, accessible partition enclosures around the bus operator seating area capable of withstanding gunfire.
- A door or window, at least the same size as a passenger emergency window, to the left of the bus operator seating area that allows for safe and rapid emergency egress from the vehicle.
- A mechanism that allows for direct connection to local law enforcement, such as a panic button.
- Low-mounted, reasonably sized left-side mirrors that allow the bus operator, regardless of size, to adequately view pedestrians crossing in front of the bus.
- Reasonably sized “A” pillars that allow the bus operator, regardless of size, to adequately view pedestrians crossing in front of the bus.
- An overall bus operator seating area that eliminates blind spots to the greatest extent feasible.

3) AB 1469 (Grayson) School transportation.

Staff recommends a watch position. The Board took an oppose unless amended position on AB 1469 in March 2017. AB 1469 would create the Transportation and Access to Public School Fund, but it does not take effect unless funds are appropriated. AB 1469 would entitle a pupil
that attends a school that receives federal Title 1 funding to free transportation to and from school. It would require schools that receive Title 1 funding and do not provide free transportation to implement a plan developed in consultation with teachers, administrators, parents, transit operators, and others. In addition, AB 1469 would authorize a school district to partner with a public transit operator to provide this service.

4) AB 1509 (Baker) San Francisco Bay Area Rapid Transit District.

Staff recommends a watch position. This bill establishes restrictions on the expenditure of funds for the Bay Area Rapid Transit District (BART) and requires the State Controller to withhold specified revenues if the required expenditures are not met.

5) AB 1640 (Garcia) Transportation funding: low-income communities.

Staff recommends a watch position. This bill has become a two-year bill and will not move forward this year. AB 1640 proposed starting in 2020 to require each regional transportation improvement plan to direct 25% of available funds to projects or programs that directly benefit low income individuals or transit service that connect low income people with critical services.

6) SB 584 and SB 100 (De León) California Renewables Portfolio Standard Program.

Staff recommends a support position. SB 584 has been gutted and amended to be used to implement the budget. The Board adopted a support in concept position on the prior version of the bill. While not in print yet, Pro Tem de Leon has amended SB 100. The amended version of the bill is similar to the intent language that was in SB 584.

As amended, SB 100 would require California to generate 100 percent of its electricity from clean renewable sources by 2045. The Board may want to consider a support position on SB 100, which would be consistent with its action on SB 584.

7) SB 595 (Beall) Metropolitan Transportation Commission: toll bridge revenues.

Staff recommends a support position. This bill requires the City and County of San Francisco and the other eight Bay Area counties to conduct a special election to increase the toll rate charged on state-owned bridges within the region. SB 595 currently does not specify the amount of the toll increase and it does not list any projects or programs. The bill merely includes legislative finding on the need, and the general provisions for placing this measure on the ballot. As this bill moves forward, specific projects that would be funded with the toll revenue will be specified in the bill. In addition, the amount of the toll increase or a range of the toll increases, will be specified in the bill.


Staff recommends a watch position. This bill enacts into law a post-2020 cap and trade program. A “Watch” position is recommended at this time until we can determine the potential impact to existing funding programs. The new auction includes the following changes:

- Directs ARB to set declining annual caps on emissions from covered sources that are consistent with achieving the 2030 statewide emissions goal.
Includes a price floor and price ceiling (a price collar) at quarterly auctions, in order to reduce market volatility. The initial price ceiling begins at $30/tCO2e (Tonnes of carbon dioxide equivalent) and rises at $10/tCO2e per year, plus inflation.

- The initial price floor begins at $20/tCO2e and rises at $5/tCO2e per year, plus inflation, but increases are delayed to maintain a $20 spread from floor to ceiling.
- Prohibits the use of carbon offsets, banked allowances from the pre-2020 market, and allowances from external market programs.
- Prohibits banking of allowances for use outside of the year they are issued.
- Requires that all allowances be auctioned, and none freely allocated, a change made possible by industry protections in the Economic Competitiveness Assurance Program and family/household protections due to the Climate Dividend.

**BUDGETARY/FISCAL IMPACT:**

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

**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 ACTION/POLICIES:**

Staff Report 17-002: 2017 Federal and State Legislative Advocacy Programs

**ATTACHMENTS:**

1: Federal Update from Van Scoyoc Associates
2: State Legislative Report and Budget Update from Platinum Advisors
3: State Legislative Bill Matrix
4: FY 2017 Federal Advocacy Program
5: FY 2017 State Advocacy Program

**Approved by:** Beverly Greene, Director of Legislative Affairs & Community Relations

**Reviewed by:** Beverly Greene, Director of Legislative Affairs & Community Relations

**Prepared by:** Estee Sepulveda, External Affairs Representative
This Week

FY 2017 Omnibus Appropriations. This morning, House and Senate leadership announced an agreement on a FY 2017 omnibus appropriations bill funding the federal government through September 30, 2017. Base discretionary funding alone in the bill meets the caps in current law, providing $1.07 trillion. Votes are expected in both the House and the Senate later this week. We will provide a more detailed summary later today as information becomes available.

House

Hearing: Oversight of U.S. Airline Customer Service. On Tuesday, May 2, the House Transportation and Infrastructure Committee will hold a hearing on airline customer service issues. Witnesses include representatives from United Airlines, American Airlines, Alaska Airlines, Southwest Airlines, and the Consumers Union.

Markup: Transportation Security bills. On Wednesday, May 3, the House Homeland Security Committee will hold a markup which will include the consideration of:

- H.R. 1351, Strengthening Oversight of TSA Employee Misconduct Act – the bill directs the Administrator of the Transportation Security Administration (TSA) to make certain improvements in managing TSA’s employee misconduct.
- H.R. 2132, Traveler Redress Improvement Act of 2017 – the bill requires the implementation of a redress process and review of the Transportation Security Administration’s intelligence-based screening rules for aviation security.

