ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 5/26/2021 **Staff Report No.** 21-118

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

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

The Biden-Harris Administration's \$2.25 trillion, eight-year infrastructure proposal, the American Jobs Plan, continues evolving. On April 22, Senate Republicans released a counterproposal that includes \$568 billion in investment over five years, including \$61 billion for public transit. The Republic plan outlines principles for paying for the proposal that include taxing electric cars and repurposing unspent COVID relief funds.

Congresswoman Lee has recommended the District's request for \$2 million in member designated project ("earmark") funding to the House Transportation & Infrastructure Committee. If approved, funds would be directed from the surface transportation bill reauthorization so that AC Transit can upgrade its hydrogen bus fueling infrastructure at Division 4 in East Oakland. The upgrade will help reduce greenhouse gas emissions, improve air quality, and promote the health of residents in this historically underserved community. However, the path to approving "earmark" requests remains uncertain. Congress has yet to determine if the surface transportation bill reauthorization will be merged with the President's infrastructure proposal, which would impact how requests would be funded. Also, Senate Republicans voted to continue their ban on earmark

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requests. Still, several have said they will continue to submit requests to the Appropriations and Transportation authorizing committees.

State Update

The May Revise to the Governor's January budget is expected to be released by May 14th. April revenues will likely not hit their target because the tax filing deadline was extended to May 17th, but revenues continue to climb. Total revenues this fiscal year are nearly \$17 billion above projections. This cash windfall combined with \$26 billion in federal American Rescue Plan funding will result in significant revisions in the May Revise.

The Senate and Assembly leadership have each released their blueprints for the budget. Notably, the Senate plans identifies an on-going commitment for light-duty zero emission vehicle rebates but does not specify plans to increase funding for truck and bus rebates through the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) program. Both proposals focus on limiting the negative impacts of the pandemic; providing direct relief to struggling individuals, small businesses, and nonprofits; filling gaps in other stimulus programs; funding infrastructure projects including broadband expansion, clean energy, and the Safe & Affordable Drinking Water program; and augmentation of General Fund investments. Details are provided in Attachment 2 - State Update.

State Assembly Budget Committee Chair Ting has notified assembly members that, depending on the outcome of budget negotiations, monies may be available to fund district-level requests. These one-time, district-level opportunities are the state-level equivalent of federal earmark requests and are to be submitted by Friday, May 7. The Assembly Budget Committee will work to identify opportunities for district-level investments in the budget process.

An update on the District's key legislative and regulatory priorities is provided below.

- AB 455 (Wicks), which would authorize transit-only lanes on the Bay Bridge, advanced out of the Assembly Transportation Committee on April 26 and now heads to the Assembly Appropriations Committee. With the recent confirmation of former Assembly Member Bonta as Attorney General, Assembly Member Wicks has agreed to carry the bill.
- AB 784 (Quirk) was unanimously approved by the Assembly on consent. AC Transit is sponsoring this bill, which would update the District's enabling legislation. It will next be considered by the Senate Transportation Committee.
- AB 917 (Bloom) would allow all California transit agencies to use cameras to deter illegal parking in transit-only lanes and at transit stops. AC Transit is co-sponsoring this bill, which passed unanimously out of the Assembly Privacy & Consumer Protection Committee on April 22. It now heads to the Assembly floor for a vote.
- Creation of a Hybrid and Zero-Emission Truck & Bus Voucher Incentive Project (HVIP) program specific
 to public transit. Staff continues to work with the California Transit Association (CTA) and the Zero
 Emission Taskforce to advance this proposal.

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Staff recommends a SUPPORT position on the following bills.

AB 43 (Friedman) would implement some of the findings of the Vision Zero Task Force to reduce pedestrian and bicyclists' fatalities by allowing local governments greater flexibility in setting speed limits. Staff recommends a **SUPPORT** position.

AB 361 (Rivas) creates an alternative process for local agencies to hold teleconference meetings during proclaimed state or local emergencies, or if determined that meeting in person would present imminent risks to the health and/or safety of attendees. The bill requires that members of the public can access the meeting and the agenda shall provide an opportunity for them to address the legislative body. Staff recommends a **SUPPORT** position.

AB 550 (Chiu) establishes a five-year pilot program to give local transportation authorities in the cities of San Jose, Oakland, Los Angeles, two unspecified southern California cities, and the City and County of San Francisco the authority to install automated speed safety systems. AB 550 specifies the conditions where an automated system can be placed, limits the amount of the citation, specifies that the citation shall count as a point on a license, and specifies how the proceeds from citation can be spent. In addition, the bill states that the system shall not continue to operate on any given street if, within the first 18 months of installation of a system, specified conditions related to a reduction in violations are not met. Staff recommends a SUPPORT position.

AB 1401 (Friedman) would prohibit local governments from imposing or enforcing a minimum automobile parking requirement for residential, commercial and other developments if the parcel is located within one-half mile walking distance of either of a high-quality transit corridor or a major transit stop. The overall effect of this bill would promote higher densities, more walking and biking, and public transit ridership. Staff recommends a **SUPPORT** position.

