



March 31, 2021

TO: Director Elsa Ortiz, President, and
Members of the Board
Michael Hursh, General Manager
Beverly Greene, Executive Director, External Affairs, Marketing & Communications

FR: Steve Wallauch
Platinum Advisors

RE: Legislative Update

Spring Break: The week of March 29th is the legislature's Spring Break. Reconvening from Spring Break marks the beginning of the rush of policy committee hearings prior to the deadline at the end of April. While the number of bills introduced is on par with pre-COVID numbers, hearing restrictions will make it impossible to move all those bills. However, rumors are circulating that the proposal that surfaced in December will likely be implemented. This proposal by the Speaker will limit the number of bills Assembly members can move forward to only 12 bills.

New AG: Governor Newsom has selected the Alameda's Assemblyman Rob Bonta to fill the vacancy as the next Attorney General of California. Assemblyman Bonta has long been one of the front runners for this highly coveted appointment. The Office of Attorney General is considered the second most powerful office in the state and has been a reliable launching pad for politicians seeking higher office. Assemblyman Bonta was born in the Philippines and brought up by parents who helped César Chávez and Dolores Huerta unionize farmworkers. As you all know Assemblyman Bonta previously a member of the Alameda City Council, and served on the Board of the Alameda CTC

With this pick, the Governor is priming the state to take a significantly different approach to criminal justice. Mr. Bonta led efforts to end cash bail, end the use of private prisons, and co-authored legislation requiring the Attorney General to investigate all deadly police shootings. The appointment process requires confirmation from both the Senate and Assembly; however, it is only a matter of time before the confirmation votes are cast.

Early Action Agreement: The final piece of the COVID Relief package was enacted with the passage of SB 96 (Skinner). SB 95 extends the expanded paid sick leave provisions that ended in December. This bill would require all public and private employers with 25 or more employees

to provide up to 80 hours of paid sick leave for COVID related absences. This allowance is retroactive to January 1, 2021 and would expire on September 30, 2021. This is similar to an allowance that expired on December 31, 2020, and it appears to be an additional 80 hours of similar sick leave that may have been taken under the prior allowance.

CAPTI: CalSTA released its draft Climate Action Plan for Transportation Infrastructure (CAPTI). CAPTI is the draft plan on how CalSTA proposes to implement the Executive Orders issued by Governor Newsom on combating climate change. The vision for the Action Plan is to outline a holistic framework that aligns the state's transportation infrastructure investments with the state's climate, health, and social equity goals. The Plan was discussed at a public workshop on March 18th, as well as presented at the CTC meeting on March 24th, and will also be discussed at the joint CTC-CARB-HCD meeting on April 8th. In addition, comments can be submitted to CalSTA until May 4th via CAPTI@CalSTA.ca.gov. The final report will be submitted to the Governor and Legislature no later than July 15th, 2021.

The full report can be found at <https://calsta.ca.gov/-/media/calsta-media/documents/capti-2021-calsta.pdf>. While this report is not lengthy, it is packed with proposed changes to guidelines governing nearly every transportation funding program. The following are a few of the changes being proposed.

- The CTC will update the Solutions for Congested Corridors Program (SCCP) Guidelines and scoring criteria to better prioritize projects that provide travelers with options to opt out of congestion and update the SCCP Guidelines to require that all projects be a part of a multimodal corridor plan consistent with the CTC's Comprehensive Multimodal Corridor Plan Guidelines.
- In collaboration with CARB, CalSTA will develop a new Clean Fleet and Facilities Network Improvement project category within the Transit and Intercity Rail Capital Program (TIRCP) to provide additional support and funding to transit agencies needing to replace their aging vehicle fleets with ZEVs.
- Update the Trade Corridor Enhancement Program (TCEP) Guidelines to prioritize projects that improve freight movement, while also reducing emissions of diesel particulates, greenhouse gases, and other pollutants by creating or improving zero emissions infrastructure.
- Increase funding for Active Transportation Program projects by exploring the ability to allow a local contribution from an existing program that would be met with a state match from the State Highway Account, or take small continuous contributions from across several programs (e.g., SHOPP, TCEP, SCCP, TIRCP, etc.) to minimize impact to any single funding source.
- Caltrans will work with state agency partners to develop and implement an Equity Index tool to assist in the evaluation and prioritization of the department's projects.

- Caltrans will develop and implement a departmental Climate Action Plan (CCAP) to establish baseline and reduction targets for GHG emissions and VMT from all sources,
- In coordination with CARB and CalSTA, Caltrans will prioritize inclusion of zero-emission freight projects in the California Freight Mobility Plan (CFMP) project list.

