

Meeting Agenda

Joint MTC ABAG Legislation Committee

Jesse Arreguin, Chair

Sam Liccardo, Vice Chair

Members

Eddie Ahn, David Canepa, Damon Connolly, Carol Dutra-Vernaci, Pat Eklund, Victoria Fleming, Barbara Halliday, Dave Hudson, Gordon Mar, Karen Mitchoff, Alfredo Pedroza, David Rabbitt, Belia Ramos, Libby Schaaf, and Jim Spering

Non-Voting Members

Dorene M. Giacopini and Vacant

Friday, October 8, 2021 9:40 AM REMOTE

In light of Governor Newsom's State of Emergency declaration regarding COVID-19 and in accordance with the recently signed Assembly Bill 361 allowing remote meetings, this meeting will be accessible via webcast, teleconference, and Zoom for all participants.

A Zoom panelist link for meeting participants will be sent separately to Committee members.

The meeting webcast will be available at http://mtc.ca.gov/whats-happening/meetings Members of the public are encouraged to participate remotely via Zoom at the following link or phone number. Committee Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. When called upon, unmute yourself or dial *6. In order to get the full Zoom experience, please make sure your application is up to date.

Attendee Link: https://bayareametro.zoom.us/j/84374543314
iPhone One-Tap: US: +14086380968,,84374543314# or +16699006833,,84374543314#
Join by Telephone US: 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)
Webinar ID: 843 7454 3314

International numbers available: https://bayareametro.zoom.us/u/kb5hZmrrB7

Detailed instructions on participating via Zoom are available at:
https://mtc.ca.gov/how-provide-public-comment-board-meeting-zoom

Members of the public may participate by phone or Zoom or may submit comments by email at info@bayareametro.gov by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

1. Call to Order / Roll Call / Confirm Quorum

Quorum: A quorum of this body shall be a majority of its regular voting members (9).

2. Consent Calendar

2a. 21-1161 Approval of Joint MTC ABAG Legislation Committee Minutes of the

September 10, 2021 Meeting

Action: Committee Approval

Attachments: 2a Joint LEGIS Minutes Sept 10 2021.pdf

2b. <u>21-1162</u> Legislative History

Detailed list of bills the ABAG and MTC are tracking in Sacramento,

including those ABAG or MTC supports or opposes.

<u>Action:</u> Information

<u>Presenter:</u> Rebecca Long

<u>Attachments:</u> 2b Legislative History October.pdf

3. Information

3a. 21-1163 2021 Legislative Scorecard

Comparison of MTC/ABAG 2021 Advocacy Program with legislative

outcomes in the 2021 state and federal legislative sessions.

Action: Information

Presenter: Rebecca Long

Attachments: 3a 2021 Legislative Scorecard.pdf

4. Federal Legislation

4a. 21-1165 Federal Infrastructure Update

Status update on the Build Back Better climate and social spending package and on the bipartisan Infrastructure Investment and Jobs Act.

Action: Information

<u>Presenter:</u> Georgia Gann Dohrmann

<u>Attachments:</u> 4a Federal Infrastructure Update.pdf

4b. 21-1167 Washington D.C. Legislative Update

Report on key legislative, funding and political developments over the past month from Washington, D.C. prepared by the Summit Strategies team.

Action: Information

<u>Presenter:</u> Georgia Gann Dohrmann

<u>Attachments:</u> 4b Washington D.C. Legislative Update Sept 2021.pdf

5. Public Comment / Other Business

Committee Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. When called upon, unmute yourself or dial *6

6. Adjournment / Next Meeting

The next meeting of the Joint MTC ABAG Legislation Committee will be Friday, November 12, 2021, at 9:45 a.m. remotely and by webcast as appropriate depending on the status of any shelter in place orders. Any changes to the schedule will be duly noticed to the public.

Public Comment: The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章: MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者,請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知,以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.



Bay Area Metro Center 375 Beale Street San Francisco, CA 94105

Meeting Minutes - Draft

Joint MTC ABAG Legislation Committee

Jesse Arreguin, Chair

Sam Liccardo, Vice Chair

Members

Eddie Ahn, David Canepa, Damon Connolly, Carol Dutra-Vernaci, Pat Eklund, Victoria Fleming, Barbara Halliday, Dave Hudson, Gordon Mar, Karen Mitchoff, Alfredo Pedroza, David Rabbitt, Belia Ramos, Libby Schaaf, and Jim Spering

> Non-Voting Members Dorene M. Giacopini and Vacant

Friday, September 10, 2021

9:40 AM

Page 1

Board Room - 1st Floor (REMOTE)

1. Call to Order / Roll Call / Confirm Quorum

Present: 12 - Committee Member Pedroza, Committee Member Mitchoff, Committee Member Ramos, Committee Member Canepa, Committee Member Fleming, Vice Chair Liccardo, Committee Member Hudson, Chair Arreguin, Committee Member Halliday, Committee Member Eklund, Committee Member Spering and Committee Member

Absent: 5 -

Committee Member Dutra-Vernaci, Committee Member Schaaf, Committee Member Rabbitt and Committee Member Connolly

Non-Voting Members Present: Commissioner Giacopini Ex Officio Voting Members Present: Commission Vice Chair Josefowitz Ad Hoc Non-Voting Members Present: Commissioner Worth

Printed on 9/14/2021

2. Consent Calendar

Upon the motion by Committee Member Eklund and second by Committee Member Hudson, the Consent Calendar was unanimously approved. The motion carried by the following vote:

Aye: 12 - Committee Member Pedroza, Committee Member Mitchoff, Committee Member Ramos, Committee Member Canepa, Committee Member Fleming, Vice Chair Liccardo, Committee Member Hudson, Chair Arreguin, Committee Member Halliday, Committee Member Eklund, Committee Member Spering and Committee Member Ahn

Absent: 5 - Committee Member Mar, Committee Member Dutra-Vernaci, Committee Member Schaaf, Committee Member Rabbitt and Committee Member Connolly

2a. 21-1055 Approval of Joint MTC ABAG Legislation Committee Minutes of the July 9,

2021 Meeting

Action: Committee Approval

Attachments: 2a Joint LEGIS Minutes July 9 2021.pdf

2b. <u>21-1056</u> Legislative History

Detailed list of bills the ABAG and MTC are tracking in Sacramento,

including those ABAG or MTC supports or opposes.

Action: Information

Presenter: Rebecca Long

Attachments: 2b LEGIS HIST Sept.pdf

3. State Legislation

3a. 21-1137 Assembly Bill 361 (Rivas) Open Meetings/Teleconference

Authorizes teleconferencing for local agency meetings during periods of a

proclaimed state of emergency.

Action: Support / ABAG Executive Board Approval

Support / MTC Commission Approval

Presenter: Rebecca Long

<u>Attachments:</u> 14a - 21-1137 - AB 361_Rivas.pdf

Upon the motion by Committee Member Eklund and second by Committee Member Hudson, a support position on Assembly Bill 361 (Rivas) was adopted to be forwarded to the Commission for approval. The motion carried by the following vote:

Aye: 12 - Committee Member Pedroza, Committee Member Mitchoff, Committee Member Ramos, Committee Member Canepa, Committee Member Fleming, Vice Chair Liccardo, Committee Member Hudson, Chair Arreguin, Committee Member Halliday, Committee Member Eklund, Committee Member Spering and Committee Member Ahn

Absent: 5 - Committee Member Mar, Committee Member Dutra-Vernaci, Committee Member Schaaf, Committee Member Rabbitt and Committee Member Connolly

3b. Priority Bills Update

Update on bills for which MTC and/or ABAG took a position and other important tracked bills.

important tracked bills.

Action: Information

<u>Presenter:</u> Rebecca Long

Attachments: 3b Legislative Update.pdf

Tim Frank of the Building and Construction Trades Council spoke on this

item.

Roland Lebrun spoke on this item.

3c. 21-1077 Fiscal Year (FY) 2021-22 State Budget Update

Update on the FY 2021-22 State Budget related to transportation funding,

housing and homelessness funding, and climate resilience.

<u>Action:</u> Information

<u>Presenter:</u> Rebecca Long

Attachments: 3c State Budget Update Corrected.pdf

3c Handout-State Budget Update.pdf

Roland Lebrun spoke on this item. Rich Hedges spoke on this item.

4. Federal Legislation

4a. 21-1127 Infrastructure Bill Update

Status update regarding the Infrastructure Investment and Jobs Act.

Action: Information

Presenter: Georgia Gann Dohrmann

Attachments: 4a Infrastructure Bill Update Clean.pdf

Rich Hedges spoke on this item.

4b. <u>21-1057</u> Washington D.C. Legislative Update

Report on key legislative, funding and political developments over the past month from Washington, D.C. prepared by the Summit Strategies team.

Action: Information

Presenter: Georgia Gann Dohrmann

Attachments: 4b Handout-MTC Report July and Aug Summit.pdf

5. Public Comment / Other Business

Roland Lebrun was called to speak.

6. Adjournment / Next Meeting

The next meeting of the Joint MTC ABAG Legislation Committee will be Friday, October 8, 2021 at 9:45 a.m. remotely and by webcast as appropriate depending on the status of any shelter in place orders. Any changes to the schedule will be duly noticed to the public.

Page 4



LEGISLATIVE HISTORY Thursday, October 07, 2021

Handout - Agenda Item 2b



Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
AB 43 Friedman	Enrollment 9/17/2021	Assembly Enrolled	Traffic safety. Current law establishes various default speed limits for vehicles upon highways, as specified. Current law authorizes state and local authorities to adjust these default speed limits, as specified, based upon certain findings determined by an engineering and traffic survey. Existing law defines an engineering and traffic survey and prescribes specified factors that must be included in the survey, including prevailing speeds and road conditions. Current law authorizes local authorities to consider additional factors, including pedestrian and bicyclist safety. This bill would authorize local authorities to consider the safety of vulnerable pedestrian groups, as specified.	Support	Support
AB 68 Quirk-Silva	Chaptered 9/29/2021	Assembly Chaptered	Department of Housing and Community Development: California Statewide Housing Plan: annual reports. Current law establishes the California Statewide Housing Plan, which serves as a state housing plan for all relevant purposes, that incorporates a statement of housing goals, policies, and objectives, as well as specified segments. Current law requires the Department of Housing and Community Development to update and provide a revision of the plan to the Legislature every 4 years, as provided. This bill would revise and recast those provisions related to the California Statewide Housing Plan. The bill would, starting with any update or revision to the plan on or after January 1, 2023, require the plan to include specified information, including, among other things, the number of affordable units needed to meet the state's affordable housing needs and recommendations for modernizing statutory and regulatory terminology. The bill would require the department to publish and make the plan available to the public on the department's internet website.		

AB 118 Kamlager	Enrollment 9/15/2021	Assembly Enrolled	Department of Social Services: C.R.I.S.E.S. Grant Pilot Program. Would enact the Community Response Initiative to Strengthen Emergency Systems Act, or the C.R.I.S.E.S. Act, for purposes of creating, implementing, and evaluating the C.R.I.S.E.S. Grant Pilot Program, which the act would establish. The bill would require the department to administer the program if appropriate funding is made available to the department. The bill would require the department to award grants to qualified grantees, which include city, county, and tribal departments of social services, disability services, health services, public health, or behavioral health, based on grant eligibility criteria developed in partnership with a stakeholder workgroup.	
AB 122 Boerner Horvath	Enrollment 9/8/2021	Assembly Enrolled	Vehicles: required stops: bicycles. Would, until January 1, 2028, require a person riding a bicycle, when approaching a stop sign at the entrance of an intersection, to yield the right-of-way to any vehicles that have either stopped at or entered the intersection, or that are approaching on the intersecting highway close enough to constitute an immediate hazard, and to pedestrians, as specified, and continue to yield the right-of-way to those vehicles and pedestrians until reasonably safe to proceed. The bill would require other vehicles to yield the right-of-way to a bicycle that, having yielded as prescribed, has entered the intersection. The bill would state that these provisions do not affect the liability of a driver of a motor vehicle as a result of the driver's negligent or wrongful act or omission in the operation of a motor vehicle.	
AB 215 Chiu	Chaptered 9/29/2021	Assembly Chaptered	Planning and Zoning Law: housing element: violations. The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. That law requires a planning agency, before adopting its housing element or amendment to its housing element, to submit a draft element or draft amendment to the Department of Housing and Community Development. This bill would require a local government to make the first draft revision of a housing element available for public comment for at least 30 days and, if any comments are received, take at least 10 additional business days to consider and incorporate public comments into the draft revision before submitting it to the department. The bill would require a local government to post any subsequent draft revision on its internet website and to email a link to the draft revision to individuals and organizations that have requested notices relating to the local government's housing element, as specified.	