SB 18 (Skinner) proposes to establish a new definition for "green hydrogen", require the California Air Resource Board (CARB) to include a strategic plan for "green hydrogen" in the Climate Change Scoping Plan, require the California Public Utilities Commission (CPUC) to consider "green hydrogen" in resource adequacy requirements, and classifies "green hydrogen" as a zero-carbon resource for electric utility procurement plans. Notwithstanding environmental advocates' reservations about the use of fossil fuels to make hydrogen, SB 18 will continue to require CARB to examine and promote in its strategic plan the role of hydrogen and "green hydrogen" in achieving the state's air quality and greenhouse gas reduction goals. Staff recommends a **SUPPORT** position.

SB 274 (Wieckowski) requires local agencies that have websites to email a copy of, or provide a link to, the agenda packet, if an individual requests the local agency to deliver these items by email. SB 274 also provides that if the local agency determines it is not technologically feasible to do so, the local agency must mail a copy of the agenda, or send a link to the agenda, and mail all other documents. Staff recommends a **SUPPORT** position.

Staff recommends a **WATCH** position on the following bills.

AB 339 (Lee) would require all public meetings of a legislative body to provide an opportunity for the public to

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attend via telephonic and an internet-based service option. AB 330 also requires local agencies have in place a system for requesting and receiving interpretation services for public meetings, including the public comment period. Staff recommends a **WATCH** position.

SB 643 (Archuleta) requires the California Air Resource Board (CARB), in consultation with the California Energy Commission (CEC) and the California Public Utilities Commission (CPUC), to create a working group to prepare a bi-annual statewide assessment of the fuel cell electric vehicle (FCEV) fueling infrastructure and fuel production needed to support the adoption of zero-emission trucks, buses, and off-road vehicles at levels necessary for the state to meet specified goals and requirements. Staff recommends a **WATCH** position.

SB 662 (Archuleta) would require the CPUC, in collaboration with CARB and the CEC, to start a process to allow gas corporations to enter the market for producing hydrogen for transportation purposes. Natural gas utilities, like electric utilities, are overseen by the CPUC with respect to rates and services. Staff recommends a **WATCH** position.

SB 674 (Durazo) creates the California Jobs Plan (CAJP) Act of 2021, which requires private entities bidding on covered transportation-related contracts valued over \$10 million to include, as part of their application, a CAJP form stating information about jobs created and retained. The bill specifies that the CAJP is scored as part of the overall application and included in the awarded contract as a material term. The CAJP requirement would apply to bus procurement contracts. Therefore, staff recommends a **WATCH** position.

AB 703 (Rubio) is a two-year bill that would allow local agencies to use teleconference services to hold legislative meetings at any time. However, recent amendments added language requiring at least a quorum of the legislative body be present at a single location, which restricts the flexibility of using current technology to conduct public meetings. Staff recommends a **WATCH** position.

SB 726 (Gonzalez), like AB 1389, makes various changes to the Alternative and Renewable Fuel and Vehicle Technology Program, also known as the Clean Transportation Program (CTP). This includes requiring CARB and the CEC to develop a sustainable transportation strategy; prioritizing funding for medium- and heavy-duty vehicle infrastructure and related projects; and expending at least 50 percent of the CTP funds for projects that benefit low-income and disadvantaged communities. Staff recommends a **WATCH** position.

AB 1238 (Ting) repeals provisions of law prohibiting pedestrians from jaywalking and specifies that pedestrians shall not be subject to a fine or criminal penalty for jaywalking when no cars are present. Because this bill has implications for riders hurrying to catch a bus, and could potentially encourage unsafe street crossings, staff recommends a **WATCH** position.

AB 1312 (Rodriguez) would create an investment tax credit for building hydrogen stations, distribution, and renewable fuel production in an effort to make hydrogen mobility self-sufficient by 2030. This bill also sets a standard for 100% renewable and zero carbon hydrogen fuel by 2045. AB 1312 is a two-year bill and will not be advancing this year. Therefore, staff recommends a **WATCH** position.

AB 1389 (Reyes), like SB 726, makes various changes to the Alternative and Renewable Fuel and Vehicle Technology Program, also known as the Clean Transportation Program (CTP). These changes focus primarily on the freight sector, though AB 1389 does specifically include public transit projects aimed at reducing

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emissions and investing in infrastructure and workforce training programs. Details are provided in Attachment 3 - State Matrix. Given the emphasis on the freight sector staff recommends a **WATCH** position.

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. 20-412a: 2021 Federal and State Legislative Advocacy Programs

Staff Report No. 20-048a: Proposed Amendments to Transit District Law

ATTACHMENTS:

- 1. Federal Update
- State Update
- 3. State Matrix
- 4. Federal Advocacy Program
- 5. State Advocacy Program

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