

STAFF REPORT

SUBJECT: State Legislative Update

FROM: Angela Swanson, Senior Grants & Project Management Specialist

DATE: May 24, 2016

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**Action Requested**

Review and forward to the LAVTA Board of Directors.

**Background**

LAVTA staff tracks legislative activities each session that may impact the transit agency. This report identifies pending bills of particular interest that the agency may choose to take a position on during the course of the session.

**Discussion**

The Legislature in May is focused on hearing and acting on moving bills in their houses of origin, with focus moving from policy committees to the finance. Bills must pass out of fiscal committees by May 27 and from the house of origin is June 3<sup>rd</sup>.

State Budget

Release of the Governor's "May Revise" to the budget also throws shade over legislative activities this month. In the update released two weeks ago, the Governor pulled the reins tighter on spending noting the flattening in state revenues among other measures of a coming economic slowdown. In January, the Governor's initial budget proposal outlined a \$122 billion General Fund spending plan with \$48 billion in special funds, to total \$170 billion.

In the May Revise, expenditures were curtailed as a result of the forecast that tax revenues will decline by \$1.9 Billion. The forecast is based on sluggish April tax filings. The May Revision continues to reflect the Governor's transportation package that would provide \$36 billion over the next decade to improve the maintenance of highways and roads, expand public transit, and improve critical trade routes. The increased funding would be coupled with Caltrans efficiencies, streamlined project delivery, and accountability measures. The governor's transportation funding plan would generate \$3.6 billion annually through existing revenue streams, excise taxes on gasoline and diesel fuels, a new \$65 vehicle fee, and increased Cap and Trade revenues.

Transportation Package

In 2015 the Governor called for an Extraordinary Special Session on Transportation which

remains in session and many new bills have been introduced. Little progress has been realized, with no changes on the key measures introduced by the Governor and his proxies last summer. Despite intense deal-brokering behind the scenes, no major financing or programmatic changes were realized although the introduced legislation remains actionable. If the governor, Senate and Assembly majority leaders plan to pass a transportation package including new taxes, discussions will be required with Republicans to secure the necessary votes for approval. The outlook for enacting any new taxes continues to dim in this election year despite continued dialog on the dire need for new/increased infrastructure funding.

The one bright light in this landscape is SBX 1 (Beall). Recent amendments to Senator Beall's SBX 1 does show some movement on trying to secure Republican support for a funding package. Many of the items added to SBX 1 have previously been proposed by Republican Caucus members. In general each of the proposals would create a Road Maintenance & Rehabilitation Account where all the new excise tax and vehicle fee revenue would be deposited. SBX 1 and Assemblyman Frazier's AB 1591 would dedicate 5% of the revenue to a State and Local Partnership Program that would be open to those counties that previously did not have a local transportation sales tax program. The balance of the funds would then be split with 50% allocated to Caltrans for the SHOPP and other eligible projects, and 50% allocated to cities and counties for local street and road projects.

The amendments to SBX 1 illustrate progress in reaching a bi-partisan agreement on a meaningful transportation funding package. This will hopefully spur momentum to reach an agreement as part of the budget.

#### AB 1746 (Stone) "Bus on Shoulder"

LAVTA is among a group of seven transit authorities named in this bill which seeks to expand the ability of select agencies to authorize the operation of transit buses on the shoulder of a segment of a state highway during peak traffic periods. LAVTA proposes to implement the "bus on shoulder" provisions along I-680 for the 70X route. The bill continues to move through the Legislature with due speed and solid support. It is presently assigned to the Senate Transportation & Housing Committee.

#### AB 2762 (Baker)

This bill would establish the Altamont Pass Regional Rail Authority for purposes of planning and delivering a cost effective and responsive interregional rail connection between the Bay Area Rapid Transit (BART) District's rapid transit system and the Altamont Corridor Express in the Tri-Valley, within the City of Livermore, that meets the goals and objectives of the community. The bill is currently parked.

#### **Recommendation**

Staff recommends the Committee accept the report as presented and recommend it to the Board of Directors.