AB 339 Lee	Enrollment 9/17/2021	Assembly Enrolled	Local government: open and public meetings. The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Under existing law, a member of the legislative body who attends a meeting where action is taken in violation of this provision, with the intent to deprive the public of information that the member knows the public is entitled to, is guilty of a crime. This bill would require local agencies to conduct meetings subject to the act consistent with applicable state and federal civil rights laws, as specified.	
AB 345 Quirk-Silva	Chaptered 9/29/2021	Assembly Chaptered	Accessory dwelling units: separate conveyance. The Planning and Zoning Law authorizes a local agency to provide, by ordinance, for the creation of accessory dwelling units in single-family and multifamily residential zones and requires a local agency that has not adopted an ordinance to ministerially approve an application for an accessory dwelling unit, and sets forth required ordinance standards, including that the ordinance prohibit the sale or conveyance of the accessory dwelling unit separately from the primary residence. Current law, notwithstanding the prohibition described above, authorizes a local agency to, by ordinance, allow an accessory dwelling unit to be sold or conveyed separately from the primary residence to a qualified buyer if certain conditions are met. This bill would require each local agency to allow an accessory dwelling unit to be sold or conveyed separately from the primary residence to a qualified buyer if the above-described conditions are met.	
AB 361 Rivas, Robert	Chaptered 9/16/2021	Assembly Chaptered	Open meetings: state and local agencies: teleconferences. Would, until January 1, 2024, authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency, as that term is defined, when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided.	

AB 418 Valladares	Vetoed 10/4/2021	Assembly Vetoed	Emergency services: grant program. Would establish the Community Power Resiliency Program (program), to be administered by the Office of Emergency Services, to support local governments' efforts to improve resiliency in response to power outage events, as provided. The bill would require the office to allocate funds, pursuant to an appropriation by the Legislature, to local governments, special districts, and tribes for various purposes relating to power resiliency, and would require certain entities, in order to be eligible for funding, to either describe the portion of their emergency plan that includes power outages or confirm that power outages will be included when the entity revises any portion of their emergency plan.	
<u>AB 491</u> <u>Ward</u>	Chaptered 9/29/2021	Assembly Chaptered	Housing: affordable and market rate units. Would require that a mixed-income multifamily structure provide the same access to the common entrances, common areas, and amenities of the structure to occupants of the affordable housing units in the structure as is provided to occupants of the market-rate housing units. The bill would also prohibit a mixed-income multifamily structure from isolating the affordable housing units within the structure to a specific floor or an area on a specific floor. The bill would define various terms for these purposes.	
AB 525 Chiu	Chaptered 9/23/2021	Assembly Chaptered	Energy: offshore wind generation. Current law requires the Public Utilities Commission and the Energy Commission to undertake various actions in furtherance of meeting the state's clean energy and pollution reduction objectives. This bill would require the Energy Commission, on or before June 1, 2022, to evaluate and quantify the maximum feasible capacity of offshore wind to achieve reliability, ratepayer, employment, and decarbonization benefits and to establish offshore wind planning goals for 2030 and 2045, as specified.	
AB 571 Mayes	Chaptered 9/29/2021	Assembly Chaptered	Planning and zoning: density bonuses: affordable housing. The Density Bonus Law requires a city or county to provide a developer that proposes a housing development in the city or county with a density bonus and other incentives or concessions for the production of lower income housing units, or for the donation of land within the development, if the developer agrees to, among other things, construct a specified percentage of units for very low income, low-income, or moderate-income households or qualifying residents, including lower income students. Current law requires the amount of a density bonus and the number of incentives or concessions a qualifying developer receives to be pursuant to a certain formula based on the total number of units in the housing development, as specified. This bill would prohibit affordable housing impact fees, including inclusionary zoning fees and in-lieu fees, from being imposed on a housing development's affordable units.	

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<u>AB 580</u>	Enrollment	Assembly Enrolled	Emergency services: vulnerable populations. Current law	
Da data	9/17/2021		requires OES to establish a standardized emergency	
<u>Rodriguez</u>			management system for use by all emergency response	
			agencies. Current law requires the director to appoint	
			representatives of the disabled community to serve on	
			pertinent committees related to that system, and to ensure	
			that the needs of the disabled community are met within that	
			system by ensuring certain committee recommendations	
			include the needs of people with disabilities. This bill instead	
			would require the director to appoint representatives of the	
			access and functional needs population, provided a majority	
			of appointees are from specified groups, to serve on those	
			committees and to ensure the needs of that population are	
			met within that system.	
AB 602	Chaptered	Assembly Chaptered	Development fees: impact fee nexus study. Current law	
	9/29/2021		requires a city, county, or special district that has an internet	
<u>Grayson</u>			website to make available on its internet website certain	
			information, as applicable, including its current schedule of	
			fees and exactions. This bill, among other things, would	
			require, on and after January 1, 2022, a local agency that	
			conducts an impact fee nexus study to follow specific	
			standards and practices, including, but not limited to, (1) that	
			prior to the adoption of an associated development fee, an	
			impact fee nexus study be adopted, (2) that the study	
			identify the existing level of service for each public facility,	
			identify the proposed new level of service, and include an	
			explanation of why the new level of service is necessary, and	
			(3) if the study is adopted after July 1, 2022, either calculate	
			a fee levied or imposed on a housing development project	
			proportionately to the square footage of the proposed units,	
			or make specified findings explaining why square footage is	
			not an appropriate metric to calculate the fees.	
AB 604	Vetoed	Assembly Vetoed	Road Maintenance and Rehabilitation Account:	
	9/22/2021		apportionment of funds: accrued interest. Would	
<u>Daly</u>			continuously appropriate interest earnings derived from	
			revenues deposited in the Road Maintenance and	
			Rehabilitation Account to the Department of Transportation	
			for maintenance of the state highway system or for purposes	
			of the State Highway Operation and Protection Program.	

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<u>AB 634</u>	Chaptered	Assembly Chaptered	Density Bonus Law: affordability restrictions. The Density	
	9/29/2021		Bonus Law, requires a city or county to provide a developer	
<u>Carrillo</u>			that proposes a housing development within the city or	
			county with a density bonus and other incentives or	
			concessions, as specified, if the developer agrees to	
			construct specified percentages of units for lower income,	
			very low income, or senior citizen housing, among other	
			things, and meets other requirements. Current law	
			prescribes an application process for a city or county to follow	
			in this regard. Current law specifies that, if permitted by local	
			ordinance, that law is not to be construed to prohibit a city,	
			county, or city and county from granting a density bonus	
			greater than what is described in these provisions for a	
			development that meets specified requirements or from	
			granting a proportionately lower density bonus than what is	
			required for developments that do not meet these	
			requirements. This bill would also provide that, if permitted by	
			local ordinance, the Density Bonus Law is not to be construed	
			to prohibit a city, county, or city and county from requiring an	
			affordability period that is longer than 55 years for any units	
			that qualified the applicant for the award for the density	
			bonus developed in compliance with a local ordinance that	
			requires, as a condition of development of residential units,	
			that a development include a certain percentage of units that	
			are affordable to, and occupied by low-income, lower income,	
			very low income, or extremely low income households and	
AD 642	Charle	A lab Character and	that will be financed without low-income housing tax credits.	
AB 642	Chaptered	Assembly Chaptered	Wildfires. Current law requires the Director of Forestry and	
- · ·	9/29/2021		Fire Protection to identify areas of the state as very high fire	
<u>Friedman</u>			hazard severity zones, as provided. Current law requires a	
			local agency, within 30 days of receiving a transmittal from	
			the director that identifies very high fire hazard severity	
			zones, to make the information available for public	
			review. This bill would require the director to also identify	
			areas in the state as moderate and high fire hazard severity	
			zones. The bill would modify the factors the director is	
			required to use to classify areas into fire hazard severity	
			zones, as provided. The bill would instead require a local	
			agency, within 30 days of receiving a transmittal from the	
			director that identifies fire hazard severity zones, to make	
			the information available for public review and comment.	

AB 680	Enrollment	Assembly Enrolled	Greenhouse Gas Reduction Fund: California Jobs Plan Act	
AD OOG	9/22/2021	Assembly Emoned	of 2021. Would enact the California Jobs Plan Act of 2021,	
Burke	3, ==, ====		which would require the State Air Resources Board to work	
<u> </u>			with the labor agency to update, by July 1, 2025, Greenhouse	
			Gas Reduction Fund funding guidelines for administering	
			agencies to ensure that all applicants to grant programs	
			funded by the Greenhouse Gas Reduction Fund meet	
			specified standards, including fair and responsible employer	
			standards and inclusive procurement policies, as provided.	
			The bill would require the state board to work with	
			administering agencies to leverage existing programs and	
			funding to assist applicants in meeting these standards. The	
			bill would require, among other things, administering	
			agencies, on and after the adoption of the update to the	
			funding guidelines, to give preference to applicants that	
			demonstrate a partnership with an educational institution or	
			training program targeting residents of under-resourced,	
			tribal, and low-income communities, as defined, in the same	
			region as the proposed project and to applicants that	
			demonstrate the creation of high-quality jobs, as defined, by	
			the proposed project.	
AB 758	Chaptered	Assembly Chaptered	Marks-Roos Local Bond Pooling Act of 1985: electric	
	9/23/2021		utilities: rate reduction bonds. The Marks-Roos Local Bond	
<u>Nazarian</u>			Pooling Act of 1985 authorizes certain joint powers	
			authorities, upon application by a local agency that owns and	
			operates a publicly owned utility, defined to mean certain	
			utilities furnishing water or wastewater service to not less	
			than 25,000 retail customers, to issue rate reduction bonds	
			to finance utility projects, as defined, subject to certain	
			requirements. Under the act, these rate reduction bonds are	
			secured by a pledge of utility project property, and the joint	
			powers authority issuing the bonds may impose on, and	
			collect from, customers of the publicly owned utility a utility	
			project charge to finance the bonds, as provided. This bill	
			would expand the definition of a publicly owned utility for	
			these purposes to include a local publicly owned electric utility, as defined. The bill would authorize an authority to	
			issue rate reduction bonds to finance or refinance utility	
			projects for the provision of generation, transmission, or	
			distribution of electrical service.	
			מוסנו ושמנוטון טו בובכנו וכמו סבו זוכב.	

AB 773 Nazarian	Chaptered 10/6/2021	Assembly Chaptered	Street closures and designations. Would authorize a local authority to adopt a rule or regulation by ordinance to implement a slow street program, which may include closures to vehicular traffic or through vehicular traffic of neighborhood local streets with connections to citywide bicycle networks, destinations that are within walking distance, or green space. The bill would require the local authority to meet specified conditions to implement a slow street, including a determination that closure or traffic restriction is necessary for the safety and protection of persons using the closed or restricted portion of the street, conducting an outreach and engagement process, and clearly designating the closure or traffic restriction with specific signage.	
AB 784 Quirk	Chaptered 9/22/2021	Assembly Chaptered	Alameda-Contra Costa Transit District. The Transit District Law authorizes any city together with unincorporated territory, or 2 or more cities, with or without unincorporated territory, in either the Counties of Alameda or Contra Costa or both, to organize and incorporate as a transit district divided into 5 wards with specified powers and duties relative to providing public transit service. This bill would repeal the authority to form a transit district under these provisions and would recognize the Alameda-Contra Costa Transit District as the district formed pursuant to this authority.	
AB 838 Friedman	Chaptered 9/29/2021	Assembly Chaptered	State Housing Law: enforcement response to complaints. Would, beginning July 1, 2022, require a city or county that receives a complaint of a substandard building or a lead hazard violation, as specified, from a tenant, resident, or occupant, or an agent of a tenant, resident, or occupant, except as specified, to inspect the building, portion of the building intended for human occupancy, or premises of the building, document the lead hazard violations that would be discovered based upon a reasonably competent and diligent visual inspection of the property and identify any building, portion of a building intended for human occupancy, or premises on which such a building is located that is determined to be substandard, as applicable. The bill would require the city or county, as applicable, to advise the owner or operator of each violation and of each action that is required to be taken to remedy the violation and to schedule a reinspection to verify correction of the violations.	

