

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 9/22/2021

Staff Report No. 21-122

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 if necessary.

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 August 24, the U.S. House of Representatives voted 220-212 to pass the FY22 budget resolution and set up a standalone vote on the \$1 trillion, bipartisan "Infrastructure Investment & Jobs Act" passed by the Senate. The Act includes the five-year reauthorization of the surface transportation programs. It also provides \$550 billion in new spending on "hard" infrastructure programs, including highways, bridges, transit, rail, airports, ports, electric grid, broadband, wastewater and clean drinking water, among others. When combined with current spending, this bill will provide \$1.2 trillion in infrastructure spending over the next five years.

If approved, the package would provide \$106.9 billion for public transit over five years - a 63 percent increase over current funding levels. It would deliver at least \$9.5 billion to California's transit agencies for the purposes of replacing aging fleets with zero-emission alternatives, building transformational capital projects, shoring up resilience to extreme weather events, and creating good paying jobs through new avenues of manufacturing and construction.

The agreement in the House is that there will be no amendments to the Senate bill, thus avoiding another round of debate in the Senate. However, this agreement could threaten the \$2 million earmark submitted by Congresswoman Lee to the House Transportation & Infrastructure Committee for the Division 4 hydrogen fueling station upgrade project. Our Washington advocate is looking for opportunities to attach our earmark to other must-pass bills and secure this funding. Speaker Pelosi has indicated that the House will vote on the infrastructure package by September 27th. Senator Padilla's \$2 million earmark request for hydrogen fueling infrastructure upgrades at Division 4 remains intact, for now, via the FY22 Transportation, Housing & Urban Development (THUD) appropriations bill.

State Update

The legislature returned on August 16th for the final four weeks of session and will adjourn for the year on September 10th. At the time of writing, members are rushing to meet hearing deadlines and preparing for floor sessions. Complicating the end of session rush is the pressure to complete agreements on several major budget trailer bills, including \$7 billion for transportation and high-speed rail, amid a gubernatorial recall election. The remaining pieces of the cap-and-trade expenditure plan also remain to be resolved, although cap-and-trade deals have historically been held until the end of session to see how the August auction goes. The Governor has until October 10th to sign or veto legislation. If the budget trailer bill for transportation is not enacted by October 10th the funds revert to the general fund.

On August 24, staff from *Legislative Affairs & Community Relations* met with Senator Nancy Skinner's staff to discuss funding for the District's "Zero Emission Bus University" concept. This \$18 million project envisions programmatic curriculum and modernization of the Training & Education Center into a state-of-the-art facility to help AC Transit transition to a 100 percent zero emission fleet by 2040. The following day, staff and board directors met with Congressman Mark DeSaulnier to discuss this concept with him and to update on the District's priorities. This included emphasizing the need for additional funding to meet the state Air Resources Board's *Innovative Clean Transit* rule - the unfunded mandate requiring AC Transit transition to a 100 percent zero emission fleet by 2040.

Updates on key legislation:

1. AB 917 (Bloom): allow California transit agencies to use cameras to deter illegal parking in transit-only lanes and at transit stops. AB 917 passed out of the State Senate and will move to the Assembly for a final vote tentatively scheduled for 9/8/21.
2. AB 784 (Quirk): modernize existing Transit District Law. On August 19, Senator Wieckowski presented AB 784 on the Senate floor where it was approved 37-0 with three abstentions. On August 26 the Assembly approved AB 784 on a vote of 53-0. The bill now moves to the Governor's desk.
3. AB 455 (Wicks): Dedicated transit lanes on the Bay Bridge. AB 455 is a two-year bill. Staff will continue to work with the Assembly Member and our transportation partners to advance this bill in the 2022 legislative session.
4. Creation of a Hybrid and Zero-Emission Truck & Bus Voucher Incentive Project (HVIP) program specific to public transit. As noted in the August legislative report, the FY 2021-22 budget bills dedicate \$70 million exclusively for zero-emission transit buses, to be administered through HVIP.

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

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