Attachment:

1. May Legislative Report

**LAVTA Legislative Update  
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Bill	Author	Title	Legislative Principle	Suggested Position	Status
<b>Special Session On Transportation 2015</b>					
ABX1 1	Alejo	Transportation funding.	1		From printer.
<b>ABX1 7</b>	<b>Nazarian</b>	<b>Public transit: funding.</b>	<b>2</b>	<b>Support</b>	<b>From printer. 7/17/2015</b>
<b>ABX1 8</b>	<b>Chiu</b>	<b>Diesel sales and use tax.</b>	<b>2</b>	<b>Support</b>	<b>From printer. 7/17/2015</b>
ABX1 10	Levine	Public works: contracts: extra compensation.	3		From printer.
ABX1 13	Grove	Greenhouse Gas Reduction Fund: streets and highways.	4		From printer.
ABX1 14	Waldron	State Highway Operation and Protection Program: local streets and roads:	2		From printer.
ABX1 15	Patterson	State Highway Operation and Protection Program: local streets and roads: appropriation.	2		From printer.
ABX1 17	Achadjian	Greenhouse Gas Reduction Fund: state highway operation and protection program.	4		From printer.
ABX1 18	Linder	Vehicle weight fees: transportation bond debt service.	1		From printer.
ABX1 19	Linder	California Transportation Commission.	5		From printer.
ABX1 23	Garcia, Eduardo	Transportation.	1		From printer.
ABX1 25	Allen, Travis	Shuttle services: loading and unloading of passengers.	3		From printer.
SBX1 1	Beall	Greenhouse Gas Reduction Fund.	1	Support	From committee with author's amendments. Read second time and amended. Re-referred to Com. On APPR.

**Principles:**

1. Protection of Funding Sources
2. Future Funding Investments
3. Operating Conditions Advocacy
4. Environmental Stewardship
5. Strategic Partnerships

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SBX1 2	Huff	Greenhouse Gas Reduction Fund.	1		September 1 set for first hearing. Failed passage in committee. (Ayes 3. Noes 9. Page 56.) Reconsideration granted.
SBX1 3	Vidak	Transportation bonds: highway, street, and road projects.	1		Returned to Secretary of Senate pursuant to Joint Rule 62(a).
SBX1 4	Beall	Transportation funding.	1		Senators Beall (Co-Chair), Allen, Leyva, Cannella and Gaines appointed to Conference Committee.
SBX1 6	Runner	Greenhouse Gas Reduction Fund (GGRF) and Cap & Trade	2		Returned to Secretary of Senate pursuant to Joint Rule 62(a).
<b>SBX1 7</b>	<b>Allen</b>	<b>Diesel sales and use tax.</b>	<b>2</b>	<b>Support</b>	<b>Read second time and amended. Re-referred to Com. on APPR.</b>
<b>SBX1 8</b>	<b>Hill</b>	<b>Public transit: funding.</b>	<b>2</b>	<b>Support</b>	<b>From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 0. Page 57) (September 1). Re-referred to Com. on APPR.</b>
SBX1 10	Bates	Regional transportation capital improvement funds	2		September 8 hearing: Testimony taken. Hearing postponed by committee.
SBX1 11	Berryhill	Environmental quality: transportation infrastructure.	3		From committee with author's amendments. Read second time and amended. Re-referred to Com. on T. & I.D.
SBX1 12	Runner	California Transportation Commission. Outside oversight of CalSTA	3		Read second time and amended. Re-referred to Com. on APPR.
SBX1 13	Vidak	Office of the Transportation Inspector General.	3		From committee: Do pass and re-refer to Com. on APPR. (Ayes 12. Noes 0.) (August 19). Re-referred to Com. on APPR.
SCAX1 1	Huff	Motor vehicle fees and taxes: restriction on expenditures.	1		From committee: Be adopted and re-refer to Com. on APPR. (Ayes 13. Noes 0.) (September 8). Re-referred to Com. on APPR.