AB 844 Grayson	Chaptered 9/29/2021	Assembly Chaptered	Green Empowerment Zone for the Northern Waterfront area of the County of Contra Costa. Would, until January 1, 2028, authorize establishment of a Green Empowerment Zone for the Northern Waterfront area of the County of Contra Costa. The bill would authorize the Green Empowerment Zone to be composed of specified cities, upon adoption of a resolution by the city or county, and would provide for the Green Empowerment Zone to be governed by a board of directors. The bill would task the Green Empowerment Zone with various duties, including, among other things, identification of projects and programs that will best utilize public dollars and improve the economic vitality of the Northern Waterfront area of the of Contra Costa in a coordinated effort tosupport the development of the clean energy economy.		
AB 917 Bloom	Enrollment 9/15/2021	Assembly Enrolled	Vehicles: video imaging of parking violations. Current law requires a designated employee, who is qualified by San Francisco, or a contracted law enforcement agency for the Alameda-Contra Costa Transit District, who is qualified by the city and county or the district to issue parking citations, to review video image recordings for the purpose of determining whether a parking violation occurred in a transit-only traffic lane and to issue a notice of violation to the registered owner of a vehicle within 15 calendar days, as specified. Current law makes these video image records confidential, and provides that these records are available only to public agencies to enforce parking violations. Current law provides that if the Alameda-Contra Costa Transit District implements an automated enforcement system as described above, the district is required to submit a report to specified committees of the Legislature by no later than January 1, 2021. This bill would extend the authorization described above to any public transit operator in the state until January 1, 2027, and to the City and County of San Francisco indefinitely, if the examiner or issuing agency, as specified, of a violation allows for the reduction or waiver of parking penalties for indigent individuals, as defined.	Support	
AB 970 McCarty	Enrollment 9/13/2021	Assembly Enrolled	Planning and zoning: electric vehicle charging stations: permit application: approval. Current law requires every city, county, and city and county to create an expedited, streamlined permitting process for electric vehicle charging stations and to adopt a checklist pursuant to which an applicant that satisfies the information requirements shall be deemed complete and therefore eligible for expedited review. This bill would clarify that these provisions apply to all cities, including charter cities.		

AB 978 Quirk-Silva	Chaptered 7/23/2021	Assembly Chaptered	Mobilehome parks: rent caps. The Mobilehome Residency Law prescribes various terms and conditions of tenancies in mobilehome parks. Current law defines "tenancy" for these purposes as the right of a homeowner to use a site within a mobilehome park on which to locate, maintain, and occupy a mobilehome for human habitation, including the use of the services and facilities of the park. The Tenant Protection Act of 2019 prohibits, with certain exceptions, an owner of residential real property from increasing the gross rental rate for a dwelling or unit more than 5% plus the percentage change in the cost of living, as defined, or 10%, whichever is lower, of the lowest gross rental rate charged for the immediately preceding 12 months, subject to specified conditions. Current law excludes an owner or operator of a mobilehome park and an owner of a mobilehome or their agent from these provisions. This bill would extend these provisions to any person having the right to offer residential real property for rent, including an owner or operator of any dwelling or unit in a mobilehome park.	
AB 1029 Mullin	Chaptered 9/29/2021	Assembly Chaptered	Housing elements: prohousing local policies. Would add the preservation of affordable housing units through the extension of existing project-based rental assistance covenants to avoid the displacement of affected tenants and a reduction in available affordable housing units to the list of specified prohousing local policies.	
AB 1035 Salas	Enrollment 9/15/2021	Assembly Enrolled	Department of Transportation and local agencies: streets and highways: recycled materials. Would require the Department of Transportation and a local agency that has jurisdiction over a street or highway, to the extent feasible and cost effective, to use advanced technologies and material recycling techniques that reduce the cost of maintaining and rehabilitating streets and highways and that exhibit reduced levels of greenhouse gas emissions through material choice and construction method. The bill would require, beginning January 1, 2023, a local agency that has jurisdiction over a street or highway, to the extent feasible and cost effective, to apply standard specifications that allow for the use of recycled materials in streets and highways, as specified. By increasing the duties of local agencies, this bill would impose a state-mandated local program.	

AB 1143 Berman	Chaptered 8/31/2021	Assembly Chaptered	Civil procedure: restraining orders. Current law permits a person who has suffered harassment, as defined, to file a petition for a temporary restraining order and a restraining order after hearing prohibiting the harassment. Current law requires the petitioner to personally serve the respondent with the petition for the temporary restraining order and restraining order, as applicable, and notice of the hearing. This bill would provide that if the court determines at the hearing that, after a diligent effort, the petitioner has been unable to accomplish personal service, and that there is reason to believe that the respondent is evading service or cannot be located, then the court may specify another method of service that is reasonably calculated to give actual notice to the respondent and may prescribe the manner in which proof of service shall be made.	
AB 1147 Friedman	Enrollment 9/10/2021	Assembly Enrolled	Regional transportation plan: Active Transportation Program. Current law requires the Strategic Growth Council, by January 31, 2022, to complete an overview of the California Transportation Plan and all sustainable communities strategies and alternative planning strategies, an assessment of how implementation of the California Transportation Plan, sustainable communities strategies, and alternative planning strategies will influence the configuration of the statewide integrated multimodal transportation system, and a review of the potential impacts and opportunities for coordination of specified funding programs. This bill would require the council to convene key state agencies, metropolitan planning agencies, regional transportation agencies, and local governments to assist the council in completing the report.	
AB 1157 Lee	Chaptered 9/22/2021	Assembly Chaptered	Controller: transportation funds: distribution and reporting requirements. Current law, for purposes of the State Transit Assistance Program, requires local transportation agencies to report to the Controller by June 15 of each year the public transportation operators within its jurisdiction that are eligible to claim specified local transportation funds. This bill would instead require local transportation agencies to report this information within 7 months after the end of each fiscal year.	

AB 1174 Grayson	Chaptered 9/16/2021	Assembly Chaptered	Planning and zoning: housing: development application modifications, approvals, and subsequent permits. The Planning and Zoning Law, until January 1, 2026, authorizes a development proponent to submit an application for a multifamily housing development that is subject to a streamlined, ministerial approval process, as provided, and not subject to a conditional use permit, if the development satisfies specified objective planning standards, including, that the development and the site on which it is located satisfy specified location, urbanization, and zoning requirements. Current law provides that a development approved pursuant to the streamlined, ministerial approval process is valid indefinitely if specified requirements are met, and otherwise is valid, except as provided, for 3 years from the date of the final action establishing that approval and remains valid thereafter for a project so long as vertical construction of the development has begun and is in progress. Current law authorizes a development proponent to request a modification to a development that has been approved under the streamlined, ministerial approval process if the request is submitted before the issuance of the final building permit required for construction of the development. Current law defines "affordable rent" for purposes of this streamlined, ministerial approval process. This bill would clarify the requirements that must be met for an approved development to be valid indefinitely.	
AB 1220 Rivas, Luz	Chaptered 9/29/2021	Assembly Chaptered	Homelessness: California Interagency Council on Homelessness. Would rename the Homeless Coordinating and Financing Council to the California Interagency Council on Homelessness and would remove authorization for the Secretary of the Business, Consumer Services and Housing's designee to serve as chair of the council. The bill would instead require the Secretary of the Business, Consumer Services and Housing Agency and the Secretary of the California Health and Human Services Agency to serve as cochairs of the council. The bill would make other changes to the council's membership, including adding 5 new members, as specified.	
AB 1238 Ting	Enrollment 9/20/2021	Assembly Enrolled	Pedestrian access. Current law prohibits a pedestrian from entering the roadway if the pedestrian is facing a steady circular yellow or yellow arrow warning signal unless otherwise directed by a pedestrian control signal, as specified. This bill would eliminate that prohibition until January 1, 2029.	

AB 1297 Holden	Chaptered 9/29/2021	Assembly Chaptered	California Infrastructure and Economic Development Bank: public and economic development facilities: housing. The Bergeson-Peace Infrastructure and Economic Development Bank Act defines "public development facilities" for these purposes to mean real and personal property, structures, conveyances, equipment, thoroughfares, buildings, and supporting components thereof, excluding any housing, that are directly related to providing, among other things, housing-related infrastructure, as specified. The act defines "economic development facilities" for these purposes to mean real and personal property, structures, buildings, equipment, and supporting components thereof that are used to provide industrial, recreational, research, commercial, utility, goods movement, or service enterprise facilities, community, educational, cultural, or social welfare facilities and any parts or combinations thereof, and all necessary facilities or infrastructure, excluding any housing. This bill would authorize economic development facilities and public development facilities to include housing if the housing meets certain financing requirements and limits, as specified.	
AB 1304 Santiago	Chaptered 9/29/2021	Assembly Chaptered	Affirmatively further fair housing: housing element: inventory of land. Current law requires a public agency, as defined, to administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and to not take any action that is materially inconsistent with this obligation. This bill would clarify that a local agency has a mandatory duty to comply with the obligation described above. The bill would specify that this provision is a clarification of current law and not to be deemed a change in previous law.	
AB 1337 Lee	Chaptered 10/6/2021	Assembly Chaptered	Transportation: San Francisco Bay Area Rapid Transit District: policing responsibilities. Under current law, a person who enters or remains upon any land, facilities, or vehicles owned, leased, or possessed by specified transit entities that are used to provide public transportation by rail or passenger bus, or are directly related to that use, without permission, or whose entry, presence, or conduct upon the property interferes with, interrupts, or hinders the safe and efficient operation of the transit-related facility, is guilty of a misdemeanor. This bill would specify that a person who enters or remains upon any property, facilities, or vehicles upon which BART owes policing responsibilities to a local government pursuant to an operations and maintenance agreement or similar interagency agreement without permission, or whose entry, presence, or conduct upon that property interferes with, interrupts, or hinders the safe and efficient operation of the transit-related facility, is guilty of a misdemeanor.	

AB 1398 Bloom	Chaptered 9/29/2021	Assembly Chaptered	Planning and zoning: housing element: rezoning of sites: prohousing local policies. The Planning and Zoning Law, requires a county and city to adopt a comprehensive, long-	
<u>BIOUIII</u>			term general plan for the physical development of the county or city, and specified land outside its boundaries, that includes, among other things, a housing element. Current law requires that the housing element include, among other things, an inventory of land suitable and available for residential development. If the inventory of sites does not identify adequate sites to accommodate the need for groups of all household income levels, as provided, current law requires that the local government rezone sites within specified time periods. If the local government fails to adopt a housing element within 120 days of the applicable statutory deadline, existing law requires that the local government (A) complete this rezoning no later than 3 years and 120 days from the statutory deadline for the adoption of the housing element and (B) revise its housing element every 4 years until the local government has adopted at least 2 consecutive revisions by the statutory deadline. This bill would require a local government that fails to adopt a housing element that	
			the Department characteristic adopt a mousing element that the Department of Housing and Community Development has found to be in substantial compliance with state law within 120 days of the statutory deadline to complete this rezoning no later than one year from the statutory deadline for the adoption of the housing element.	
AB 1409 Levine	Chaptered 10/5/2021	Assembly Chaptered	Planning and zoning: general plan: safety element. Current law, upon the next revision of a local hazard mitigation plan on or after January 1, 2022, or beginning on or before January 1, 2022, if a local jurisdiction has not adopted a local hazard mitigation plan, requires the safety element to be reviewed and updated as necessary to identify evacuation routes and their capacity, safety, and viability under a range of emergency scenarios. This bill would also require the safety element to be reviewed and updated to identify evacuation locations. By increasing the duties of local planning officials with respect to the update of general plans, this bill would impose a state-mandated local program.	

AB 1499	Chaptered	Assembly Chaptered	Transportation: design-build: highways. Current law	
<u>Daly</u>	9/22/2021		authorizes regional transportation agencies, as defined, to utilize design-build procurement for projects on or adjacent to the state highway system. Current law also authorizes those regional transportation agencies to utilize design-build procurement for projects on expressways that are not on the state highway system, as specified. Current law repeals these provisions on January 1, 2024, or one year from the date that the Department of Transportation posts on its internet website that the provisions described below related to construction inspection services for these projects have been held by a court to be invalid. This bill would extend the operation of these provisions until January 1, 2034. The bill would require the department to submit a report to specified committees of the Legislature on or before January 1, 2033, on its experience with design build procurement.	
ACR 33 Friedman	Chaptered 9/7/2021	Assembly Chaptered	on its experience with design-build procurement. Wildfire mitigation. Would state the Legislature's commitment to improving wildfire outcomes in the State of California by investing in science-based wildfire mitigation strategies that will benefit the health of California forests and communities. The measure would also state that the Legislature calls upon public and private stakeholders to work jointly to identify, discuss, and refine, as necessary, procedures concerning treatment of forested lands for the purpose of, among other things, wildfire risk mitigation.	
SB 1 Atkins	Chaptered 9/23/2021	Senate Chaptered	Coastal resources: sea level rise. Thee California Coastal Act of 1976 establishes the California Coastal Commission and provides for planning and regulation of development in the coastal zone, as defined. The act requires the commission, within 90 days after January 1, 1977, to adopt, after public hearing, procedures for the preparation, submission, approval, appeal, certification, and amendment of a local coastal program, including a common methodology for the preparation of, and the determination of the scope of, the local coastal programs, as provided. This bill would also include, as part of the procedures the commission is required to adopt, recommendations and guidelines for the identification, assessment, minimization, and mitigation of sea level rise within each local coastal program, as provided. The bill would delete the timeframe specified above by which the commission is required to adopt these procedures.	