Senate

Hearing: Infrastructure Project Streamlining. On Wednesday, May 3, the Environment and Public Works Committee will hold a hearing titled “Infrastructure Project Streamlining and Efficiency: Achieving Faster, Better, and Cheaper Results”. Witnesses have not yet been announced.

Hearing: Current State of Airline Travel. On May 4, the Aviation Subcommittee will hold a hearing to explore consumer protections and the state of airline travel. Witnesses have not yet been announced.


Last Week

FY 2017 Continuing Resolution. On April 28, the House voted 382-30 and the Senate agreed by voice vote to pass a continuing resolution which funds the federal government through May 5 at FY 2016 levels. The CR was passed to give House and Senate leadership additional time to negotiate a long-term spending bill for the remainder of FY 2017.

House

Floor Vote: S. 496, Metropolitan Planning Organization Coordination and Planning Area Reform. On April 27, the House voted 417-3 to pass S. 496 which repealed a rule issued by FHWA and FTA entitled “Metropolitan Planning Organization Coordination and Planning Area Reform”. S. 496 passed the Senate in March, and the bill now heads to the President’s desk.

Floor Vote: H.R. 876, Aviation Employee Screening and Security Enhancement Act. On April 25, the House voted 409-0 to pass H.R. 896, the Aviation Employee Screening and Security Enhancement Act. H.R. 876 would:

- Require the Aviation Security Advisory Committee to conduct a cost and feasibility study of airports deploying new security screening systems at all employee access points;
- Require TSA to work with airports, air carriers, and vendors to assess credentialing standards, policies, and practices to ensure that insider threats are addressed;
- Require airports to alter their SIDA applications by requesting a social security number and adding a disclaimer that badged employees are subject to screening at all times;
- Ensure all credentialed aviation workers currently required to submit to fingerprint-based criminal record history check should be continuously vetted;
- Provide local airports and air carriers with the results and recommendations concerning covert testing of employee inspection operations conducted by the TSA;
- Establish a national database employees who have had either their airport or aircraft operator-issued badge revoked for failure to comply with aviation security requirements; and
- Declares DHS the lead interagency coordinator pertaining to insider threat investigations and mitigation efforts at airports.

Department of Transportation

FTA: Availability of Transit Asset Management Final Guidebooks. On April 24, FTA announced the availability of two guidebooks to assist grantees in complying with FTA’s Transit Asset Management program. The purpose of the guidebooks is to inform the transit community of calculation methodologies for state of good repair (SGR) performance measures for infrastructure and facilities.

FRA: Adjustment of Nationwide Significant Risk Threshold. On April 25, FRA announced it is updating the Nationwide Significant Risk Threshold (NSRT). This action is needed to ensure the public has the proper permissible risk threshold to evaluate risk resulting from prohibiting routine locomotive horn sounding at highway-rail grade crossings located in quiet zones. This is the seventh update to the NSRT and it is increasing from 14,347 to 14,723. The effective date for this notice is April 25, 2017.

DOT: Organizations and Delegations of Powers and Duties. On April 26, DOT published a final rule that updates the regulations that organize DOT in order to clarify the role of certain OST officials in the day-to-day management of the Department. Specifically, and where consistent with statute, these officials will be viewed as the final authority on matters within their areas of expertise, and will be involved in the hiring and evaluation of senior leadership in DOT’s operating administrations within their areas of
expertise. While the General Counsel and the Chief Financial Officer already have similar specific authority, this rule grants explicit authority to the Assistant Secretaries for Governmental Affairs and Administration, the Chief Information Officer, and the Director of Public Affairs.

**FTA: FY 2017 Funding Opportunity, LoNo Emission Grant Program.** On April 27, FTA announced the opportunity to apply for $55 million in FY 2017 funds for the Low or No Emission Bus Discretionary Grant Program (Low-No Program; Catalog of Federal Domestic Assistance (CFDA) number: 20.526), subject to funding availability. Only $31.5 million is available under the Continuing Resolution that expires on April 28, 2017. As required by Federal transit law (49 U.S.C. 5339(c)) and subject to funding availability, funds will be awarded competitively for the purchase or lease of low or no emission vehicles that use advanced technologies for transit revenue operations, including related equipment or facilities. Projects may include costs incidental to the acquisition of buses or to the construction of facilities, such as the costs of related workforce development and training activities, and project administration expenses. FTA may award additional funding that is made available to the program prior to the announcement of project selections. Applications are due by June 26, 2017.

Other

**GAO: Aviation Research and Development, FAA Could Improve How it Develops its Portfolio and Reports its Activities.** On April 24, GAO released a report that found that FAA’s actions are not fully consistent with requirements, agency guidance, and leading practices related to the management of its research and development (R&D) portfolio. GAO recommended that the Secretary of the DOT require the FAA Administrator to: (1) identify long-term R&D research priorities, (2) disclose how projects are selected, and (3) ensure that the NARP and R&D Annual Reviews meet statutory requirements for content. DOT concurred with the recommendations.

###
Memorandum

FROM: Steve Palmer, Channon Hanna, and David Haines
RE: FY 2017 Omnibus Appropriations Summary - Transportation
DATE: May 1, 2017

Below is an outline of the transportation and homeland security provisions of the FY 2017 omnibus bill. A vote is expected on the bill later this week before the current continuing resolution expires on May 5, 2017.

TRANSPORTATION
The bill provides a total of $57.651 billion in transportation discretionary appropriations, $350 million above 2016 and $5.5 billion above President Obama’s budget request.

