

# PLATINUM | ADVISORS

**Legislative Update  
AC Transit Board of Directors  
January 24, 2024**

# New Session/New Leadership

## Assembly Speaker Robert Rivas

- ▶ New Committee Chairs
- ▶ Appropriations Chair – Asm. Buffy Wicks
- ▶ Budget Chair – Asm. Jesse Gabriel
- ▶ Transportation Chair – Asm. Lori Wilson
- ▶ Health Chair – Asm. Mia Bonta
- ▶ Labor Chair – Asm. Liz Ortega
- ▶ Privacy Chair – Asm. Rebecca Bauer Kahan

## Senate President pro Tempore Mike McGuire

- ▶ Leadership transition set for February 5<sup>th</sup>
- ▶ Do not expect significant changes to committee leadership

# Governor's Budget Proposal

- ▶ The 2024-25 budget outlines spending plan totaling \$291 billion and closes a \$37.9 billion deficit
- ▶ Deficit is addressed through combination of cuts, deferrals, delays, fund shifts, and dipping into reserves
- ▶ LAO's outlook estimates a \$68 billion deficit
- ▶ Both estimates are legitimate, but each makes very different underlying assumptions
- ▶ *Governor Newsom maintains his support for transit funding!*

# Closing the Gap: *cuts, shifts & delays*

- ▶ \$13.1 billion from reserve accounts
- ▶ \$8.5 billion in reductions
- ▶ \$5.7 billion in new revenues & internal borrowing
- ▶ \$5.1 billion in delays
- ▶ \$3.4 billion in fund shifts
- ▶ \$2.1 billion in deferrals

# Transit & Transportation Funding

- ▶ No change to the funding committed to the Zero Emission Transit Capital program
- ▶ Delays \$1 billion of the formula allocated TIRCP funds
- ▶ Delays \$2.125 billion of TIRCP competitive funds
- ▶ Cuts \$200 million from the Active Transportation Program
- ▶ State Transit Assistance (STA) funds remain stable – But LCTOP and TIRCP allocations drop

# ZEV Funding

- ▶ Maintains \$10 billion commitment to ZEV programs but spreads it out over seven years
- ▶ Shifts \$218 million for ZEV Fueling Infrastructure Grants from the general fund to the GGRF
- ▶ Shifts \$28 million for Transit Buses & Infrastructure Grants from the general fund to the GGRF
- ▶ Delays \$120 million GGRF for ZEV Fueling Infrastructure Grants
- ▶ Delays \$137 million GGRF for Clean Trucks, Buses, and Off-Road Equipment

# Transit Outlook

- ▶ SB 397 (Wahab): Transit Consolidation – Pulled by the author. Will likely introduce a similar proposal in February.
- ▶ SB 925 (Wiener): Local Revenue, Transportation – Spot bill declaring the intent to allow MTC to place on the ballot a measure to fund local public transportation systems and improvements.
- ▶ Deadline to introduce new legislation is February 16<sup>th</sup>.

**Thank You!**