SB 7 Atkins	Chaptered 5/20/2021	Senate Chaptered	Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2021. Would enact the Jobs and Economic Improvement Through Environmental Leadership Act of 2021, which would reenact the former leadership act, with certain changes, and would authorize the Governor, until January 1, 2024, to certify projects that meet specified requirements for streamlining benefits related to CEQA. The bill would additionally include housing development projects, as defined, meeting certain conditions as projects eligible for certification. The bill would, except for those housing development projects, require the quantification and mitigation of the impacts of a project from the emissions of greenhouse gases, as provided. The bill would revise and recast the labor-related requirements for projects undertaken by both public agencies and private entities. The bill would provide that the Governor is authorized to certify a project before the lead agency certifies the final EIR for the project.	Support	Support
SB 9 Atkins	Chaptered 9/16/2021	Senate Chaptered	Housing development: approvals. The Planning and Zoning Law provides for the creation of accessory dwelling units by local ordinance, or, if a local agency has not adopted an ordinance, by ministerial approval, in accordance with specified standards and conditions. This bill, among other things, would require a proposed housing development containing no more than 2 residential units within a single-family residential zone to be considered ministerially, without discretionary review or hearing, if the proposed housing development meets certain requirements, including, but not limited to, that the proposed housing development would not require demolition or alteration of housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income, that the proposed housing development does not allow for the demolition of more than 25% of the existing exterior structural walls, except as provided, and that the development is not located within a historic district, is not included on the State Historic Resources Inventory, or is not within a site that is legally designated or listed as a city or county landmark or historic property or district.		

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SB 69 McGuire	Chaptered 9/30/2021	Senate Chaptered	North Coast Railroad Authority: Great Redwood Trail Agency: rail rights-of-way: Sonoma-Marin Area Rail Transit District. Under current law, the North Coast Railroad Authority is governed by a board of directors composed of appointees from the Counties of Humboldt, Marin, Mendocino, and Sonoma, a city representative selected by the cities served by the authority's rail line, and a nonvoting, exofficio member of the Golden Gate Bridge, Highway and Transportation District. Current law requires the authority to plan for the transfer of all of its assets and liabilities and for its dissolution. Under current law, the state is not liable for any contracts, debts, or other obligations of the authority. This bill would rename the North Coast Railroad Authority the Great Redwood Trail Agency on March 1, 2022. The bill would remove the ex officio member of the Golden Gate Bridge, Highway and Transportation District from the board, and authorize the Governor to appoint a nonvoting director from the Transportation Agency and a nonvoting director from the Natural Resources Agency.	
SB 274 Wieckowski	Enrollment 8/30/2021	Senate Enrolled	Local government meetings: agenda and documents. The Ralph M. Brown Act requires meetings of the legislative body of a local agency to be open and public and also requires regular and special meetings of the legislative body to be held within the boundaries of the territory over which the local agency exercises jurisdiction, with specified exceptions. Current law authorizes a person to request that a copy of an agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. This bill would require a local agency with an internet website, or its designee, to email a copy of, or website link to, the agenda or a copy of all the documents constituting the agenda packet if the person requests that the items be delivered by email. If a local agency determines it to be technologically infeasible to send a copy of the documents or a link to a website that contains the documents by email or by other electronic means, the bill would require the legislative body or its designee to send by mail a copy of the agenda or a website link to the agenda and to mail a copy of all other documents constituting the agenda packet, as specified.	

SB 290 Skinner	Chaptered 9/28/2021	Senate Chaptered	Density Bonus Law: qualifications for incentives or concessions: student housing for lower income students: moderate-income persons and families: local government constraints. Current law requires the amount of a density bonus and the number of incentives or concessions a qualifying developer receives to be pursuant to a certain formula based on the total number of units in the housing development, as specified. This bill would require a unit designated to satisfy the inclusionary zoning requirements of a city or county to be included in the total number of units on which a density bonus and the number of incentives or concessions are based. The bill would require a city or county to grant one incentive or concession for a student housing development project that will include at least 20% of the total units for lower income students.	
SB 330 Durazo	Chaptered 10/6/2021	Senate Chaptered	Los Angeles Community College District Affordable Housing Pilot Program. Would require the governing board of the Los Angeles Community College District to develop and implement a pilot program to provide affordable housing to students or employees of the Los Angeles Community College District, and to provide a report to the Legislature, no later than January 1, 2032, with findings and recommendations on the success of the program. The bill would require priority to be given to low-income students experiencing homelessness for the affordable units of the affordable housing for students or employees.	
SB 339 Wiener	Chaptered 9/24/2021	Senate Chaptered	Vehicles: road usage charge pilot program. Current law requires the Chair of the California Transportation Commission to create a Road Usage Charge (RUC) Technical Advisory Committee in consultation with the Secretary of Transportation. Under existing law, the purpose of the technical advisory committee is to guide the development and evaluation of a pilot program to assess the potential for mileage-based revenue collection as an alternative to the gas tax system. Current law requires the technical advisory committee to study RUC alternatives to the gas tax, gather public comment on issues and concerns related to the pilot program, and make recommendations to the Secretary of Transportation on the design of a pilot program, as specified. Current law repeals these provisions on January 1, 2023. This bill would extend the operation of these provisions until January 1, 2027.	

SB 477 Wiener	Vetoed 10/5/2021	Senate Vetoed	General plan: annual report. The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. That law requires the planning agency of a city or county to provide, by April 1 of each year, an annual report to, among other entities, the Department of Housing and Community Development that includes, among other specified information, the number of applications submitted, the location and total number of developments approved, the number of building permits issued, and the number of units constructed pursuant to a specific streamlined, ministerial approval process. This bill would, commencing January 1, 2024, require a planning agency to include in that annual report specified information on costs, standards, and applications for proposed housing development projects and specified information on housing development projects within the jurisdiction.	
SB 478 Wiener	Chaptered 9/28/2021	Senate Chaptered	Planning and Zoning Law: housing development projects. The Planning and Zoning Law requires the Department of Housing and Community Development to notify the city, county, or city and county, and authorizes the department to notify the Attorney General, that the city, county, or city and county is in violation of state law if the department finds that the housing element or an amendment to that element, or any specified action or failure to act, does not substantially comply with the law as it pertains to housing elements or that any local government has taken an action in violation of certain housing laws. This bill would prohibit a local agency, as defined, from imposing a floor area ratio standard that is less than 1.0 on a housing development project that consists of 3 to 7 units, or less than 1.25 on a housing development project that consists of 8 to 10 units.	
<u>SB 500</u> <u>Min</u>	Chaptered 9/23/2021	Senate Chaptered	Autonomous vehicles: zero emissions. Current law provides for various programs to promote the use of zero-emission vehicles, including the Clean Vehicle Rebate Project, which was established by the State Air Resources Board as a part of the Air Quality Improvement Program, to promote the use of zero-emission vehicles by providing rebates for the purchase of new zero-emission vehicles, and the Charge Ahead California Initiative, which establishes various goals, including the goal of placing in service at least 1,000,000 zero-emission and near-zero-emission vehicles by January 1, 2023. This bill, commencing January 1, 2030, and to the extent authorized by federal law, would prohibit the operation of certain new autonomous vehicles that are not zero-emission vehicles, as defined. The bill would also prohibit the DMV from commencing rulemaking for the adoption of regulations implementing this provision until January 1, 2027.	

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	Chaptered 9/23/2021	Senate Chaptered	Electrical corporations: wildfire mitigation plans: deenergization events. Would require that an electrical corporation's wildfire mitigation plan identify circuits that have frequently been deenergized to mitigate the risk of wildfire	
			and the measures taken, or planned to be taken, by the	
			electrical corporation to reduce the need for, and impact of,	
			future deenergization of those circuits, including the estimated annual decline in circuit deenergization and	
			deenergization impact on customers, and replacing,	
			hardening, or undergrounding any portion of the circuit or of	
	<u> </u>		upstream transmission or distribution lines.	
	Chaptered 9/23/2021	Senate Chaptered	Tri-Valley-San Joaquin Valley Regional Rail Authority: transit connectivity. Current law establishes the Tri-Valley-	
Eggman	3/23/2021		San Joaquin Valley Regional Rail Authority for purposes of	
			planning, developing, and delivering cost-effective and	
			responsive transit connectivity, between the Bay Area Rapid	
			Transit District's rapid transit system and the Altamont Corridor Express commuter rail service in the Tri-Valley, as	
			defined, region of California. Current law gives the authority	
			all of the powers necessary for planning, acquiring, leasing,	
			among other powers, the power to enter into cooperative or	
			provisions related to regulation by counties and cities	
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			caregivers and transition age youth, if specified conditions	
			occupancy, residency, or use. The bill would prescribe	
			definitions for "senior citizen" and "transition age youth" for	
			development to be occupied by at least one senior citizen, as	
			specified, and up to 20% of the occupied dwelling units in the	
			development to be affordable to lower income households.	
	Chaptered 9/28/2021	Senate Chaptered	all of the powers necessary for planning, acquiring, leasing, developing, jointly developing, owning, controlling, using, jointly using, disposing of, designing, procuring, and constructing facilities to achieve transit connectivity, including, among other powers, the power to enter into cooperative or joint development agreements with local governments or private entities necessary to achieve transit connectivity. This bill would require the authority to be considered a rail transit district, thereby exempting the authority from specified provisions related to regulation by counties and cities regarding building, zoning, and related matters. Senior citizens: intergenerational housing developments. Would authorize the establishment of an intergenerational housing development that includes senior citizens along with caregivers and transition age youth, if specified conditions are satisfied. The bill would require that the covenants, conditions, and restrictions and other documents or written policy for the development set forth the limitations on occupancy, residency, or use. The bill would prescribe definitions for "senior citizen" and "transition age youth" for these purposes. The bill would require at least 80% of the occupied dwelling units in an intergenerational housing development to be occupied by at least one senior citizen, as specified, and up to 20% of the occupied dwelling units in the development to be occupied by at least one caregiver or transition age youth, as specified. The bill would require the	

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SB 671	Enrollment	Senate Enrolled	Transportation: Clean Freight Corridor Efficiency		
Contains	9/9/2021		Assessment. Would establish the Clean Freight Corridor		
Gonzalez			Efficiency Assessment, to be developed by the California Transportation Commission, in coordination with other state		
			agencies. In developing the assessment, the bill would		
			require the commission to identify freight corridors, or		
			segments of corridors, throughout the state that would be		
			priority candidates for the deployment of zero-emission		
			medium- and heavy-duty vehicles. The bill would require the		
			commission to submit a report containing the assessment's		
			findings and recommendations to certain committees of the		
			Legislature by December 1, 2023. The bill would require the		
			assessment's findings and recommendations to be		
			incorporated into the development of the California		
			Transportation Plan. The bill would require the state freight		
			plan to include a description of needed infrastructure,		
			projects, and operations for the deployment of zero-emission		
			medium- and heavy-duty vehicles and the development of		
			freight corridors identified in the assessment.		
SB 728	Chaptered	Senate Chaptered	Density Bonus Law: purchase of density bonus units by		
I	9/28/2021		nonprofit housing organizations. Current law, commonly		
<u>Hertzberg</u>			referred to as the Density Bonus Law, requires a city or		
			county to provide a developer that proposes a housing		
			development within the city or county with a density bonus		
			and other incentives or concessions, as specified, if the developer agrees to construct, among other options,		
			specified percentages of units for moderate-income or, lower,		
			or very low income households and meets other		
			requirements. Current law requires the developer and the		
			city or county to ensure that the initial occupant of a for-sale		
			unit that qualified the developer for the award of the density		
			bonus is a person or family of very low, low, or moderate		
			income. This bill instead, would require the developer and the		
			city or county to ensure that (1) a for-sale unit that qualified		
			the developer for the award of the density bonus is initially		
			occupied by a person or family of the required income, offered		
			at an affordable housing cost, as defined, and includes an		
			equity sharing agreement, as specified, or (2) a qualified		
			nonprofit housing organization that is receiving the above-		
			described welfare exemption purchases the unit pursuant to		
			a specified recorded contract that includes an affordability		
			restriction, an equity sharing agreement, as specified, and a		
			repurchase option that requires a subsequent purchaser that		
			desires to sell or convey the property to first offer the		
			nonprofit corporation the opportunity to repurchase the		
			property.		
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SB 780 Cortese	Chaptered 9/28/2021	Senate Chaptered	Local finance: public investment authorities. Current law establishes enhanced infrastructure financing districts to finance public capital facilities or other specified projects of communitywide significance. Currentlaw provides for the membership of the governing body of the district, referred to as the public financing authority. This bill would authorize the legislative bodies, as defined, to appoint an alternate member to the public financing authority who may serve and vote in place of a member who is absent or disqualifies themselves from participating in a meeting of the authority. If a district has more than 3 participating affected taxing entities, the bill would authorize the legislative bodies of the taxing entities to, upon agreement, appoint only one member of their respective legislative bodies, and one alternate member, in addition to the public members.	
SB 792 Glazer	Vetoed 10/4/2021	Senate Vetoed	Sales and use tax: returns: online transactions: local jurisdiction schedule. Current law authorizes the Department of Tax and Fee Administration to require the filing of reports by any person or class of persons with information relating to sales of tangible personal property, the storage, use, or other consumption of which is subject to the use tax, as specified. Current law requires a retailer or purchaser subject to the sales and use tax to file, on or before the last day of the month following each quarterly period, a return for the preceding quarterly period. This bill, for reporting periods beginning on or after January 1, 2022, would require a qualified retailer, defined as a retailer whose annual qualified sales of tangible personal property transacted online exceeded \$50,000,000 for the previous calendar year, to include with each tax return a schedule that reports for each local jurisdiction the gross receipts from the qualified sale of tangible personal property shipped or delivered to a purchaser in that jurisdiction.	