Bay Bridge Corridor: Assemblyman Rob Bonta introduced AB 455 to create the Bay Bridge Fast Forward Program, with the goal of improving transit service and people through-put along the Bay Bridge Corridor into San Francisco. While Assemblyman Bonta has been selected as the next Attorney General, his office plans to move the legislation while the confirmation process proceeds. Once he is confirmed, the fate of this bill is unclear. Another Assembly member can pick the bill up, but Assembly leadership and the Rules Committee are currently sorting out that process.

As introduced, the bill proposed a detailed process to improve the through-put of buses and high-capacity vehicles, with the ultimate step if congestion relief targets are not met of developing a plan to establish a transit only lane on the Bay Bridge. AB 455 was recently amended to scale back the scope of the bill. The current version of the bill would allow the Bay Area Toll Authority in consultation with Caltrans to designate a transit only lane on the Bay Bridge. The bill defines a transit only lane to allow for buses, taxis, and vanpools use the dedicated lane. In addition, other high-occupancy vehicles may be allowed to use the lane if the travel time in the lane does not fall below 45 mph during the peak commute times.

Transit Coordination: While the work of the Transit Recovery Task Force continues, Assemblyman David Chiu has amended AB 629 to contain an outline of a proposal to improve transit coordination in the Bay Area. The amended version is substantive enough to be heard by the Assembly Committee on Transportation. In short, the provisions in AB 629 generally outlines the need for reports on work already underway. The controversial content will likely not arise until this measure reaches the Senate and when the recommendations made by the Task Force are complete. As drafted AB 629 contains the following provisions:

- The bill does not call for the creation of a transit network manager, but it does include intent language calling for the institutionalization of transit system network management that take into consideration the recommendations Transit Recovery Task Force.
- Intent language also declares the need for transit agencies, congestion management agencies, and MTC to work toward an integrated, from the user perspective, a seamless easy to use regional transit system, equitably expand service, and prioritize reforms that create a more seamless network.
- MTC in consultation with transit agencies, county transportation agencies, and local governments to submit a report to the legislature recommending changes to state and federal law that would support a more efficient and sustainable regional managed lane network that supports high-capacity transit.

- Requires MTC to submit by February 1, 2022, to the legislature the Fare Coordination and Integration Study and Business Case, and by July 1, 2023, MTC shall create a pilot program to implement an accumulator pass among numerous operators in at least 3 adjacent counties.
- Requires MTC in consultation with transit agencies to develop by July 1, 2023, a regional standardized transit mapping and wayfinding system. In addition, by July 1, 2025, every transit agency shall use this system.
- Require transit operators by January 1, 2023, to use open data standards to make available all routes, schedules and fares, and real-time vehicle information in order to develop a regional real-time transit information system.

Transportation Electrification: Senator Wieckowski's office has asked AC Transit to consider supporting SB 437. The goal of this measure should assist in calculating the total cost of ownership of a battery electric bus. SB 437 would require the integrated resource plans submitted by publicly owned utilities to include details of an electricity rate design for transportation electrification, in particular including rate details for medium and heavy-duty vehicles. These plans are the long-term planning documents that outline how the utility will meet demand reliability.

The integrated resource plans submitted by public utilities to the California Energy Commission do not address transportation electrification comprehensively. Electricity rate structures that provide fuel cost incentive and dependability is often limited to only the light-duty sector and does not address the medium- and heavy-duty sectors. SB 437 requires the public utilities to explicitly provide for all sectors of transportation electrification, including light-, medium-, heavy-duty and on- and off-road engines into their integrated resource plans to ensure comprehensive electricity rate design.

Transportation Contracts: SB 674 was introduced to create the California Jobs Plan Act of 2021, which sets the goal of maximizing, creating good jobs, and supporting the creation of equitable high-quality transportation and related manufacturing and infrastructure jobs in California. However, this bill would create new procurement rules and procedures for state and local public transportation and transportation-related contracts, subsidies, loans, and grants of \$5 million or more to incentivize creation and retention of non-temporary full-time transportation jobs.

Under SB 674 a bidder for public projects must submit a California jobs plan form with information on the number of temporary and permanent positions created by the project, the wages paid, and the number of positions created or retained for displaced workers and workers facing barriers to employment, among other data points. This form would be required for projects funded through the following programs:

- The Road Maintenance and Rehabilitation Account.
- The Affordable Housing and Sustainable Communities Program.

- The Public Transportation Account.
- The State Highway Account.
- The Traffic Congestion Relief Fund.
- The State Transit Assistance Program.
- The Public Transportation Modernization, Improvement, and Service Enhancement Account.
- The Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund
- The Passenger Equipment Acquisition Fund
- The Alternative and Renewable Fuel and Vehicle Technology Fund
- Any relevant federal funding received by California or local agencies.

While the goals of SB 674 are admirable, it is unclear if the benefit derived from collecting this information will outweigh the burden of completing these documents. This is particularly true for formula allocations to transit operators that are primarily used for transit operations, such as STA and other funds allocated through the Public Transportation Account.