

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 1/26/2022

**Staff Report No. 22-027**

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**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**

On Sunday, December 19, Senator Joe Manchin announced that he would not support the President's \$1.75 trillion "human" infrastructure package, the Build Back Better plan. As a result, no vote was taken on the bill before year's end, as Democrats had intended. Senate Majority Leader Schumer has committed that the Senate will consider a revised version of the Build Back Better Act in early 2022. At the time of writing, it is unclear what transit provisions and amounts will be included in a revised bill.

The Senate will return to session on January 3. The House is not in session until January 10.

##### **State Update**

On Monday, December 20, the U.S. District Court for the Eastern District of California suspended all proceedings related to the U.S. Department of Labor's (DOL) determination that the California Public Employees' Pension Reform Act (PEPRA) infringes on collective bargaining rights. The DOL's decision had blocked federal funding to the state's transit agencies. The court's suspension went into immediate effect "to

prevent irreparable injury” to California transit agencies while it reviews the matter. Practically speaking, this means that approximately \$154 million in federal funding that was at risk because of the DOL’s determination will now flow to the District.

Also related to funding, continued growth in state revenues have the LAO projecting a net surplus of \$31 billion for the 2022-23 fiscal year. Per the state constitution, approximately \$14 billion of the surplus will be split between taxpayer rebates and additional spending on schools. Bay Area transportation advocates and agencies are urging the Governor to invest at least \$5 billion of the remaining surplus in public transit.

At the state house, Assemblymember Dr. Bill Quirk announced he will not seek re-election in 2022. Senator Bob Wieckowski’s term also expires this year. Both have been valuable advocates for AC Transit and their leadership will be missed. In other developments, Assemblymember Wicks was appointed Chair of the Assembly Housing & Community Development Committee.

The Legislature returns to session on January 3<sup>rd</sup>. All two-year bills must be out of their house of origin by January 31<sup>st</sup>, as noted in Attachment 3. Staff will continue to monitor their development and, as new legislation is introduced in 2022, bring bills to the Board for review and adoption of formal positions.

Updates on priority legislation:

1. AB 784 (Mullin): Extend existing sales and use tax exemption for zero-emission technology transit buses sold to public agencies.
2. AB/SB XX: Reimbursement to transit agencies for non-medical transportation.
3. AB 455 (Wicks): Dedicated transit lanes on the Bay Bridge.

**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. 21-541: 2022 Federal and State Advocacy Programs

**ATTACHMENTS:**

1. Att. 1 - Federal Update
2. Att. 2 - State Update
3. Att. 3 - State Matrix
4. Att. 4 - 2022 Federal Advocacy Program
5. Att. 5 - 2022 State Advocacy Program

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