California State Legislative Calendar 2021 – Revised December 18, 2020

January 1 Statutes take effect (Art. IV, Sec. 8(c)). 10 Budget must be submitted by Governor (Art. IV, Sec. 12(a)) 11 Legislature reconvenes (J.R. 51(a)(1)). 18 Martin Luther King, Jr. Day 22 Last day to submit bill requests to the Office of Legislative Counsel.	June 1-4 Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees (J.R. 61(a)(7)). 4 Last day for each house to pass bills introduced in that house (J.R. 61(a)(8)). 7 Committee meetings may resume (J.R. 61(a)(9)). 15 Budget Bill must be passed by midnight (Art. IV, Sec. 12(c)(3)).
February 15 Presidents' Day 21 Last day for bills to be introduced (J.R. 61(a)(1), J.R. 54(a)).	July 2 Independence Day observed 14 Last day for policy committees to meet and report bills (J.R. 61(a)(10-11)). 16 Summer Recess begins upon adjournment of session, provided Budget Bill has been passed (J.R. 51(a)(3)).
March 25 Spring Recess begins upon adjournment (J.R. 51(a)(2)). 31 Cesar Chavez Day observed April 5 Legislature reconvenes from Spring Recess (J.R. 51(a)(2)). 30 Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house (J.R. 61(a)(2)).	August 16 Legislature reconvenes from Summer Recess (J.R. 51(a)(3)). 27 Last day for fiscal committees to meet and report bills (J.R. 61(a)(11-12)). 30-10 Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees (J.R. 61(a)(12-13)).
May 7 Last day for policy committees to meet and report to the floor non-fiscal bills introduced in their house (J.R. 61(a)(3)). 14 Last day for policy committees to meet prior to June 7 (J.R. 61(a)(4)). 21 Last day for fiscal committees to meet and report to the floor bills introduced in their house (J.R. 61(a)(5)). Last day for fiscal committees to meet prior to June 7 (J.R. 61(a)(6)). 31 Memorial Day	September 3

Source: Senate & Assembly websites.

117th United States Congress, First Session (Tentative) Calendar*

Source: Senate & House of Representatives websites.

January		July
1	New Year's Day	1-4 House and Senate district work periods
3	House and Senate reconvene	5 Independence Day (Observed)
4-5	Senate district work period	5-9 House and Senate district work periods
4	Electoral College	
7-19	Senate district work period	
11-15	House district work periods	
18	Martin Luther King, Jr. Day	
20	Inauguration Day	
February		August
15	President's Day	2-27 House district work period
15-19	House and Senate district work periods	9-31 Senate district work period
March		September
29-2	House district work periods	1-10 Senate district work periods
29-9	Senate district work periods	5 Labor Day
		6-8 House district work periods
		15-17 House district work periods
		16-17 Senate district work periods
April		October
1-9	House and Senate district work periods	11 Indigenous Peoples' Day
		11-15 Senate district work periods
May		November
3-7	Senate district work periods	1-8 House district work period
31	Memorial Day	8-12 Senate district work periods
31-4	House and Senate district work periods	11 Veterans' Day
		21-26 House district work periods
		22-26 Senate district work periods
		25 Thanksgiving Day
June		December
1-4	House and Senate district work periods	House empty calendar
28-9	Senate district work periods	13-31 Senate district work periods
		25 Christmas day
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California Local & Regional Government Association Bill Position Resources

League of California Cities ("the League")

https://www.cacities.org/Policy-Advocacy/Bill-Search

California State Association of Counties (CSAC)

https://www.counties.org/legislative-tracking

California Association of Councils of Government (CALCOG)

https://www.calcog.org/index.php?src=gendocs&ref=billtrack&link=billtrack

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

October 8, 2021 Agenda Item 3a

2021 Legislative Scorecard

Subject:

Comparison of MTC/ABAG 2021 Advocacy Program with legislative outcomes in the 2021 state and federal legislative sessions.

Background:

Our 2021 Legislative Scorecard, which compares our advocacy program with outcomes in Sacramento and Washington D.C. to date, is attached for your reference.

Staff will provide an update with the latest information at your meeting.

Issues:

None identified.

Recommendations:

Information

Attachments:

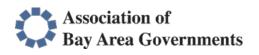
• Attachment A: 2021 Legislative Scorecard

Therese W. McMillan

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2021 LEGISLATIVE SCORECARD Advocacy Program Goals vs. Outcomes



State Advocacy Goals and Objectives

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1. Transportation Funding: Defend existing transportation revenue sources and secure new revenue to assist in the implementation of Plan Bay Area 2050 priorities. In the absence of sufficient federal support, secure new funding and increased flexibility to expend existing funds to aid the region's public transit operators struggling with the loss of transit ridership and revenue due to COVID-19.		
	Goal: Seek state assistance to provide emergency transit operating funding if Congress fails to provide sufficient funding in a timely manner.	
A. Transit operating funding	Outcome: This state advocacy goal was moot as a result of the \$1.7 billion in transit operating assistance provided to Bay Area transit operators through the 2021 America Rescue Plan Act (ARP). This supplemented the \$2.3 billion in federal COVID transit relief provided in 2020. FTA recently announced the Notice of Funding Availability for the additional \$2.2 billion in ARP funds available nationwide for which Bay Area operators may additionally compete.	
B. Regional transportation revenue ballot	Goal: Engage in any renewed efforts that emerge to authorize a regional transportation revenue measure, including exploring opportunities for such a measure to be placed on through voter initiative within the nine-counties.	
measure	Outcome: There was no legislative activity on this item this year as efforts focused instead on reform and the work of the Blue Ribbon Transit Recovery Task Force	
C. Reduce Caltrans Administrative Overhead Charges to MTC and the BATA	Outcome: This was pursued as part of the FY 2021-22 State Budget but met opposition due to budget committee staff preferring it be handled in stand-alone legislation rather than the budget, which has been past practice. Staff has discussed partnering with the Self-Help Counties Coalition on a longer-term fix next year.	
D. Zero-emission bus mandate and proposed ferry regulations	Goal: Seek additional dedicated funding to help transit operators convert their bus fleets to zero-emission to meet the state's Innovative Clean Transit rule and accelerate the decarbonization of the transportation system.	

	Outcome: The FY 2021-22 State Budget (SB 129) includes \$2.7 billion in support of the transition to zero-emission vehicles generally, including \$100 million in grants focused on transit electrification, of which \$70 million is for ZEV buses through the Air Resources Board's Hybrid and Zero Emission Truck and Bus Voucher Incentive Project and \$30 million is for ZEV charging infrastructure grants run by the California Energy Commission. (Details in SB 129 budget bill).
E. Equitable access to transportation and supporting infrastructure	Goals: (1) Support broadening eligibility requirements in existing and/or new transportation funding streams to enable their use as a subsidy for low-income transportation system users. (2) Support efforts to expand access to broadband for low-income households. (3) Ensure that legislation aimed at benefiting disadvantaged communities use a definition that includes low-income communities and does not rely exclusively on communities defined by the state's CalEnviroScreen (CES) method.
	Outcome: (1): the FY 2021-22 State Budget provides \$150 million for equity transportation programs, including \$75 million to the Clean Cars 4 All Program from Cap and Trade revenues. The Bay Area Air District has information on qualifying zip codes in the region at this link. (2) the budget appropriates \$4.3 billion in federal ARPA funds for improvements to broadband infrastructure and improved access, including grants for low-income communities, to be administered by the Public Utilities Commission. (Details included in SB 156, budget trailer bill). (3) Provisions in new transportation and housing-related grant programs focused on disadvantaged communities did not rely on CES as basis for definition.
F. Active Transportation: Regional trails and bicycle/pedestrian infrastructure improvements	Goal: Monitor and support opportunities for additional funding for active transportation, including enhanced active transportation access and safety improvements on existing roadways (i.e., "complete streets") as well as funding for regional trails, such as the San Francisco Bay Trail, the Bay Area Ridge Trail, and the Great California Delta Trail.
	Outcome: The budget included a supplemental \$500 million from the General Fund for the Active Transportation Program, but these funds reverted to the General Fund due to the lack of an agreement on high-speed rail funding. Bicycle and pedestrian improvements will be eligible for funding from the new Regional Early Action Program of 2021 ("REAP 2.0"), which received \$600

million and will be administered through the Housing and Community Development Department. The Bay Area anticipates approximately \$100 million from this program.
ng public transit is an affordable, reliable and convenient transportation option.
Goal: Support efforts to enact alternative performance measures that are focused on incentivizing actions that improve transit service and increase ridership over efficiency-based measures. Ensure discount fares aimed at boosting ridership and improving social equity do not result in reduced state funding. Pursue relief from TDA audits during the current economic downturn
Outcome: AB 149, the transportation trailer bill, extends hold harmless provisions for the calculation of State Transit Assistance and related funding programs to FY 2022-23 so that reduced revenue from fares and sales taxes due to COVID-19 will not impact an operator's funding share. The bill also suspends until FY 2026-27, farebox and efficiency criteria applicable to the Transportation Development Act (TDA) and State Transit Assistance (STA) if an agency can demonstrate that it maintained their local funding commitments at FY 2018-19 levels or above. The bill further allows discount and fare free transit passes to be counted at their full retail value for the purpose of calculating farebox revenue to meet state farebox ratio requirements.
Goal: Support legislation emerging from the recommendations of the Blue-Ribbon Transit Recovery Task Force (Task Force). Outcome: Assemblymember Chiu introduced AB 629, which would have implemented a number of near-term, rider-focused improvements under discussion at the Task Force. MTC supported it along with SPUR, Bay Area Council, the Silicon Valley Leadership Group and the North Bay Leadership Council, among others. There was no formal opposition to the bill, but it was unexpectedly held in the Appropriations Committee and is now a two-year bill.

A.	Increase funding available for affordable
	housing and other supportive infrastructure
	while also reducing the cost of housing
	production.

Goal: Monitor and support efforts to provide additional state resources for housing and housing-supportive infrastructure, planning and services to ensure housing investments can be made in conjunction with improvements to parks/open space, and other resources to improve Bay Area resident's quality of life. Support proposals to drive down the cost of affordable housing production. Outcome: The FY 2021-22 State Budget (SB 129) included a significant investment of new resources in affordable housing and housing preservation, as well as funding to provide shelter to those currently experiencing homelessness. Specifically, the budget provided \$1.75 billion for housing production through the Multifamily Housing Program and \$300 million for affordable housing preservation of existing affordable housing. Additionally, the new REAP 2.0 program referenced in #1F is available for housing-supportive infrastructure and planning, including local zoning updates, to support infill housing production.

