

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 4/28/2021

**Staff Report No.** 21-194

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

### ACTION ITEM

#### **RECOMMENDED ACTION(S):**

Consider receiving the Monthly Legislative Report and approval of legislative positions.

#### **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**

With passage of the *American Rescue Plan Act* (ARPA) on March 11, \$30.5 billion is now available to support the nation's public transportation systems, including:

- \$26.6 billion to be allocated by statutory formulas to urban and rural areas, tribal governments, and for the enhanced mobility of seniors and individuals with disabilities, and \$2.2 billion to FTA grant recipients in communities that demonstrate additional pandemic-associated needs. Funds will be made available at 100 percent federal share and primarily directed to operations and payroll.
- An additional \$1.7 billion is provided for projects in the Capital Investment Grants (CIG) Program and another \$25 million for competitive planning grants.

Bay Area transit operators are expected to receive approximately \$1.7 billion in ARPA funding. Staff will update the Board when the Metropolitan Transportation Commission (MTC) releases a timeline for when these funds will be apportioned.

***Taken together, the emergency funding received via the CARES Act (March 2020), CRRSA Act (December 2020), and the pending ARPA funding have allowed the district to avert a projected \$60 million deficit and continue to provide core service to our riders through the pandemic.***

On March 31, President Biden released his eight-year, \$2.25 trillion infrastructure proposal, the *American Jobs Plan*. The plan will be pursued in two phases, with the first focusing on physical infrastructure (e.g., highways, transit, rail, water, wastewater, schools, broadband, manufacturing, grid infrastructure, electric vehicle charging stations, and ports). Select highlights of Phase 1 infrastructure investments include:

- \$620 billion for transportation, including \$85 billion to modernize and expand public transportation.
- \$174 billion for electric vehicles and grants for 500,000 charging stations by 2030.
- Funds to electrify school buses and replace 50,000 diesel transit vehicles.
- \$100 billion for workforce-development programs.
- \$20 billion for a new program to provide transportation accessibility for disadvantaged areas.
- \$50 billion for transportation infrastructure resilience.
- \$25 billion for a dedicated fund specifically for large projects that benefit regional or the national economy.

The president has proposed financing the *American Jobs Plan* through increased corporate tax rates. Details are provided in Attachment 7. Congress must now turn the *American Jobs Plan* into actual legislation and chart a path forward. Speaker Pelosi has said her goal is to have the House pass a bill by July 4. The second phase of Biden's infrastructure plan will purportedly invest approximately \$1 trillion on "human infrastructure," including universal preschool, childcare, paid leave, free community college, long-term care, and prescription drugs.

Both the House Committee on Transportation and Infrastructure (T&I) and the House Committee on Appropriations have announced Congressional earmark processes for their respective bills. House Democrats and Republicans are expected to request earmarks. To date, neither Senate Democrats nor Republicans have outlined their processes for considering earmarks. Staff submitted a \$4 million request to Representative Barbara Lee's office to upgrade Division 4's bus fueling infrastructure in March. This project is included in the District's approved Capital Improvement Plan and would allow AC Transit to increase by six-fold the number of zero-emission buses that it could refuel in a day - from 10 buses to 60.

### **State Update**

The California State Transportation Agency (CalSTA) released its draft Climate Action Plan for Transportation Infrastructure (CAPTI) on March 10. 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. Staff is participating in workshops to track the plan's development. The final report will be submitted to the Governor and Legislature no later than July 15, 2021.

On March 15, the Governor signed SB 95 (Skinner) into law, extending expanded paid sick leave provisions that ended in December. The legislation requires 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 currently expires on September 30, 2021.

And during the month of April, the legislature will conduct policy committee hearings to consider the many bills introduced by legislators. Hearing restrictions related to the pandemic will make it impossible to move all the bills introduced, which rival the number introduced pre-COVID. It is becoming increasingly likely that Speaker Rendon will limit to 12 the number of bills Assembly Members can move forward.

An update on key legislation sponsored or supported by the District is provided below.

