

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 11/10/2021

Staff Report No. 21-124

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

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider receiving the Monthly Legislative Report.

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

Congress has delayed floor action on the bipartisan, \$1.2 trillion *Infrastructure Investment & Jobs Act* (IIJA) while White House and Congressional Democratic leaders negotiate elements of the \$3.5 trillion human infrastructure bill being considered under the reconciliation process. Early reports indicate that the reconciliation bill will be scaled back to between \$1.5 - \$2 trillion. Speaker Pelosi has set an October 31 deadline to try to pass both the IIJA and the reconciliation bill.

As previously noted, the surface transportation programs have been extended through October 31 and a Continuing Resolution will fund the government through December 3. On October 12, the House passed an extension of the debt ceiling. The legislation now goes to President Joe Biden, who plans to sign it, thus averting a default until early December. If not raised again in December the government will not be able to pay what it owes and will default on its loans.

State Update

Governor Gavin Newsom wrapped up his signings and vetoes of legislation October 9, prior to the October 10 deadline. The Governor signed both of the District's sponsored measures this year - AB 784 (Quirk): *Transit District Law* and AB 917 (Bloom): *video imaging of parking violations*. Outcomes of other legislation supported by the Board this year can be found in Attachment 3 - State Matrix.

On October 7, in response to advocacy by the District's Department of Legislative Affairs & Community Relations, the State Legislative Committee of the California Transportation Association agreed to advance the permanent extension of AB 784 (Mullin). The legislation exempts, until January 1, 2024, sales and use taxes on zero-emission technology transit buses sold to public agencies. If AB 784 is made permanent, it is estimated that California's transit agencies could save between \$378,060,000 and \$630,100,000 in taxes to replace the 12,602 conventional buses currently in operation with zero emission buses (ZEBs). By permanently exempting ZEB purchases from the state sales tax, California transit agencies will have more dollars available to them to implement ZEB rollout plans and meet CARB's unfunded mandate of 100 percent zero emission by 2040. Staff will work with the Association and our transportation partners to advance this legislation in 2022.

Updates on key legislation:

1. AB 917 (Bloom): expand to allow forward-facing cameras to be used to enforce illegal parking at bus stops. The Governor signed AB 917 into law on October 8, 2021.
2. AB 784 (Quirk): modernize existing Transit District Law. The Governor signed AB 784 into law on September 22, 2021.

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. Att. 1 - Federal Update
2. Att. 2 - State Update
3. Att. 3 - State Matrix
4. Att. 4 - Federal Advocacy Program
5. Att. 5 - State Advocacy Program

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