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**Legislative Session, 2015-2016**

AB 397	Mathis	Bonds: transportation: water projects	1	Support	From committee: Without further action pursuant to Joint Rule 62(a)
AB 779	Garcia, C	Transportation: Congestion Management Program	3	Watch	In committee: Set, first hearing. Hearing canceled at the request of author
AB 1550	Gomez	Greenhouse Gases: investment plan: disadvantaged communities	4		Referred to Com. on APPR
AB 1555	Gomez	Greenhouse Gas Reduction Fund.	4		Re-referred to Com. on BUDGET. pursuant to Assembly Rule 96. (Set for hearing on 5/11/2016)
AB 1572	Campos	School transportation.	3		In committee: Set, first hearing. Referred to APPR. suspense file.
<b>AB 1591</b>	<b>Frazier</b>	<b>Transportation funding.</b>	<b>2</b>	<b>Support</b>	<b>Referred to Coms, on TRANS. And REV. and TAX.</b>
AB 1595	Campos	Employment: human trafficking training: mass transportation employers.	3	Watch	From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 0.) (April 20). Re-referred to Com. on APPR.
<b>AB 1640</b>	<b>Allen, Travis</b>	<b>Retirement: Public Employees</b>	<b>3</b>	<b>Support</b>	<b>Referred to Com. on P.E. &amp; R.</b>
AB 1641	Stone	Shuttle services: loading and unloading of passengers.	3		In committee: Set, second hearing. Hearing canceled at the request of author.
AB 1665	Bonilla	Transactions and use taxes: County of Alameda, County of Contra Costa, and Contra Costa Transportation Authority.	2		Read second time. Ordered to third reading.
<b>AB 1746</b>	<b>Stone, Mark</b>	<b>Transit buses.</b>	<b>3</b>	<b>Support</b>	<b>Senate Transportation &amp; Housing COMM</b>
AB 1833	Linder	Transportation projects: environmental mitigation.	4		Re-referred to Com. on APPR.
AB 1851	Gray	Vehicular Air Pollution: reduction incentives	4		From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 3.) (April 18). Re-referred to Com. on APPR.
AB 1886	McCarty	California Environmental Quality Act: transit priority projects.	4		ASM. NAT. RES. Vote - Do pass as amended.

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AB 2030	Mullin	Transportation districts: contracts.	1		Action From SECOND READING: Read second time.To THIRD READING.
<b>AB 2090</b>	<b>Alejo</b>	<b>Low Carbon Transit Operations Program.</b>	<b>2</b>	<b>Support</b>	<b>In Committee; Set, first hearing. Referred to APPR suspense file</b>
<b>AB 2222</b>	<b>Holden</b>	<b>Greenhouse Gas Reduction Fund: Transit Pass Program</b>	<b>4</b>	<b>Watch</b>	<b>Assembly APPR Suspense</b>
AB 2415	Garcia, Eduardo	CA Clean Truck, Bus and Off-Road Vehicle & Equipment Technology Program	3	Oppose	Re-referred to Comm on APPR
<b>AB 2762</b>	<b>Baker</b>	<b>Transportation: Altamont Pass Regional Rail Authority</b>	<b>5</b>	<b>Support</b>	<b>ASM Transportation. Last amended 4/5/16</b>
<b>ACA 4</b>	<b>Frazier</b>	<b>Local government transportation projects: special taxes: voter approval.</b>	<b>2</b>	<b>Support</b>	<b>In committee: Hearing postponed by committee.</b>
SB 91	Committee on Budget and Fiscal Review	Greenhouse Gas Reduction Fund: investment plan.	4		Read third time and amended. Ordered to third reading. Re-referred to Com. on BUDGET pursuant to Assembly Rule 77.2.
SB 321	Beall	Motor vehicle fees and taxes: rates: adjustments	1	Support	Ordered to inactive file on request of Senator Beall
SB 344	Monning	Commercial Driver's License: Education	3	Neutral	to Assembly APPR.
<b>SB 824</b>	<b>Beall</b>	<b>Low Carbon Transit Operations Program.</b>	<b>1</b>	<b>Support</b>	<b>0</b>
SB 882	Hertzberg	Crimes: public transportation: minors.	3		April 25 hearing: Placed on APPR. suspense file
SB 885	Wolk	Construction contracts indemnity		Oppose	SEN. JUD vote - Do pass as amended
SB 998	Wieckowski	Vehicles: mass transit guideways.	3	Support	Read second time and amended. Ordered to third reading.
SB 1043	Allen	Renewable gas: biogas and biomethane.	4		Read second time and amended. Re-referred to Com. on APPR
<b>SB 1128</b>	<b>Glazer</b>	<b>Commute benefit policies</b>	<b>5</b>	<b>Support</b>	<b>Referred to Comm on TRANS</b>
<b>Total Measures:</b>	<b>50</b>				

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