B. Pursue a range of strategies to help produce the additional housing units assigned as part of the Regional Housing Needs Allocation (RHNA) process Goal: (1) Continue to support legislation to boost housing density near jobs-rich, high-quality transit, and high-resource areas with reasonable local flexibility provided. (2) Support proposals to authorize housing as a permitted use in certain commercial zones, such as shopping malls, office parks and major commercial corridors, subject to local approval, but without requiring zoning changes. (3) Continue to support legislation to accelerate the production of new housing and the implementation of locally-proposed zoning changes that are needed to accommodate RHNA allocations and that focus new housing near jobs-rich, high-quality transit and high-resource areas. (4) Seek to ensure that policies to incentivize new housing construction include anti-displacement provisions and prioritize the construction of affordable housing.

Outcome:

- (1) MTC/ABAG supported AB 1401 (Friedman) which would have eliminated minimum parking requirements for residential and commercial development within close proximity to high-quality transit. The bill drew significant support and opposition and was held in the Senate Appropriations Committee.
- (2) Several bills were introduced related to authorizing residential development in commercial zones, including SB 6 (Caballero) and AB 115 (Bloom) but neither of them reached the Governor's desk.
- (3) MTC/ABAG supported SB 10 (Wiener), which was enacted and will accelerate local zoning updates in infill areas up to 10-units per parcel by exempting the zoning change from environmental review.
- (4) MTC/ABAG supported SB 7 (Atkins) which was enacted, and which extends

	accelerated judicial review under the California Environmental Quality Act (CEQA) to housing projects that reserve at least 15 percent of the units to affordable and are located in infill areas and consistent with a region's sustainable communities strategy.
C. Bay Area Housing Finance Authority Pilot Project Funding	Goal: Seek one-time funding of \$18.5 million from the FY 2021-22 State Budget to support Bay Area Housing Finance Authority pilot projects as a match to contributions sought from philanthropic and private-sector sources.
	Outcome: Secured a \$20 million allocation to MTC for BAHFA pilot projects in SB 129 (Section 273 (b)(213)).
D. Homelessness Prevention	Goal : Support policies and funding proposals aimed at reducing and preventing homelessness in the Bay Area.
	Outcome: The FY 2021-22 State Budget includes record level funding to address the homelessness crisis, including \$1 billion for the Homeless Housing, Assistance and Prevention (HHAP) Program, of which Bay Area cities, counties and continuums of care will receive approximately \$179 million. Additionally, the BAHFA earmark noted above includes funding to support the development of a regional homelessness prevention strategy to help the Bay Area's extremely low income households remain housed.
4. Project Delivery: Support strategies to speed up th improvements faster and at a lower cost.	e delivery of transportation and housing projects with the goal of delivering
A. Flexibility in Contracting & Public-Private Partnerships	Goal: Increase flexibility in contracting and public private partnerships. Outcome: There was no legislative activity on this front in 2021
B. California Environmental Quality Act (CEQA)	Goal: Monitor and engage on legislation related to CEQA with the goal of accelerating transportation and housing development projects that are consistent with local and regional plans without diminishing environmental safeguards.
	Outcome: As noted in Item 3B, MTC/ABAG supported SB 7 (Atkins) and SB 10 (Wiener) both of which were enacted and limit CEQA's applicability; SB 7 provides expedited judicial review for infill housing projects that meet various requirements, including a minimum of 15 percent affordability and union labor; SB 10 exempts zoning updates up to 10 units/parcel from CEQA review.

5. Congestion Relief:

Goal: Support policies aimed at reducing vehicle miles traveled and associated traffic congestion, including, but not limited to, pricing strategies and employer-based programs to help reduce the share of commuting by single-occupant vehicles. Keep equity impacts in mind when evaluating any such pricing strategies.

Outcome: The FY 2021-22 State Budget's appropriation of \$600 million to fund the new "REAP 2.0" was a major milestone in MTC/ABAG's long-standing effort to secure additional flexible funding to support implementation of Plan Bay Area, including strategies to reduce vehicle miles traveled (VMT). Among many other uses, REAP 2.0 funds may be used to study and implement active transportation improvements, roadway pricing, establish a VMT-impact fee or mitigation bank, and fund parking and transportation demand management programs or ordinances.

6. System Effectiveness: Advocate for policies that improve the Bay Area's transportation system's effectiveness and service delivery, including improved enforcement, minimization of fraud and litigation, and protection of user's privacy.

A. Improve toll collection & enforcement	Goal: Support legislation affirming toll agencies' ability to share information about toll transactions necessary for the seamless collection of tolls and toll penalties.
	Outcome: SB 623 (Newman) was introduced and passed the Senate Transportation Committee but encountered various opposition and was ultimately pulled by the author due to requested amendments that were not acceptable to the toll agency sponsors, including BATA.
B. Improve HOV and Express Lanes Performance	Goal: Support efforts to improve the performance of high-occupancy vehicle (HOV) and express lanes through enhanced enforcement of vehicle passenger occupancy requirements. Oppose legislation authorizing expanded access to HOV lanes by non-HOVs or further reduced toll rates for clean air vehicles or other vehicles to access express lanes.
	Outcome: There was no legislation related to HOV enforcement this year. MTC partnered with toll agencies statewide to ensure AB 984 (Rivas) related to authorizing electronic license plates didn't open up a loophole for toll enforcement. The bill was shelved due to opposition that arose related to privacy and public safety.

7. Mobility on Demand:

Goal: Engage in regulatory and legislative efforts to facilitate the deployment of new mobility technologies with the goal of

accelerating their safety, accessibility, mobility, environmental, equity, economic and workforce benefits, including opportunities to increase access to transit and reduce the share of single-occupancy vehicle trips. Advocate for increased access to critical travel pattern data by local, regional and state agencies for transportation and land use planning and operational purposes while ensuring privacy is protected.

Outcome: AB 371 (Jones-Sawyer), sponsored by California Council for the Blind, would have imposed new insurance requirements on bike share and scooter share providers related to rider negligence that would have required the private companies to assume that liability. Bikeshare and scooter companies argued no insurance company would offer this coverage and they would be put out of business in California. While MTC did not take a position on the bill, we coordinated closely with our bikeshare partners and cities to provide technical assistance and educate lawmakers on potential impacts. The bill was formally opposed by the California Bicycle Coalition, the Bay Area Council, the Silicon Valley Leadership Group, the City of Oakland and others, and ultimately the author dropped the bill.

AB 859 (Irwin) was introduced to regulate public agency access to data from mobility service providers, including transportation network companies like Lyft & Uber. The bill would have more narrowly controlled access to data that is useful for transportation planning and potentially conflicted with regulations underway at the Public Utilities Commission. It stalled in the face of opposition by the City of Los Angeles, City of Sacramento and the League of Cities, among other organizations.

8. Climate Change, Energy Efficiency, Resilience & Estuary Health: Support funding and policy strategies to help achieve and better coordinate state and regional climate goals, advance energy efficiency and improve the Bay Area's resilience to natural hazards and the impacts of climate change, including earthquakes, sea level rise and fire. Support proposals for increased funding to improve the health of the San Francisco Estuary.

A. SB 375 implementation and reform

Goal: In partnership with other metropolitan planning organizations and other stakeholders, explore potential updates to SB 375 (Steinberg, 2008) with the goal of focusing less on emission models and more on near term, ambitious but achievable actions that will reduce GHGs in partnership, rather than in competition, with the state.

Outcome: Senator Cortese introduced SB 475 based on MTC/ABAG's 2021 Advocacy Program with a goal to make the sustainable communities strategy (SCS) a more action-oriented document and to authorize, but not require, the inclusion of building decarbonization as part of the plan. The bill was designated a two-year bill to enable more time for negotiations among key stakeholders including Senator Allen and Assemblymember Friedman who each had their own SB 375 reform proposals, SB 261 (Allen) and AB 1147 (Friedman), respectively.

	Note that AB 1147 (which awaits the Governor's signature) was amended to remove most SB 375-related changes, but does include a new requirement that local jurisdictions must submit a report to their MPO within one year after ARB accepts the SCS that describes: • Actions that the local jurisdiction has taken to implement, and that are consistent with, its region's SCS.
	Barriers to SCS implementation, including, but not limited to, federal, state, and local laws.
B. Electrifying the vehicle fleet	Goal: Consistent with the state's transportation electrification goals, support proposals to accelerate the purchase of zero-emission passenger and light-duty vehicles. Support proposals to provide funding to help public agencies convert their light-duty diesel vehicles to clean diesel, where such conversions are cost-effective and compatible with the state's overall zero-emission vehicle strategy.
	Outcome: The FY 2021-22 includes \$2.7 billion in support of the transition to zero-emission vehicles, as noted in Item 1D. This includes \$525 million for the Clean Vehicle Rebate Program, including \$10 million for e-bikes and \$500 million for the Hybrid and Zero Emission Truck & Bus Voucher Incentive Project (HVIP) Program and Clean Off-Road Equipment Voucher Incentive Project (CORE) for medium and heavy duty trucks, buses and off-road equipment.
C. State Route 37 improvements	Goal: Support legislation in collaboration with Caltrans and the four north bay counties of Marin, Napa, Solano and Sonoma to authorize tolls on State Route 37 to help fund interim congestion relief and the long-term multi-modal reconstruction and resilience of the roadway.
	Outcome: No legislation was introduced on this subject in 2021 but a bill is expected to be authored by Senator Dodd in 2022.
D. Increase the Bay Area's preparedness for a major earthquake	Goal : Monitor and support legislation aimed at improving the region's seismic preparedness.
	Outcome : The FY 2021-22 State Budget includes \$17.3 million to support the California Earthquake Early Warning Program by the Office of Emergency Services.

E. Wildfire mitigation	Goal: Monitor and support legislation aimed at protecting current and future Bay Area residents from wildfire risk.
	Outcome: The FY 2021-22 State Budget provides \$1.5 billion in fire prevention. The budget also extends until FY 2028-29 a continuous appropriation of \$200 million from Cap and Trade funds for wildfire prevention. Regarding legislation, AB 9 (Wood) was enacted, establishing the Regional Forest and Fire Capacity Program in the Department of Conservation to support regional leadership to build capacity and develop, prioritize, and implement strategies to improve ecosystem health, community wildfire preparedness, and fire resilience. Notable bills still awaiting the Governor's signature include AB 642 (Friedman) and SB 63 (Stern) related to categorizing the state into areas of moderate, high and very high fire hazard severity zones, await the Governor's signature.
F. Climate adaptation	Goal: Seek state funding for regions and localities to invest in planning, projects and programs that will improve the Bay Area's resilience to the impacts of climate change, including fire and sea level rise.
	Outcome: MTC/ABAG adopted a "support and seek amendments" position on AB 897 (Mullin) related to regional climate adaptation. While most of our amendments were incorporated, the bill did not advance but instead lay the foundation for the inclusion of \$35 million in local and regional climate resilience planning and implementation funding in the FY 2021-22 State Budget and a commitment to an additional \$225 million in future years. MTC/ABAG also advocated for \$300 million for a new transportation-related climate adaptation program split 50/50 state and local. While not ultimately funded due to the high-speed rail funding snafu, the concept is broadly supported by the Legislature, the Administration and other stakeholders.
9. Safety: Improve transportation system safety for all	users
A. Zero traffic fatalities goal (Vision Zero)	Goal: Building on the recommendations of the Zero Traffic Fatalities Task Force, support legislation aimed at achieving the Vision Zero goals of no roadway-related deaths or serious injuries by improving safety for all road users, including non-motorists. In particular, support modifying the state's 85 th percentile methodology for determining speed limits to provide greater

	flexibility to local agencies and continue to support authorization of automated speed enforcement technology to enforce speed limits.
	Outcome: MTC/ABAG supported AB 43 (Friedman), which repeals the 85 th percentile requirement for setting speed limits and is awaiting signature. Unfortunately, AB 550 (Chiu), the automated speed enforcement bill which MTC/ABAG supported, was held in the Appropriations Committee.
	Two notable bills related to bicycle/pedestrian access that are also on the Governor's desk include AB 122 (Boerner-Horvath) which requires people on bikes to yield at stop sign-controlled intersections, instead of stop, unless stopping is necessary for safety and AB 1238 (Ting) which repeals jaywalking laws by allowing people to walk across the street when it's safe, even if midblock or against the signal.
B. Passenger rail safety	Goal: Support efforts to increase passenger rail safety through increased funding for positive train control and other strategies to reduce risk.
	Outcome: The Governor proposed \$500 million to support railroad-grade separations as part of the May revise but the funds were held up as a result the high-speed rail negotiation.
10. Governance: Brown Act Reforms	Goal: Monitor and engage in legislation, in coordination with other local agency associations and regional agencies, related to updating the Ralph M. Brown Act (Brown Act) to incorporate some of the increased flexibility provided for during COVID-19 into the long-term provisions of the Brown Act, particularly in relation to remote participation in meetings.
	Outcome: AB 361 (Rivas) was enacted on an urgency basis, extending the ability of public agencies to conduct their meetings remotely through 2023, subject to a requirement that they adopt findings related to the basis for holding the meetings by teleconference, which must include an initial emergency proclamation in the affected area.
	AB 339 (Lee), awaiting the Governor's signature, would further require through 2023 that cities and counties above 250,000 in population provide the public with an opportunity to provide public comment remotely <i>and</i> in person (unless prohibited during an emergency) and continue to video stream its meetings if it has used video streaming for any meetings as of June 15, 2021.

