

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 2/22/2023

Staff Report No. 23-130

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

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider receiving the Monthly Legislative Report and approving legislative positions, if necessary.

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

After several rounds of voting, Republicans elected Kevin McCarthy Speaker of the House. Much of the focus for the coming year in the House will be on the FY 2024 funding process. The following changes have been announced to how the House will approach appropriations bills:

- *Funding Reduced to FY 2022 Levels.* The new Republican majority has said it intends to hold FY 2024 spending at FY 2022 levels. If the House marks up its bills at those levels, it assumes cuts of approximately \$130 billion from FY 2023 funding levels.
- *Complete the Process on Time.* The House has set a goal of passing all 12 of its funding bills individually (rather than as an omnibus) by September 30 and the House will not negotiate with the Senate until the Senate has passed all its bills.

- *More Floor Amendments.* The Speaker will allow more debate on the FY 2024 appropriations bills. The 12 bills will be debated individually under an “Open Rule”, which means any Member will be able to offer any germane amendment he/she wants.

On January 27, the Federal Transit Administration (FTA) released its annual apportionment tables, which detail the funding amounts each state and urbanized area will receive in formula funding as appropriated in the FY 2023 Consolidated Appropriations Act. California will receive just over \$2 billion, of which \$430 million (approx. 22% of the total) will be directed to the San Francisco-Oakland region.

State Update

Assemblymember Gregg Hart (Santa Barbara) has agreed to author a bill granting transit agencies priority access to electricity during power grid curtailments - for example, during rolling blackouts and public safety power shutoffs. AC Transit and the California Transit Association (CTA) are co-sponsoring this bill, have worked closely to secure a principal author, and have approached Assemblymembers Mia Bonta and Buffy Wicks to coauthor the bill. The deadline to introduce new bills is Friday, February 17.

Staff also continues its collaboration with CTA and our Bay Area transit partners on a strategy to secure much-needed operations funding from the state. This includes meeting regularly to develop the legislative advocacy, messaging, and coordination that is essential to achieving this goal. To this end, and in response to the Governor’s proposed budget, a coalition of 60 transit operators and transportation advocates sent a letter to Budget Chairs Skinner and Ting urging support for transit. Similarly, over a dozen legislators, including Assemblywoman Mia Bonta, sent a letter to key budget committee chairs expressing concern over the Governor’s proposed cuts to transit and calling on the state to include transit operations funding in next fiscal year’s budget. Copies of those letters are attached to this report.

In tandem with the letter-writing campaign staff continues to engage in direct advocacy. On February 1, General Manager Hursh, along with other Bay Area transit representatives, participated in a roundtable conversation with members of the Bay Area Caucus about the financial challenges transit operators face and the need for additional state funding. Meanwhile, the District’s legislative team is scheduling meetings with our Sacramento delegation as part of the push to secure support for operating dollars in next year’s budget bill.

Staff is also continuing to track an initiative aimed at limiting the ability of state and local governments to enact, modify, or expand taxes, assessments, fees, and property-related charges. If enacted, the *Taxpayer Protection & Government Accountability Act* could result in the loss of billions of dollars annually in state and local funding, restricting the ability of local agencies and the State of California to fund services and infrastructure. Should the measure qualify for the ballot, staff will return to the Board to request a resolution in opposition, to be incorporated into the advocacy efforts being led by the California Special Districts Association.

As follow-up to January 25 presentation offered by our state advocate, the final State Senate and Assembly committee assignments for the 2023-24 legislative session are attached to this report.

Adoption of Legislative Positions

Staff recommends the Board adopt the following positions on proposed state legislation:

- AB XX (Hart) would grant transit agencies priority access to electricity during power grid curtailments. This bill is sponsored by AC Transit and the California Transit Association. Staff recommends the Board adopt a **SUPPORT** position.
- AB 96 (Kalra) proposes a process that would require a transit operator to inform labor representatives of the operators' intent to use autonomous vehicle technology. Staff recommends the Board adopt 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. 22-466a: 2023 Federal and State Advocacy Programs

ATTACHMENTS:

1. Federal Update
2. State Update
3. State Matrix
4. State Budget Update
5. 2023-24 Assembly Committee Assignments
6. 2023-24 Senate Committee Assignments
7. Legislator Sign-on Letter - Transit Funding
8. Coalition Letter - Transit Funding
9. 2023 Federal Advocacy Program
10. 2023 State Advocacy Program

Prepared by:

Steven C. Jones, External Affairs Representative

Approved/Reviewed by:

Claudia Burgos, Director of Legislative Affairs & Community Relations

Beverly Greene, Executive Director of External Affairs, Marketing & Communications