

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 1/25/2023

Staff Report No. 23-071

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

BRIEFING ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider receiving the Monthly Legislative Report and approval of legislative positions.

Staff Contact:
Beverly Greene, Executive Director of External Affairs, Marketing & Communications

STRATEGIC IMPORTANCE:

Goal - Strong Public and Policymaker Support
Initiative - Financial Efficiency and Revenue Maximization

The Monthly Legislative Report helps the District track state, regional and federal legislation to ensure alignment with the District's Strategic Plan and the specific goal of having strong public and policy maker support. Policy decisions at all levels of government can positively or negatively affect District operations and revenues and as such, are important to track and influence as needed.

BUDGETARY/FISCAL IMPACT:

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

BACKGROUND/RATIONALE:

Federal Update

President Biden signed the \$1.7 trillion, FY 2023 *Omnibus Appropriations Bill* on December 23, averting a government shutdown and closing out the work of the 117th Congress. Funding runs through September 30, 2023, the end of the federal government's fiscal year. The funding package includes \$106.3 billion for the U.S. Department of Transportation and \$16.9 billion for the Federal Transit Administration (FTA). Of the total FTA funding, \$13.6 billion is allocated for:

- Transit Formula Grants to expand bus fleets and increase the transit state of good repair;
- \$2.6 billion for Capital Investment Grants; and
- \$542 million for Transit Infrastructure Grants and projects to assist transit agencies in purchasing low and no emission buses, among other priorities.

The bill also now allows state and local governments to use COVID relief funds for additional infrastructure projects. Originally, the *Infrastructure Investment & Jobs Act* limited the use of COVID relief funds to water infrastructure projects. This change now makes funding available for metropolitan planning organizations (MPOs), transit, freight and highway projects, bridge investment, congestion mitigation, alternative fueling corridors, resiliency, and other projects outlined in the legislation. Operating expenses, however, are not an eligible expense.

The 118th Congress reconvened on January 3, 2023. The House of Representatives, now in Republican control, had yet to elect its next Speaker of the House at the time this report was submitted. Once selected, the new Speaker will set the date for and invite President Biden to deliver his State of the Union address in early 2023.

A slate of House Democrats assumed new leadership positions, as well. Representative Hakeem Jeffries (D-NY) was elected House Minority Leader, replacing Nancy Pelosi as the Democrats' leader in the lower chamber. Congressman Larsen (D-WA) has been selected by his peers as the top Democrat (i.e., Ranking Member) on the House Transportation & Infrastructure Committee. Rep. Rosa DeLauro (D-CT) and Rep. Richard Neal (D-MA) will serve as the Ranking Member on the House Appropriations Committee and Ways & Means Committee, respectively.

Democrats retained control of the upper chamber in the 2022 elections so will continue to chair transportation-related committees in the Senate.

State Update

The legislature reconvened on December 5 to swear in newly elected and re-elected members, elect leadership, and introduce new bills for the 2023-24 legislative session. Senator Toni Atkins was re-elected to lead the Senate as President Pro Tempore. Assemblyman Anthony Rendon was re-elected as Speaker of the Assembly but, pursuant to a deal made during the last session, will cede power to Assemblyman Robert Rivas on July 1, 2023. Democrats continue to hold super majorities in both the Senate and Assembly, giving them immense power over spending and legislation.

A significant number of bills on transit operations and planning are expected to be introduced in the 2023 session. This includes, hopefully, a bill to provide transit with priority access to electricity in the event of a disaster and/or during power curtailments associated with grid disruptions. Staff from the Department of Legislative Affairs & Community Relations is working with the California Transit Association (CTA) to secure an author. The deadline to introduce new bills is February 17.

District staff also continue their collaboration with the Metropolitan Transportation Commission (MTC), fellow Bay Area transit operators, and transportation advocates to raise policymaker awareness about public transit's financial challenges stemming from the effects of the COVID-19 pandemic. This collaboration includes developing and executing a plan to secure state funding for basic transit operations that prevents cuts to service.

ADVANTAGES/DISADVANTAGES:

This report is provided to inform the Board of monthly legislative activities. Ensuring favorable legislation is

adopted by policymakers helps further the District's goal of having strong public and policymaker support.

ALTERNATIVES ANALYSIS:

There were no alternatives considered as this report provides an update of monthly legislative activities.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report No. 22-466a: 2023 Federal and State Advocacy Programs

ATTACHMENTS:

1. Federal Update
2. State Update
3. 2023 Federal Advocacy Program
4. 2023 State Advocacy Program

Prepared by:

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Approved/Reviewed by:

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