Transit
- Provides the full FAST Act authorized amount of $12.4 billion for the Federal Transit Administration (FTA)
- $9.7 billion is provided for all formula grant programs
- $2.4 billion for Capital Investment Grants
- Provides $1.23 billion for projects with signed Full Funding Grant Agreements (FFGA), fully funding all current FFGA transit projects
  - Provides $285 million to fund a new starts FFGA FY 2017 for the following projects:

<table>
<thead>
<tr>
<th>State</th>
<th>Project</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>Santa Ana Garden Grove Streetcar</td>
<td>$50 million</td>
</tr>
<tr>
<td>MD</td>
<td>National Capital Purple Line</td>
<td>$125 million</td>
</tr>
<tr>
<td>MN</td>
<td>Minneapolis Southwest LRT</td>
<td>$10 million</td>
</tr>
<tr>
<td>WA</td>
<td>Seattle Lynnwood Link Extension</td>
<td>$100 million</td>
</tr>
</tbody>
</table>

- Provides $232.85 million to fund a core capacity FFGA in FY 2017 for the following projects:

<table>
<thead>
<tr>
<th>State</th>
<th>Project</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>San Carlos Peninsula Corridor Electrification Project</td>
<td>$100 million</td>
</tr>
<tr>
<td>NY</td>
<td>Canarsie Power Improvements</td>
<td>$83.68 million</td>
</tr>
<tr>
<td>TX</td>
<td>DART Red and Blue Line Platform Extension</td>
<td>$49.17 million</td>
</tr>
</tbody>
</table>

- Provides $407.83 million for the following Small Starts projects in FY 2017:

<table>
<thead>
<tr>
<th>State</th>
<th>Project</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>AZ</td>
<td>Tempe Streetcar</td>
<td>$50 million</td>
</tr>
<tr>
<td>CA</td>
<td>Sacramento Downtown Riverfront Streetcar</td>
<td>$50 million</td>
</tr>
<tr>
<td>FL</td>
<td>Fort Lauderdale Wave Streetcar</td>
<td>$11.01 million</td>
</tr>
<tr>
<td>FL</td>
<td>Jacksonville First Coast Flyer East Corridor BRT</td>
<td>$16.93 million</td>
</tr>
<tr>
<td>IN</td>
<td>Indianapolis Red Line All-Electric BRT</td>
<td>$50 million</td>
</tr>
<tr>
<td>State</td>
<td>Project Name</td>
<td>Cost</td>
</tr>
<tr>
<td>-------</td>
<td>---------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>MI</td>
<td>Grand Rapids, Laker Line BRT</td>
<td>$56.81m</td>
</tr>
<tr>
<td>MO</td>
<td>Kansas City, Prospect MAX BRT</td>
<td>$29.89m</td>
</tr>
<tr>
<td>NM</td>
<td>Albuquerque Rapid Transit Project</td>
<td>$50m</td>
</tr>
<tr>
<td>WA</td>
<td>Everett Swift II BRT</td>
<td>$43.19m</td>
</tr>
<tr>
<td>WA</td>
<td>Seattle Center City Connector</td>
<td>$50m</td>
</tr>
</tbody>
</table>

- $20 million for the new expedited project delivery pilot authorized in the FAST Act
- $5 million for technical assistance and training

**Highways**

- Provides the full FAST Act authorized amount of $43.266 billion
- The TIGER Grant program is provided $500 million
- Appropriates an extra $528 million from the general fund for the highway emergency relief program.
- Continues a provision to allow old, unused earmarks to be repurposed for current transportation projects

**Rail**

- Provided $1.85 billion for the Federal Railroad Administration (FRA), $173 million above FY 2016 levels.
- Provides $98 million for positive train control (PTC) grants, make rail infrastructure improvements, and restore or enhance passenger rail service.
- $258 million to support rail safety and research programs.
- While no funding was provided for high-speed rail, the bill does not prohibit other federal funds to be used for the California High Speed Rail Project.

**Aviation**

- Provides $16.4 billion for the Federal Aviation Administration (FAA), $127 million above FY 2016 levels.
- $3.35 billion for the Airport Improvement Program (AIP), equal to FY 2016 levels
  - Requires that no more than $1.2 million be used for administrative expenses
  - $15 million for the Airport Cooperative Research Program (ACRP)
  - $31.375 million for airport technology research
  - $10 million for the small community air service development program (SCASD)
- $1 billion for NextGen
- $6.5 million for Advanced Material/Structural Safety
  - $2 million is reserved for the FAA to work with public and private partners who provide leading-edge research, development, and testing of composite materials and structures
- $159 million for the contract tower program.
- Includes language preventing the elimination of the Contract Weather Observers program.

**National Highway Traffic Safety Administration**

- Provides $911 million in total budgetary resources for the National Highway Traffic Safety Administration (NHTSA)
- $1.5 million to fund grants to states that use vehicle registrations to notify vehicle owners and lessees of open recalls as authorized under the FAST Act.

**Other**

- $3 million for the National Surface Transportation and Innovative Finance Bureau.
HOMELESS SECURITY
The bill provides a total of $42.4 billion in discretionary funding for the Department of Homeland Security (DHS), an increase of $1.45 billion from FY 2016.

Transportation Security Administration (TSA)
- $7.8 billion, an increase of $331 million from FY 2016
- $88 million for public transportation security assistance
- $177.98 million for the Screening Partnership Program (SPP)
- A requirement that TSA implement a pilot program for airports that procure, install, and operate exit lane breach control (ELBC) systems on a non-reimbursable basis that during the pilot reallocates any resulting FTE savings to address screening capacity challenges at the same airport where the exit lane pilot is being conducted. Reallocated personnel are in addition to existing screening staff assigned to the airport checkpoint prior to the deployment of the ELBC technology
- Funds an additional 1,396 Transportation Security Officers
- Funds an additional 50 additional canine teams
- Requires TSA to submit an assessment of operational requirements to improve the security and efficiency of passenger and baggage screening, including long-term efforts and contingency plans to predict and respond to changing passenger volumes without compromising security
- $79.03 million for Other Vetting Programs
  - Includes an increase of $11.7 million for TSA PreCheck Application Expansion initiative