Federal Advocacy Goals and Objectives

1.Transportation and Housing Funding: Support robust federal investment in Bay Area transportation and housing infrastructure

A. COVID-19 Emergency Aid and Economic Recovery

Goal: Continue partnering with local, state, and national partners to advocate for federal aid to support state and local responses to the COVID-19 public health emergency, including advocating for state and local government funding, resources to backfill for lost transportation revenues, and emergency assistance to keep renters and homeowners housed. Support an economic recovery package that invests in sustainable transportation infrastructure, affordable housing, and climate adaptation.

Outcome: Congress passed the American Rescue Plan Act of 2021 (ARP) in March 2021, providing the region's transit systems with an additional \$1.7 billion on top of the \$2.3 billion from the prior two COVID relief packages. ARP also provided significant local government emergency assistance, rental assistance, and additional emergency assistance to local governments and states to increase affordable housing and invest in housing solutions for persons experiencing homelessness.

B. Fiscal Year 2022 transportation and housing programmatic appropriations

Goal: Partner with local, regional and statewide transportation agencies as well as national stakeholders to ensure that Congress funds highway, transit and rail programs at no less than FAST Act-authorized levels. If Congress proposes to increase appropriations above FAST Act-authorized levels, seek to maximize Bay Area funding in revenue allocations. Additionally, work to defend federal affordable housing funds and programs, such as Section 8 housing vouchers, the HOME Investment Partnership Program and the Community Development Block Grant Program.

Outcome: Pending final action by Congress, the Infrastructure Investment and Jobs Act (IIJA, or the \$1 trillion bipartisan infrastructure plan) includes significant increases in funding for MTC priority transportation programs and the much larger reconciliation proposal includes a significant growth in affordable housing and climate resilience funding.

C. Advocate for discretionary transportation grant awards, including Capital Investment Grant funding for Resolution 3434/ Plan Bay Area Projects	Goal: Work with regional, state and national partners to advocate for implementation of the Capital Investment Grant (CIG) Program as authorized by the FAST Act. Support federal appropriations consistent with the full funding grant agreements (FFGAs) approved for the Caltrain Peninsula Corridor Electrification and BART Transbay Core Capacity projects.
	Outcome: Appropriations for projects with FFGAs are on track and BART's core capacity project and Caltrain electrification received supplemental funding through ARPA.
D. Housing production	Goal: Support efforts to expand federal housing production tools, including the Low-Income Housing Tax Credit Program, California's largest source of federal funding for new affordable housing.
	Outcome: The reconciliation bill under debate currently includes significant changes to LIHTC that would benefit California, including increasing the state's annual LIHTC allocation by 74 percent over four years and—most importantly—revising the bond-financed LIHTC threshold to 25 percent from 50 percent to make more projects feasible. This could double California's annual affordable housing production financing capacity until the state's bond-financed project pipeline has been built. Additionally, the reconciliation package would provide housing and community development resources directly to local governments and the state. The bill would also fund new discretionary grants for which Bay Area local governments could compete.
2. Surface Transportation Reauthorization: Engage in na surface transportation bill	ntional deliberations prioritizing the funding and policy framework for the next
	Goal: Work with our regional and national partners to support a long-term, fully funded transportation authorization that supports states and regions in achieving national goals related to infrastructure condition, safety, mobility, and air quality.
	Outcome: The IIJA includes funding authorizations for five years at an overall increase of 56 percent relative to the FAST Act. Overall, Bay Area transit formula funding would grow \$1.1 billion over five years relative to the FAST Act, providing \$3.4 billion in total. Highway funding programs that come to the region for distribution would grow to \$1.1 billion over five years from \$878 million.

	As advocated by MTC and ABAG, the bill would maintain the basic structure of the FAST Act with important updates, including expanding the core federal program to support newly support transportation resilience upgrades, multimodal projects of national and regional significance, mobility improvements in congested metropolitan areas, and safety for all road users. Importantly, the bill also prioritizes investments in bridge and transit state of good repair. The five-year bill does not include a sustainable revenue source to keep the Highway Trust Fund solvent over the long-term, instead investing again in pilots that would push the revenue fix to the next transportation bill.	
3. Climate Protection, Adaptation, Environmental Justice: Advocate for a strong federal partner in the Bay Area's efforts to improve air quality, reduce greenhouse gas (GHG) emissions, and make our communities and transportation networks resilient to a changing climate, especially in communities of concern that are most vulnerable to the impacts of climate change. Advocate for passage of legislation to improve the health of the San Francisco Estuary.		
A. Climate change mitigation	Goal: Advocate for the federal government to take bold action to reduce GHG emissions and limit the magnitude of the climate crisis. Outcome: The Infrastructure Investment and Jobs Act (IIJA) and the reconciliation bill pending in Congress both make significant investments in climate protection with respect to transportation electrification and clean energy.	
B. Disaster mitigation and resilience	Goal: Seek to secure resources for the Bay Area to invest in disaster mitigation and resilience, including investing in strategically placed green and grey infrastructure to protect our communities and residents that are most vulnerable to the adverse effects of climate change. Support a strong regional role in disaster mitigation and resilience planning.	
	Outcome: The IIJA would make targeted investments in wildfire, drought, flood mitigation, and the multi-sector predisaster mitigation program. Regarding transportation, the bill updates the federal program as advocated for by MTC to both 1) create a new dedicated resilience program that can fund both green and grey resilience upgrades and 2) expand existing (and new) programs to allow for resilience upgrades to be incorporated into all transportation investments. The bill would also reward regions for incorporating resilience into regional transportation and land use plans.	

C. San Francisco Estuary	Goal: Advocate for passage of legislation to reauthorize the National Estuary Program and increased funding aimed at improving the health and resilience of the San Francisco Estuary.
	Outcome: The bipartisan infrastructure bill (Infrastructure Investment and Jobs Act (IIJA)) bill currently under debate would provide \$24 million for San Francisco Bay restoration (funds will go to the Environmental Protection Agency) and \$132 million for the National Estuary Program, of which an <i>estimated</i> \$4.5 million would come directly to the San Francisco Estuary Partnership over five years (\$900,000/year). This would more than double the Partnership's current annual federal funding of approximately \$700,000.
4. Transportation Innovation and Shared Mobility: Sincluding mobility on demand, while protecting the p	Support policies that enable technological innovations to improve mobility, ublic's interest.
A. Automated and Connected Vehicles	Goal: Engage in regulatory and legislative efforts related to facilitating the deployment of transformative transportation technologies with the goal of accelerating the benefits associated with new mobility technologies, including application in the transit sector. With respect to connected vehicles and autonomous vehicles (CV/AV), continue to support policies that facilitate joint CV/AV deployment, including preservation of capacity in the 5.9 GHz spectrum band.
	Outcome: This year was a mixed bag regarding CV/AV deployment. Despite strong opposition from the transportation industry, the 5.9 GHz spectrum band—originally reserved for autonomous vehicles and other transportation safety-related uses—was opened to use for other Wi-Fi demands by the FCC and legislation to accelerate CV/AV deployment stalled in Congress.
	On the positive side, the IIJA would provide \$1 billion for a new Strengthening Mobility and Revolutionizing Transportation (SMART) Grant Program which could fund intelligent transportation technologies, including automated and connected vehicle infrastructure deployment.
B. Shared Mobility	Goal: Advocate for federal legislative and regulatory updates that support shared mobility options such as bike-share, shared rides, carpooling, and shared scooters. Support expanding pre-tax transportation fringe benefit eligibility to include shared mobility options.

Outcome: The reconciliation bill currently under debate would create a new
electric bicycle tax credit (up to 15 percent of the purchase price) and reinstates
and expands bicycle commuter benefits, increasing the bike benefit to up to
\$52.50 per month and extending the benefit to cover bike share.

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

October 8, 2021 Agenda Item 4a

Federal Infrastructure Update

Subject:

Status update on the Build Back Better climate and social spending package and on the bipartisan Infrastructure Investment and Jobs Act.

Background:

This past month Congress has been working furiously to advance key components of the President's domestic agenda: A bipartisan \$1 trillion physical infrastructure bill—the Infrastructure Investment and Jobs Act (IIJA)—and a much larger, wide-ranging climate and social spending reconciliation package, referred to as the Build Back Better plan. Summaries of the IIJA and the Build Back Better housing and transportation provisions are included as attachments.

As of the writing of this memo, the House is slated to vote on the Senate-passed IIJA on September 30—the same day that the current surface transportation law is set to expire—which would tee up the bill for the President's signature. House leadership has not yet announced the timeline for a vote on the reconciliation package, though Speaker Pelosi maintains that a compromise that can pass both the House and Senate is within reach.

Before a House bill is finalized and sent to the Senate, outstanding policy issues ranging from prescription drug pricing to state and local tax deductions (SALT) must be addressed. Other serious challenges remain—namely the size of the Build Back Better plan and the disagreement within the Democratic caucus about tying together the fates of the bipartisan infrastructure bill and this larger progressive spending bill. Senate moderates are seeking to scale the package down to \$1.5 trillion while progressives in the House and Senate have stated that \$3.5 trillion is the minimum spending level they can support.

As a reminder, the Democratic majority is razor thin in both the House and Senate—the House can only afford to lose three votes and the Senate needs every member caucusing with the Democrats to secure a majority. Speaker Pelosi faces a challenging situation with growing progressive anger with concessions to moderates and moderates keeping the pressure on for a timely vote on the IIJA.

Given these many moving pieces, we expect to provide another status update at your October 8, 2021 committee meeting.

Recommendations:

Information

Attachments:

- Attachment A: Build Back Better Housing Provisions
- Attachment B: Build Back Better Transportation Provisions
- Attachment C: Infrastructure Investment and Jobs Act Summary

Therese W. McMillan

Therew Wholy

Build Back Better Housing Provisions September 23, 2021

(Summary is based on House Financial Services Committee and House Ways and Means Committee-passed bills)

The Build Back Better House reconciliation package would provide roughly \$320 billion for affordable housing and community development investments—more than six times the entire annual Department of Housing and Urban Development (HUD) budget. The House bill would also make several transformational changes to the federal low-income housing tax credit (LIHTC) program—the single most important affordable housing production tool in California—and create a new homeownership-targeted tax credit to subsidize production and preservation of affordable owner-occupied homes. The LIHTC updates alone could enable California to more than double affordable housing production over the coming years. These housing financing changes paired with the proposed direct HUD investments would establish the federal government as a much stronger partner in affordable housing production, preservation, and protection efforts in the Bay Area and across the country and could help close the significant affordable housing funding gaps identified in Plan Bay Area 2050. A funding chart is below and summaries of MTC and ABAG-priority programs and policies follow.

Build Back Better Housing Funding Chart

Category/Program Name		Funding Amount* (\$ in billions)		
Affordable Housing Production, Preservation and Community				
Development	\$	91		
Housing Trust Fund Formula	\$	37		
HOME Investment Partnerships Formula	\$	35		
Community Development Block Grant (CDBG) Formula	\$	7		
Housing Investment Fund (new)				
(U.S. Treasury-run competitive grants for CDFIs and non-profit developers)	\$	10		
Other CDBG (manufactured housing, colinias, technical assistance)	\$	2		
Fair Housing and Community Restoration Discretionary Grants	\$	25		
Unlocking Possibilities Program (new)	\$	5		
Community Revitalization and Restoration (new)	\$	8		
Lead-based Paint & Other Health Hazard Mitigation (new)	\$	10		
Choice Neighborhoods Grants (revised)	\$	3		
Homeownership Programs (new)	\$	11		
Public Housing, Rental Assistance, and Capital Improvements for				
HUD-assisted Properties	\$	188		
Public Housing Capital Improvements	\$	77		
HUD Rental Assistance				
(Section 8 Housing Choice Vouchers- \$75B, Project Based Rental Assistance				
- \$15B, Housing for Seniors & Persons with Disabilities - \$3.5B)	\$	94		

Joint MTC ABAG Legislation Committee October 8, 2021 Page 2 of 5

Energy & Water Efficiency, Climate Resilience and Preservation of HUD-supported Multifamily Housing	ç	10	
Other (Rural, Indian and Native Hawaiian housing)	\$	7	
Other (FEMA Flood Insurance Program, HUD administration, etc.)	\$	7	
Total	\$	321	

^{*}Total may not sum due to rounding

Federal Housing Tax Credits

The Build Back Better housing-related tax provisions could help transform the affordable housing landscape in the Bay Area by unlocking financing for a long pipeline of affordable housing projects that are ready to go but await federal tax credit financing. The Low Income Housing Tax Credit (LIHTC) program—a unique federal-state-local-private partnership—is California's most important affordable housing financing tool. In 2020 the tax credit helped finance 23,700 apartments for low-income California households, up nearly 20 percent from 2018. This increase is in large part because California has been so effective at leveraging LIHTCs, and for some years now the state has been the unusual position of having hit the ceiling on federal tax credit affordable housing financing capacity. Consistent with our top housing advocacy priorities, the Build Back Better plan would make several changes that would lift that ceiling, including increasing the state's annual LIHTC allocation by 74 percent over four years and—most importantly for California—revising the bond-financed LIHTC threshold to 25 percent from 50 percent to make more projects feasible. These and the other tax credit changes could translate to an increase of 230,000 affordable homes in California over 10 years according to an analysis by the real estate tax consulting firm Novogradac. The bond-financing threshold provision alone could double California's annual affordable housing production financing capacity until the state's bond-financed project pipeline—20,000 units as of April 2021—has been built.

