

**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee**

March 10, 2023

Agenda Item 3b

State Transit Operating Assistance Advocacy

Subject:

Update on recent advocacy to secure state support to address transit operator's near-term fiscal cliffs and to invest in rebuilding ridership.

Legislature Actively Engaging in Issue

Securing additional funding to address the transit operating fiscal cliffs facing the Bay Area's operators continues to be our top budget priority this year. Encouragingly, there appears to be broad recognition of the importance of public transit among key leaders in the Legislature, including both Bay Area legislators and others.

On February 27, 2023, the Assembly and Senate Transportation Committees held a joint hearing titled "Short Term Crisis and Long Term Transformation: How to Bring Back and Build Transit Ridership in California." MTC staff had the opportunity to speak on the panel dedicated to the "local and operator perspective" and highlighted the region's priority action items under the Transit Transformation Action Plan as well as the Commission's recent action to advance network management. (See Attachments A and B for the agenda and background paper). The first panel highlighted the need to overhaul the state's transit operating funding source which currently relies on diesel sales given the state's plans to phase out fossil fuel consumption. Discussion also included the need to identify alternative measures for evaluating the effectiveness of transit service beyond the farebox recovery ratio (share of operating costs covered by fares).

In mid-February, Senate leadership approved the formation of a new Senate Select Committee on Bay Area Transit chaired by Senator Wiener. Members include Senator Dodd, Senator McGuire, Senator Skinner and Senator Wahab; Senator Glazer was selected to join the committee, but subsequently issued a resignation letter which can be found at this [link](#). No hearings are anticipated before April but the Select Committee will provide another important forum for MTC, transit agencies and transit supporters to present on the variety of efforts underway to plan

for the future (Transit 2050+, for example, as well as Clipper Next Generation), enhance the rider experience and attract new riders.

On March 1, the Senate Democrats issued a document, titled “Protect Our Progress,” indicating their key values. The document can be found at this [link](#) and specifically identifies the need to protect transit and intercity rail from program cuts and noting the need to “develop options to support ongoing local transit operations.” This recognition of the issue by Senate leadership is a significant milestone at this early stage in the budget process.

Upcoming Hearings

This month, the budget subcommittees will start holding hearings on the Governor’s budget proposal, which includes the proposed \$2 billion to transit capital funding over the next two years. Staff will participate either directly or through our lobbyists to urge the committees to reject the proposed cuts and adopt a multi-year plan to provide transit operating funding to avert major cuts and fare increases and support strategies to attract new riders. Staff will provide a verbal update on the March 9th hearing of the Senate Subcommittee No. 5 at your meeting.

Coordinated Communication Effort

Coverage of the transit fiscal cliff has been strong at the local, state and national levels. This has helped to keep attention on the subject in Sacramento. Local TV stations have covered the Bay Area’s challenges, as has Governing Magazine and the Wall Street Journal, as well as the Sacramento Bee, S.F. Chronicle, East Bay Times and Cal Matters.

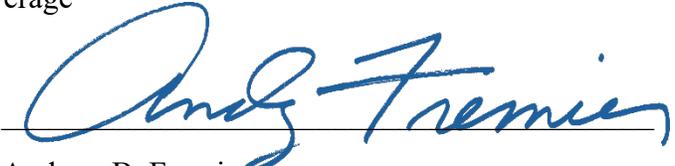
This month MTC is launching a social media campaign to further expand awareness of the among Bay Area residents. We’ve been coordinating on messaging with our transit agency partners and have co-created a new page to the All Aboard Bay Area Transit web site at this link <https://allaboardbayarea.com/supporttransit> which lays out the “survive and thrive” message calling for new state gap funding to “assist transit agencies as they recover from the pandemic and develop long-range funding plans, such as a future regional transportation funding measure for voter approval that will support the region’s transit network.”

Recommendation:

Information

Attachments:

- Attachment A: Agenda for Assembly/Senate Joint Transportation Committee Information Hearing Background Paper, February 27, 2023
- Attachment B: Hearing Background Paper
- Attachment C: Summary of news coverage



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