Customs and Border Protection (CBP)
- $11.4 billion for CBP, $137 million above FY 2016
- $5.81 million for trusted traveler programs
- Requires CBP to provide a detailed expenditure plan for biometric exit activities within 90 days outlining how innovative technology and effective collaboration with airports and airlines will minimize the need for additional CBP staffing
- Requires CBP to provide an updated resource allocation model detailing specific staffing, overtime, hours of operation, and funding for and implementation of planned enforcement initiatives
May 2, 2017

TO: Director Elsa Ortiz, 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

**Back at It:** The legislature returned from Spring Break on April 17\textsuperscript{th} to begin the sprint toward the first hearing deadline on April 28\textsuperscript{th}. This is the deadline for policy committees to hear all bills with a fiscal impact, which is most of the bills. Non-fiscal bills have until May 12 to move out policy committees. This week also marks the acceleration of budget subcommittee hearings in their effort to complete most of their work before the release of the May Revise, which will likely be release by May 12\textsuperscript{th}.

**Numbers:** The Department of Finance released its monthly update covering the month of March, and things looked positive. Earlier this year revenues slipped slightly below projections, but cash receipts for March closed the gap with revenues exceeding projections for the month by $1.39 billion, for a total haul of $6.1 billion. While sales tax revenue missed the mark by $66 million, income tax exceeded estimates by $874 million and corporation taxes surpassed estimates by $338 million. For the fiscal year to date revenues are $1.15 billion above projections. However, April is the lynch pin of revenue months.

To stay on track, April income tax revenue must total at least $13.5 billion – more than double the March target. While we must wait until May for the Department of Finance’s totals for April, the State Controller’s Office provides a daily tally of income tax collected. These daily tallies start out slow in April. Receipts on April 17\textsuperscript{th} and 18\textsuperscript{th} reached $980 million each day, but jumped significantly on April 19\textsuperscript{th} to $2.8 billion and $1.7 billion on April 20\textsuperscript{th}.

Unfortunately, April ended a little short of its goal of $13.5 billion with a total of $12.8 billion. With the tax payment deadline falling a couple days after the usual April 15\textsuperscript{th} date it will be interesting see if Finance applies some of income tax revenue that comes in this week to April.
**Cap & Trade:** The long legal battle over California’s cap & trade program took one step closer to the end. The state appeals court in a 2-1 decision confirmed the superior court decision and sided with the state in finding that the cap & trade program is not an illegal tax.

This was another blow to the CalChambers argument that the cap & trade program is an illegal tax imposed with only a majority vote of the legislature. The CalChamber has stated it intends to appeal this decision to the State Supreme Court, making it unclear if this favorable decision will increase the trading activity at the next auction.

The court of appeals decision centered on whether the cap & trade program equates to a tax. The decision goes much further superior court opinion that debated whether it is a fee or a tax, and finds that it neither because it is a voluntary purchase of a valuable commodity. According to the court’s decision a tax is compulsory and the payer does not receive anything of value in return. Under the cap & trade program the appeals court opined that the purchase of an allowance is a voluntary decision because an entity can either purchase an allowance or reduce emissions. In addition, when an allowance is purchased it become a commodity that can be used or sold on the secondary market.

**Transportation Barriers:** While SB 350 was amended to remove the goal of reducing fuel consumption by 50%, the bill continued to direct CARB to increase the use and access to zero or near-zero transportation options. A key component of SB 350 directed CARB to examine the barriers low income residents must overcome to access clean transportation options. In response, CARB released a draft report titles SB 350 Clean Transportation Access Guidance Document. CARB is seeking comments on the document.

The plan outlines many existing and proposed programs that will assist low income individuals in purchasing zero emission vehicles or accessing clean transportation options. A new proposal (page 51) suggests that when local taxes are proposed for transportation or land use planning to ensure that there is a specific allotment of funding dedicated to clean transportation projects in low income and disadvantaged communities. In addition, a few of the other priorities identified include the following:

- Continue to pay for programs that direct funding toward increased availability of discounted or free transportation passes for public transportation, car sharing, bike sharing, micro-transit, and other transformative clean transportation and mobility options
- Continue to identify and implement policies that increase the frequency, reliability, and safety of clean public transportation options
- Identify and direct funding toward increasing the availability of diverse fare payment options for low-income residents. Allow for cash loading options for payment cards
- Continue to expand the implementation of pedestrian and bicycle infrastructure improvements, including for separated bikeways or cycle tracks (Class IV bikeways) and mobility hubs
- Develop District-level plans to identify bicycle and pedestrian needs and priority projects on or parallel to the state highway system, with a focus on closing gaps and building complete, comfortable regional networks
LEGISLATION

The Wait is Over: The fate of SB 1 was known, but it sat in enrollment until the Legislature approved the deal maker bills. With the legislature sending the Governor the last two pieces of this package on April 24th, the Governor signed SB 1, along with SB 132 and SB 496 with little fanfare on Friday, April 28th.

The enactment of SB 1 kicks-off a series of fund transfers and tax increases that will result in $2.78 billion in new revenue being directed to transportation and transit in the 2017-18 fiscal year. The bulk of this new revenue will begin to be collected on November 1, when the excise tax on gasoline and the excise tax and sales tax increase on diesel fuel kicks in. At full implementation SB 1 will result in over $5 billion in new revenue to transportation and transit programs. MTC estimates that C Transit will receive an additional $6.5 million in STA revenue, and an additional $2.7 million annually for state of good repair investments.

SB 132 is the budget appropriation bill that directs the $400 million to extend ACE to Modesto, $100 million for UC Merced Parkway improvements and the $427 million to projects in Riverside County. The revenue for the ACE extension will come from the Transit & Intercity Rail Capital Program over the next 10 years, and the UC Merced and Riverside County projects will be funded from the State Highway Account, and these funds must be spent on June 30, 2023. This bill also contains other minor budget revisions. In addition, SB 132 is joined to SB 496 making the enactment of the appropriations contingent upon the enactment of SB 496.