AB 455 (Bonta) - San Francisco-Oakland Bay Bridge: transit-only traffic lanes. This bill has been significantly streamlined since its introduction and would now simply authorize the Bay Area Toll Authority (BATA), in consultation with CalTrans, to designate transit-only traffic lanes on the Bay Bridge. The bill defines a transit only lane to allow buses, taxis, and vanpools to 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. The previous version proposed a two-phased approach that included infrastructure investments for the Bay Bridge corridor in addition to the possible creation of a transit-only lane on the bridge.

The bill is scheduled to be heard at the April 12 meeting of the Assembly Transportation Committee. With the recent appointment of Assembly Member Bonta as California's Attorney General, capitol staff are awaiting guidance from the Speaker's Office and Rules Committee as to who will carry the bill going forward.

AB 784 (Quirk) - Transit District Law. On March 24, the Assembly Local Government Committee voted unanimously to advance the bill to the Assembly Appropriations Committee. A hearing date has yet to be calendared.

AB 917 (Bloom) - use of transit vehicle mounted cameras to discourage illegal parking. At the request of Committee staff, the phrase "bus stations" was removed from the bill as this was considered overly broad and could include, for example, transit station parking lots. The bill now specifies use of cameras in transit only lanes and at transit stops. On April 5, *Director of Legislative Affairs & Community Relations* Claudia Burgos provided testimony before the Assembly Transportation Committee in support of AB 917. The California Transit Association, California Association for Coordinated Transportation (CalACT), the City of Santa Monica and Santa Clara Valley Transportation Authority also offered comments in support. Legislators voted 12-0 in support of the bill, which now heads to the Assembly Privacy & Consumer Protection Committee.

Staff requests the Board consider and approve the positions recommend below on the following state and federal bills:

- **BUILD GREEN Infrastructure & Jobs Act** - Modeled after the Department of Transportation's successful *Better Utilizing Investments to Leverage Development* (BUILD) grant program, BUILD GREEN would invest \$500 billion over ten years to electrify public transit systems and help modernize the nation's infrastructure by covering up to 85% of costs for eligible projects, with an option for the Secretary of Transportation to cover 100% of costs. The Act would also dedicate at least 40% of all funding to projects in frontline, vulnerable, and disadvantaged communities. The bill was introduced by U.S. Senator Elizabeth Warren (D-Mass.) and Congressman Andrew Levin (D-Mich.), along with Senator Edward J. Markey (D-Mass.), and Congresswoman Alexandria Ocasio-Cortez (D-N.Y.). Staff recommends a SUPPORT position.

- AB 476 (Mullin) - creation of a bus on shoulder pilot program. Existing law authorizes the Monterey-Salinas Transit District and the Santa Cruz Metropolitan Transit District to conduct a transit bus-only program using the shoulders of certain state highways. This bill would authorize Caltrans to expand the pilot to eight total projects. Staff recommends a SUPPORT position.
- SB 437 (Wieckowski) - The bill would require that integrated resource plans submitted by publicly owned utilities (POUs) include the details of an electricity rate design for transportation electrification. Integrated resource plans are long-term planning documents that outline how POU's will meet demand reliably and cost-effectively while achieving state policy goals and mandates. The plans that are currently submitted are often limited to only the light-duty sector. This bill would require POUs to include light-, medium-, and heavy-duty vehicles, which would support ZEB rollout. Staff recommends a SUPPORT position.
- AB 629 (Chiu) - While the work of the Transit Recovery Task Force continues, Assemblyman David Chiu has amended his transit connectivity and integration coordination bill, AB 629, to include an outline of a proposal to improve transit coordination in the Bay Area. In short, the provisions in AB 629 generally outline the need for reports on work already underway. 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 takes into consideration the Transit Recovery Task Force recommendations. Given the ongoing work of the Transit Recovery Task Force, staff recommends a WATCH position.

**Updates on other key priorities:**

1. Creation of a Hybrid and Zero-Emission Truck & Bus Voucher Incentive Project (HVIP) program specific to public transit. *Staff is working with the California Transit Association (CTA) and the Zero Emission Taskforce to advance this proposal.*

**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. Federal Update
2. State Update
3. State Matrix
4. Federal Advocacy Program
5. State Advocacy Program

- 6. American Rescue Plan Act Fact Sheet
- 7. The American Jobs Plan Fact Sheet

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