SB 496 is the more controversial item included in the deal. This bill contains policy changes that failed passage in the legislature more than once over the past few years. SB 496 would shield design professionals (engineers & architects) from participating in the defense of any legal challenge brought against a project, thus increasing the costs for the public entity, the general contractor and subcontractors.

RM3: With the passage of SB 1 the focus now turns toward the passage of legislation that will allow voters in the Bay Area to consider a new bridge toll proposal. Senator Beall officially started this decision earlier this week when SB 595 was amended to include the frame work for the Regional Measure 3 discussion. As amended SB 595 does not specify the amount of the toll increase and it does not list any projects or programs. The bill merely includes legislative finding on the need, and the general provisions for placing this measure on the ballot. SB 595 was approved on a party line vote in the Senate Committee on Transportation & Housing on April 25th. This marks the beginning of what will be a ruckus summer.

Safer Buses: AB 673 by Assemblyman Kansen Chu, and sponsored by ATU, has been on our watch list since its introduction. As introduced, AB 673 proposed to place significant new requirements on transit buses in an effort of increasing the safety of bus drivers. These new requirements included the installation of transparent, glare-free, accessible partition enclosures around the bus operator seating area capable of withstanding gunfire, and a door or window to the left of the bus operator seating area that would allow for emergency egress.
The bill has been amended to delete the proposed new requirements. The toned down, AB 673, would require a transit operator, before purchasing new buses, to take into consideration recommendations and best practices developed by bus drivers that address the following:

- Reduce the risk of assault on the driver.
- Reduce blind spots created by bus equipment.
- Enhance the safety of passengers, driver, pedestrians and other vehicles.

**BART Bonds:** Assemblywoman Catharine Baker introduced AB 1509 to place additional restriction on the use of Measure RR bonds. Although it was opposed by ATU, AFSCME, and the California Labor Federation, AB 1509 was approved by the Assembly Committee on Local Government. Specifically, AB 1509 would enact maintenance of effort requirement that requires BART in any year it expends Measure RR bond revenue to also expend an amount equal to the average expenditure for capital projects that occurred in the 2013/14-2015/16 fiscal years. The goal of this bill is to prevent BART from supplanting capital funds with Measure RR funds, and using the “freed-up” revenue for operations.

**School Transportation:** The Board adopted an Oppose Unless Amended position AB 1469. The Board’s concerns were centered on the absence of any funding source to implement this proposal. AB 1469 would create the Transportation and Access to Public School Fund, which would entitle a pupil that attends a school that receives federal Title 1 funding to free transportation to and from school.

In discussing AC Transit’s position with the author’s office they asked that AC Transit reconsider its position because even if the bill is signed into law it would not take effect unless funds are appropriated. Section 4 of the bill, which creates the Transportation and Access to Public School specifically states that this section shall only become operative to the extent that funding is appropriated for this purpose.

**Two-Year Bill:** AB 1640 (Eduardo Garcia) has become a two-year bill and will not move forward this session. This bill aimed to direct transportation investments toward projects benefiting disadvantaged communities. AB 1640 proposed starting in 2020 to require each regional transportation improvement plan to direct 25% of available funds to projects or programs that directly benefit low income individuals or transit service that connect low income people with critical services.

**Cap & Trade:** While the court decisions are breaking in favor of the state, the legislature is moving forward two competing measures, AB 378 and SB 775, that would extend the life of the cap & trade auction beyond 2020.

**AB 378 (Cristina Garcia)** would extend the existing cap & trade auction to 2030. In particular this bill would also integrate air quality performance into the cap & trade compliance. AB 378 would enact these changes with a majority vote, thus keeping the nexus requirement in place.
on the use of auction proceeds. It also does not appear to make any changes to the existing funding programs, such as the Low Carbon Transit Operations Program (LCTOP), or the Transit and Intercity Rail Capital Program (TIRCP). AB 378 includes the following changes to the cap & trade program:

- Prohibits ARB from permitting a facility to increase its annual greenhouse gas (GHG) emissions compared to the average of emissions reported from 2014 to 2016.
- Authorizes ARB to adopt "no-trade zones" or facility-specific declining GHG limits where facilities' emissions contribute to a cumulative pollution burden that creates a significant health impact.
- Requires ARB, in consultation with each affected local air district, to adopt air pollutant emissions standards for industrial facilities subject to cap-and-trade.
- Requires ARB to evaluate the air pollutant emissions of each industrial facility, based on specified factors.
- Prohibits ARB, after 2020, from allocating allowances pursuant to cap-and-trade to an industrial facility that does not meet the air pollutant emissions standards.

SB 775 (Wieckowski) would extend the auction beyond 2020 by creating a new cap & trade auction program. The new auction would have a price ceiling and floor, and any allowance issued under the old auction would be voided. The revenue would be allocated to three new programs that provide dividends, research, and infrastructure. It would also supersede the existing funding programs, such as LCTOP. This measure is subject to a 2/3 vote for passage, which would allow greater flexibility on how these funds are spent.

SB 775 enacts into law a post-2020 cap and trade program. The new auction includes the following changes:

- Directs ARB to set declining annual caps on emissions from covered sources that are consistent with achieving the 2030 statewide emissions goal.
- Includes a price floor and price ceiling (a price collar) at quarterly auctions, in order to reduce market volatility. The initial price ceiling begins at $30/tCO₂e and rises at $10/tCO₂e per year, plus inflation.
- The initial price floor begins at $20/tCO₂e and rises at $5/tCO₂e per year, plus inflation, but increases are delayed to maintain a $20 spread from floor to ceiling.
- Prohibits the use of carbon offsets, banked allowances from the pre-2020 market, and allowances from external market programs.
- Prohibits banking of allowances for use outside of the year they are issued.
- Requires that all allowances be auctioned, and none freely allocated, a change made possible by industry protections in the Economic Competitiveness Assurance Program and family/household protections due to the Climate Dividend.
### Table 1: Board Action Items

<table>
<thead>
<tr>
<th>Bills</th>
<th>Subject</th>
<th>Status</th>
<th>Client - Position</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AB 378</strong>&lt;br&gt;<em>(Garcia, Cristina D)</em>&lt;br&gt;Greenhouse gases, criteria air pollutants, and toxic air contaminants.</td>
<td>This bill extends the Air Resources Board's (ARB) cap-and-trade authority to 2030 and integrates specified air quality performance requirements into the program. Specifically, this bill:&lt;br&gt;1) Extends ARB's cap-and-trade authority to 2030.&lt;br&gt;2) Prohibits ARB from permitting a facility to increase its annual greenhouse gas (GHG) emissions compare to the average of emissions reported from 2014 to 2016.&lt;br&gt;3) Authorizes ARB to adopt &quot;no-trade zones&quot; or facility-specific declining GHG limits where facilities' emissions contribute to a cumulative pollution burden that creates a significant health impact.&lt;br&gt;4) Requires ARB, in consultation with each affected local air district, to adopt air pollutant emissions standards for industrial facilities subject to cap-and-trade.&lt;br&gt;5) Requires ARB to evaluate the air pollutant emissions of each industrial facility, based on specified factors.&lt;br&gt;6) Prohibits ARB, after 2020, from allocating allowances pursuant to cap-and-trade to an industrial facility that does not meet the air pollutant emissions standards.</td>
<td>ASSEMBLY APPR.</td>
<td>Recommended Position: WATCH</td>
</tr>
<tr>
<td><strong>AB 673</strong>&lt;br&gt;<em>(Chu D)</em>&lt;br&gt;Public transit operators: bus procurement: safety considerations.</td>
<td>AB 673 was substantially amended on April 18th. The language in the bill that required specific safety features on all new buses has been removed. The Board may want to consider a support position on the amended bill.&lt;br&gt;<strong>As amended, AB 673 would require a transit operator, before purchasing new buses, to take into consideration recommendations and best practices developed by bus drivers that address the following:</strong>&lt;br&gt;• Reduce the risk of assault on the driver.&lt;br&gt;• Reduce blind spots created by bus equipment.</td>
<td>ASSEMBLY APPR.</td>
<td>Current Position: WATCH&lt;br&gt;Recommended Position: SUPPORT</td>
</tr>
</tbody>
</table>
- **Enhance the safety of passengers, driver, pedestrians and other vehicles.**

The following provisions requiring new buses to be equipped with these features have been removed from the bill:

- Transparent, glare-free, accessible partition enclosures around the bus operator seating area capable of withstanding gunfire.
- A door or window, at least the same size as a passenger emergency window, to the left of the bus operator seating area that allows for safe and rapid emergency egress from the vehicle.
- A mechanism that allows for direct connection to local law enforcement, such as a panic button.
- Low-mounted, reasonably sized left-side mirrors that allow the bus operator, regardless of size, to adequately view pedestrians crossing in front of the bus.
- Reasonably sized “A” pillars that allow the bus operator, regardless of size, to adequately view pedestrians crossing in front of the bus.
- An overall bus operator seating area that eliminates blind spots to the greatest extent feasible.

**AB 1469**  
(Grayson D)  
School transportation.

AB 1469 would create the Transportation and Access to Public School Fund, but it does not take effect unless funds are appropriated.

AB 1469 would entitle a pupil that attends a school that receives federal Title 1 funding to free transportation to and from school.

It would require schools that receive Title 1 funding and do not provide free transportation to implement a plan developed in consultation with teachers, administrators, parents, transit operators, and others. In addition, AB 1469 would authorize a school district to partner with a public transit operator to provide this service.

**AB 1509**  
(Baker R)  
San Francisco Bay

Establishes restrictions on the expenditure of funds for the Bay Area Rapid Transit District (BART) and requires the State Controller to withhold specified revenues if the
<table>
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<tr>
<th>Bill</th>
<th>Sponsor</th>
<th>Description</th>
<th>Committee</th>
<th>Position</th>
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<tbody>
<tr>
<td>AB 1640</td>
<td>Garcia, Eduardo</td>
<td>Transportation funding: low-income communities. AB 1640 (Eduardo Garcia) has become a two-year bill and will not move forward this year. AB 1640 proposed starting in 2020 to require each regional transportation improvement plan to direct 25% of available funds to projects or programs that directly benefit low income individuals or transit service that connect low income people with critical services.</td>
<td>ASSEMBLY 2 YEAR</td>
<td>WATCH</td>
</tr>
<tr>
<td>SB 584</td>
<td>De León, D</td>
<td>California Renewables Portfolio Standard Program: SB 584 has been gutted and amended to be used to implement the budget. The Board adopted a support in concept position on the prior version of the bill. While not in print yet, Pro Tem de Leon has amended SB 100. The amended version of the bill is similar to the intent language that was in SB 584. As amended, SB 100 would require California to generate 100 percent of its electricity from clean renewable sources by 2045. The Board may want to consider a support position on SB 100, which would be consistent with its action on SB 584.</td>
<td>SENATE RLS.</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>SB 595</td>
<td>Beall, D</td>
<td>Metropolitan Transportation Commission: toll bridge revenues. SB 595 requires the City and County of San Francisco and the other eight Bay Area counties to conduct a special election to increase the toll rate charged on state-owned bridges within the region. SB 595 currently does not specify the amount of the toll increase and it does not list any projects or programs. The bill merely includes legislative finding on the need, and the general provisions for placing this measure on the ballot. As this bill moves forward specific projects that would be funded with the toll revenue will be specified in the bill. In addition, the amount of the toll increase, or a range of the toll increase, will be specified in the bill.</td>
<td>SENATE APPR.</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>SB 775</td>
<td>Wieckowski, D</td>
<td>California Global Warming Solutions Act of 2006: market-based compliance mechanisms. SB 775 enacts into law a post-2020 cap and trade program. A “Watch” position is recommended at this time until we can determine the potential impact to existing funding programs. The new auction includes the following changes: • Directs ARB to set declining annual caps on emissions from covered sources that are</td>
<td>SENATE E.Q.</td>
<td>WATCH</td>
</tr>
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Recommended Position on SB 584: SUPPORT IN CONCEPT

Recommended Position on SB 100: SUPPORT

Recommended Position on SB 100: SUPPORT

Recommended Position on SB 775: WATCH
consistent with achieving the 2030 statewide emissions goal.

- Includes a price floor and price ceiling (a price collar) at quarterly auctions, in order to reduce market volatility. The initial price ceiling begins at $30/tCO₂e and rises at $10/tCO₂e per year, plus inflation.
- The initial price floor begins at $20/tCO₂e and rises at $5/tCO₂e per year, plus inflation, but increases are delayed to maintain a $20 spread from floor to ceiling.
- Prohibits the use of carbon offsets, banked allowances from the pre-2020 market, and allowances from external market programs.
- Prohibits banking of allowances for use outside of the year they are issued.
- Requires that all allowances be auctioned, and none freely allocated, a change made possible by industry protections in the Economic Competitiveness Assurance Program and family/household protections due to the Climate Dividend.

Table 2: Board Action Positions

<table>
<thead>
<tr>
<th>Bills</th>
<th>Subject</th>
<th>Status</th>
<th>Client - Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB 1</td>
<td>AB 1 is Assemblyman Frazier's renewed effort to address the funding shortfall facing our transportation infrastructure. This bill would generate about $6.6 billion in revenue for the maintenance and rehabilitation of state highways and local streets and roads, as well as provide targeted investments in public transit and good movement corridors.</td>
<td>ASSEMBLY TRANS</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>(Frazier D)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation funding.</td>
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<td></td>
<td></td>
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<tr>
<td>AB 1113</td>
<td>AB 1113 is sponsored by the California Transit Association (CTA). This bill is intended to implement corrections to the State Controller new interpretation of how State Transit Assistance (STA) funds are allocated. The bill makes several clarifying changes that clean-up the structure of these codes, and in</td>
<td>ASSEMBLY FLOOR CONSENT CALENDAR</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>(Bloom D)</td>
<td></td>
<td></td>
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<tr>
<td>State Transit Assistance program.</td>
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<td></td>
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</tbody>
</table>
particular specifies that only public transit operators are eligible to receive STA funds directly. It also specifies that when reporting to the Controller an operator’s reportable revenue cannot exceed its expenses for purposes of the STA calculation. Given the extent of the changes proposed in AB 1113, attached is the CTA’s summary of the proposal.

| SB 1  
| Beall  
| (D) 
| Transportation 
| funding. 
| 
| SB 54 
| De León  
| (D)  
| Law 
| enforcement: 
| sharing data. 
| 
| SB 562 
| Lara  
| (D) 
| The Healthy 
| California Act 
| 
| **SB 1** contains the Governor’s and Leadership’s transportation funding proposal. This bill would generate about $5.2 billion in revenue for the maintenance and rehabilitation of state highways and local streets and roads, as well as provide targeted investments in public transit and good movement corridors.

| Signed Into Law |
| SUPPORT |

| SB 54 intends to limit state and local law enforcement agencies involvement in immigration enforcement and to ensure that eligible individuals are able to seek services from and engage with state agencies without regard to their immigration status.

This bill prohibits state and local law enforcement agencies and school police and security departments from using agency or department money, facility, property, equipment or personnel to investigate, interrogate, detain, detect or arrest persons for immigration enforcement purposes. According to the author’s office this would include public safety services performed under contract by local law enforcement agencies.

| ASSEMBLY DESK |
| SUPPORT |

| SB 562 would create the Healthy California Act, which would establish a state based universal single payer health care system. SB 562 would create a single payer system, but the bill currently does not identify how this system would be financed.

While the Affordable Care Act has resulted in increasing the number of individuals having health insurance, Senator Lara is pursuing this bill because health care costs remain high and out of reach for many. In addition, there remains uncertainty regarding the future of the ACA.

| SENATE APPR |
| SUPPORT |
A support position on SB 562 is consistent with prior actions by the Board in support of a universal health care system.

<table>
<thead>
<tr>
<th>SB 614 (Hertzberg D)</th>
<th>SB 614 allows fine revenue collected by imposing administrative penalties to be deposited with the public transit agency that issued the citation. Current law requires these funds to be deposited into the general fund of the county where the citation was issued.</th>
<th>SENATE FLOOR SUPPORT</th>
</tr>
</thead>
</table>

With the passage of ACA 5, SCA 2 was placed on the Inactive File. SCA 2 and ACA 5 are identical and would prospectively prohibit the use of truck weight fees to pay for transportation bonds approved after January 1, 2017. The bill would also expand the protections for Public Transportation Account revenues to also include the 1.75% increase to the diesel fuel sales tax that was enacted as part of the gas tax swap. The ban on borrowing fees and taxes would also apply to any vehicle fees or taxes dedicated to transportation accounts.

<table>
<thead>
<tr>
<th>SCA 6 (Wiener D)</th>
<th>SCA 6 would allow a local government to impose any special tax with a 55% approval of the voters if the special tax dedicates 100% of the revenues, not including collection and administrative expenses, to transportation programs and projects.</th>
<th>SENATE T &amp; H SUPPORT</th>
</tr>
</thead>
</table>

Table 3: Board Watch Positions

<table>
<thead>
<tr>
<th>Bills</th>
<th>Subject</th>
<th>Status</th>
<th>Client - Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB 17 (Holden D)</td>
<td>AB 17 is the reintroduction of AB 2222 from last session, which the AC Transit Board adopted a “Watch” position. This bill would create the Student Transit Pass Program to be administered by the Caltrans. The bill would require the Controller to allocate moneys made available for the program, upon appropriation by the Legislature, to each transit operator pursuant to the STA formula. The funds must be used to support transit pass programs that provide free or reduced-fare transit passes to</td>
<td>ASSEMBLY APPR Watch</td>
<td></td>
</tr>
</tbody>
</table>
| **AB 28**  
**Frazier D**  
Department of Transportation: environmental review process: federal pilot program. | AB 28 re-enacts provisions that sunset on December 31st 2016 that delegate the responsibility to Caltrans for complete NEPA review of transportation projects. | Signed Into Law | WATCH |
|---|---|---|---|
| **AB 468**  
**Santiago D**  
Assault: transit operator: transit vehicle in motion. | AB 468 was a spot bill that merely states legislative intent to enact legislation creating a specific crime to assault a transit operator while a transit vehicle is in motion.  
AB 468 has been amended to delete any reference to driver assault. As amended the bill would add Los Angeles Metropolitan Transportation Authority to existing laws that allow LAMTA to issue prohibition orders to any person for committing certain acts. | ASSEMBLY TRANS | Watch |
2017 Federal Advocacy Program

Funding
- FY 2017 Grant Opportunities - Secure federal funds for key capital projects and support funding for 2017 Project Priorities for:
  o Rehabilitation, expansion, and replacement of aging bus, bus facilities, and equipment and maintain in a state of good repair
  o Within the Small Starts Program and other programs
  o Bus lifting equipment program
  o Security cameras and wireless access technologies for buses and facilities
  o Zero Emission Bus Programs
- Advocate for supplemental funding through the Federal Transit Administration (FTA) 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 to purchase and refurbish zero emission buses and related infrastructure.
- Support policy initiatives that relieve the undue burden of mandatory regulations by requiring all mandates be sufficiently funded to protect the fiscal integrity of the District, including Safety Management Systems (SMS) and State of Good Repair and assessment management plans.

Transportation Authorization Principles
- Advocate for the inclusion of transit buses by Congress and the incoming Administration in any initiative to enhance funding or financing opportunities for transportation infrastructure.
- Ensure that private sector financing proposals do not replace current funding for transit from the Highway Trust Fund.
- Preserve continued guaranteed funding for transit from the Highway Trust Fund/Mass Transit Account, and oppose any efforts to break to 80/20 split for highways and transit.
• Support efforts to increase the gas tax or other revenues to replenish and sustain long-term growth of the Highway Trust Fund/Mass Transit Account.

• 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.

• 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.

• Support efforts to require local labor workforce minimums for construction projects funded by grants from the FTA.

Other Advocacy

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

• Preserve modal parity by maintaining the commute tax benefits in legislation to reform corporate tax rates.

• Advocate for maintaining the tax exemption on municipal bonds in legislation to reform corporate tax rates.

• Support legislation that encourages Single Payer health insurance.

• Advocate for funding of infrastructure improvements covered by the American with Disabilities Act (ADA).

• Monitor actions regarding any efforts to eliminate 13C requirements, and/or the Department of Labor’s position with respect to applicability of 13C to pension reform law (PEPRA).

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

• Explore options to expand the FTA’s 20% spare ratio requirement.

• Monitor actions that decrease funding for sanctuary cities.
2017 State Advocacy Program

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 efforts that increase the formula allocation of cap & trade auction revenue to public transit operations and capital investments, and the development of an expenditure plan for cap and trade revenue that provides an equitable investment in mass transit and infill/transit oriented development (TOD).

- Support the development of a regional toll measure expenditure plan and the enactment of legislation that provides for the equitable distribution of toll revenue for public transit operations and capital improvements within AC Transit's toll bridge corridors.

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

- Support legislation and programs that would provide funding to offset the costs of climate change initiatives, such as pending Advanced Clean Transit regulations and any zero emission vehicles.

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

- Support efforts for new, sustainable funding for existing transit revenues, including the State Transit Assistance (STA) program to offset the decline in available revenue.

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

• Support policy initiatives that relieve the undue burden of mandatory regulations by requiring all mandates be sufficiently funded to protect the fiscal integrity of the District.

• Support efforts to ensure public transit receives a fair share of any new tax revenue, such as revenue resulting from Proposition 64.

• Support efforts at the California Public Utilities Commission and state legislature for discounted rates of electricity for zero emission vehicles.

• Support funding for continued operation and maintenance of the Transbay Transit Center.

**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 person throughput.

• Support incentives to provide bus only lanes on bridges to/from the Transbay Transit Center.

• Support legislation to exempt public transit and paratransit 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 and paratransit vehicles.

• Remove or except public transit diesel-powered heavy duty vehicles from the 3000 hours limitation required under the Emissions Defects Warranty established by CARB.

• Support increased resources for security and safety of bus divisions.

• Support funding for zero emission vehicle workforce training programs.

**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 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; 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 account for the disadvantaged communities of the East Bay.

**Policy Interests**

• Support simple majority vote for local transportation tax initiatives.

• Support legislation to allow District to ban persons for specified offenses relating to aggressive, threatening or criminal behavior against district property, assets or personnel and from entering District property, including buses.

• Seek revisions to the Metropolitan Transportation Commission’s statutes to include the direct representation of transit properties on its governing board.

• 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 any efforts to eliminate 13C requirements, and/or the Department of Labor’s position with respect to applicability of 13C to pension reform law (PEPRA).

• Monitor administrative and regulatory compliance legislation that potentially impacts the District.

• 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 the use of forward-facing cameras.

• Seek to harmonize treatment of independent public agency retirement systems with large systems (e.g. CalPERS, CalSTRS).

• Support legislation that reduces liability for common carriers.

• Support legislation that allows for the enforcement of priority seating.