The plan would also create a new Neighborhood Homes Tax Credit (NHTC) to finance construction or rehabilitation of owner-occupied homes in distressed neighborhoods. State housing agencies would administer this tax credit—just as they do with LIHTC—providing affordable housing developers with tax credits to build or preserve homes in distressed areas (census tracts with high poverty rates, low median incomes, and a median value for owner-occupied homes at or below the area median). Given that this would be a new funding tool, impact estimates are less refined than those for the LIHTC, but some have estimated that the NHTC could build or preserve 500,000 homes nationwide.²

¹ Source: Novogradac analysis published September 16, 2021

² Source: Novogradac analysis published September 13, 2021.

Joint MTC ABAG Legislation Committee October 8, 2021 Page 3 of 5

Rental Assistance and Investments in HUD-assisted Housing

The proposal includes more than \$320 billion in housing and community investment. As shown in the chart on page 1, nearly 60 percent of the housing funding would fund expanded rental assistance (both tenant-based rental assistance (i.e., housing vouchers) and project-based rental assistance), public housing repair, and other capital improvements for HUD-assisted properties. For the Bay Area and California, the \$94 billion rental assistance is particularly important. Federal rental assistance currently helps 530,000 low-income California families, seniors and individuals with disabilities afford rent every month, but the need is much greater; according to the California Housing Partnership, more than 1.3 million low-income households lack access to affordable housing. Build Back Better investments could help close this gap both by subsidizing rent for more low-income households so more families can afford to live in existing housing units and/or by ensuring that rental subsidy can be available to help fill units in those much-needed new affordable housing developments that the tax credit improvements and other investments can help accelerate.

Affordable Housing, State and Local Government Funding

Roughly 30 percent (\$91 billion) of the Build Back Better housing investments would be available to states, local governments, and affordable housing developers to create and preserve affordable housing and invest in community development. Nearly half these funds would be allocated to the HOME Investment Partnership Program (HOME) and Community Development Block Grant Program (CDBG)—which are distributed via formula to eligible local governments and states—and roughly half would fund affordable housing projects and programs, with \$37 billion directed according to the National Housing Trust Fund formula to states for project selection and \$10 billion in competitive grants administered by the U.S. Treasury Community Development Financial Institution (CDFI) Fund to certified CDFIs and nonprofit affordable housing developers.

Bay Area local governments would receive an estimated \$810 million in HOME and CDBG formula funds if the funds are distributed consistent with fiscal year 2021 allocations. The California Department of Housing and Community Development would additionally receive an estimated \$1.1 billion to award to local jurisdictions and other eligible recipients that are not direct HUD formula recipients.³ Additionally, California would receive an estimated \$6.7 billion to supplement the state's National Housing Trust Fund allocations, which have been prioritized for housing investments to support persons experiencing homelessness since 2018.⁴

³ These are rough estimates based on Bay Area and California fiscal year 2021 shares of HUD HOME, CDBG and Housing Trust Fund formulas. Though the legislation provides that funds are distributed via existing programs, the bill would revise select set-asides for CDBG, formula inputs can change year-over-year and direct recipients of CDBG and HOME can change periodically due to CDBG population thresholds (results from the 2020 census may impact Bay Area direct recipients) and HOME's allowance for eligible local governments to opt-in to be direct recipients.

⁴ California's share of National Housing Trust Fund (HTF) formula funds ranged from 13.1 percent in 2019 to 18.3 percent in 2021. The bill provides that the funds be distributed pursuant to the HTF grantees that received funds pursuant to that same formula in 2021, so staff assumed that 18.3 percent formula share in our estimate.

Joint MTC ABAG Legislation Committee October 8, 2021 Page 4 of 5

New Discretionary Grant Funding Opportunities

Unlocking Possibilities Program

The Build Back Better proposal would fund \$25 billion in new or revised competitive program grants to support fair housing, neighborhood revitalization, and housing-related health and safety improvements. Importantly, a new Unlocking Possibilities Program—which has been the target for the Bay Area's regional efforts to secure grant opportunities for the Bay Area Housing Finance Authority (BAHFA) initiatives within the Build Back Better Plan—would receive \$4.5 billion for both planning and implementation components. Planning grants could fund zoning updates and regulatory changes to eliminate barriers to affordable housing; local housing strategies to equitably increase affordable housing supply; and local or regional plans to increase availability and access to affordable housing, access to public transportation, and locationefficient housing, among other items. Unlocking Possibilities implementation grants would be available to *implement* the plans as well as implementing projects to affirmatively further fair housing. States, counties with populations of at least 200,000, and cities with populations of at least 50,000, and/or census-designated "principal" cities of metropolitan areas are eligible grant recipients.⁵ Regional planning agencies are eligible for planning grants but not yet the implementation grants. MTC and ABAG—in close coordination with our regional and national partners—are seeking an amendment to make regional agencies also eligible for implementation grants as an additional funding tool for BAHFA.

Community Restoration and Revitalization Fund

The bill would also create a new \$7.5 billion Community Restoration and Revitalization Fund, of which \$5.7 billion would be awarded as competitive grants to local partnerships—local governments of all sizes are eligible joint applicants—that are led by nonprofits to develop and implement plans to preserve and create affordable housing, increase access to opportunity, and conduct neighborhood stabilization activities in communities experiencing cycles of blight and limited access to opportunity. The remaining funds would be reserved for HUD technical assistance and to support existing residents preserve equity in their homes and offset displacement, as well as HUD administrative costs. MTC and ABAG, in close coordination with our regional BAHFA coalition and national partners, are seeking to add regional planning agencies as eligible joint applicants.

Other discretionary grant opportunities for local governments include a new \$10 billion program to address housing-related health hazards (primarily lead) in housing serving low-income families (the bulk of this is reserved for non HUD-assisted housing) and \$2.8 billion to fund community development in neighborhoods surrounding public housing and other HUD multifamily housing developments. These grants are structured to be similar to the Choice Neighborhoods Initiative Program.

⁵ Grant eligibility is restricted to local governments that qualify as metropolitan cities and urban counties, the same designation that qualifies a local government as an "entitlement" jurisdiction eligible to directly receive CDBG funds. The Bay Area's 38 CDBG entitlement grantees as of fiscal year 2021 can be found thorough the HUD FY 2021 Community Development Program office funding page.

Joint MTC ABAG Legislation Committee October 8, 2021 Page 5 of 5 Attachment A Agenda Item 4a

Homeownerships Programs

Regarding homeownership, the bill would invest \$10 billion to provide first-time, first-generation homebuyers with down payment assistance of up to \$20,000 or 10 percent of the home's purchase price, whichever is less, though HUD has discretion to lift this cap for economically disadvantaged home buyers. In high-cost areas—which would almost certainly include the San Francisco Bay Area—assistance is limited to homebuyers earning up to 140 percent area median income (AMI).⁶ In San Francisco, for example, this would cover four-person households earning up to \$186,500 per year.⁷ Nearly \$7 billion of these funds would be distributed to states as a block grant via a needs-based formula that is yet-to-be-determined. CDFIs and other qualified nonprofits could compete for \$2.3 billion, and the remaining funds would be reserved for financial counseling and HUD technical assistance.

In addition, the bill would create a \$500 million program to subsidize 20-year mortgages for first-generation homebuyers to accelerate wealth-building and a \$100 million pilot program targeted at helping homebuyers purchase low-cost (\$100,000 or less) homes.

⁶ The bill does not define "high-cost area," but in <u>in 2020 the Federal Housing Administration reconfirmed all of</u> California as a "high-cost area" for the purposes of determining mortgage assistance caps.

⁷ HUD's AMI and California's AMI limits as determined by the Department of Housing and Community Development (HCD) for the purposes of implementing state programs can vary. For example, in 2021 HUD's four-person household AMI for San Francisco County is \$133,200 while HCD's is \$149,600. This example utilizes San Francisco's income limits using HUD's 2021 AMI threshold.

Build Back Better Transportation Provisions September 23, 2021

(Summary is based on House Transportation & Infrastructure Committee, House Energy & Commerce Committee, and House Ways & Means Committee-passed bills)

The House Build Back Better plan would invest nearly \$54 billion in surface transportation investments that are targeted toward fighting climate change and improving equity. The bill would also create new tools to finance transportation projects and update the tax code to support the transition toward transportation electrification. This spending—which includes funding for high speed rail, transit and sustainable transportation, electric vehicle tax incentives and charging infrastructure —is intended to supplement the more than \$630 billion in surface transportation investments in the bipartisan Infrastructure Investment and Jobs Act.

Transit and High Speed Rail

Encouragingly, the Build Back Better plan includes programs that can fund transit, but to work within the parameters of the White House's "no double dipping" rule, the funding would not come to transit directly. First, the proposal would create a new \$10 billion housing and transit access discretionary grant program administered jointly by the Department of Housing and Urban Development (HUD) and Federal Transit Administration (FTA) which would fund transit service and access improvements for transit serving low income and disadvantaged communities, including bus corridor transit priority investments; service expansion, frequency increases, and related fare subsidies; Americans with Disabilities Act accessibility upgrades; and public transportation planning.

Second, the bill creates a new \$4 billion competitive climate-focused grant program to support transportation-related greenhouse gas emission reduction. About 25 percent of the money is reserved for state-sponsored projects, \$50 million for the Federal Highway Administration (FHWA) to expand federal performance standards for states to include greenhouse gas reduction targets, leaving the remaining \$3 billion for non-state entities, including metropolitan planning organizations, transit agencies, and other local project sponsors. Funds would be distributed by FHWA on a competitive basis for projects that reduce greenhouse gas emissions, provide zero-emission transportation options, reduce dependence on single-occupancy vehicle trips, or contribute to achieving net-zero greenhouse gas emissions by 2050.

The bill also includes \$10 billion for high speed rail, nearly \$4 billion to supplement the Reconnecting Communities funds from the bipartisan bill (but named "Neighborhood Access and Equity Grants" so as to avoid the "double dipping" issue) and \$6 billion for "local projects" that the Transportation and Infrastructure Committee is hoping can fund some or all of the House INVEST Act earmarks, \$209 million of which was designated for 61 Bay Area projects (note: this faces practical and political hurdles).

Transportation and other Capital Infrastructure Financing

Encouragingly, the Build Back Better bill would authorize a new transportation, water, and school infrastructure financing tool—qualified infrastructure bonds—modeled after the widely supported Build America Bonds (BABs), which were made available from 2009 through 2010 via the American Recovery and Reinvestment Act. Instead of making interest on BABs exempt from federal income taxes like typical tax-exempt municipal bonds, the federal government provided a direct subsidy. The Bay Area Toll Authority and many states, local governments and transit agencies around the country utilized BABs to finance transportation projects. Under the Build Back Better bill, issuers of the new qualified infrastructure bonds could use them to finance capital infrastructure projects and receive a direct federal payment to cover part of the interest cost. Bonds issued in 2022 through 2024 would be subsidized at 35 percent (the BABs rate), after which the rate would phase down to 28 percent in 2027 and thereafter.

Importantly, the Build Back Better plan would also restore a key feature of municipal bond financing that allows a one-time advance refunding of municipal bonds to refinance existing debt. In 2017, Congress enacted the Tax Cuts and Jobs Act, which eliminated the ability of states and municipalities to issue tax-exempt advance refunding bonds.

Transportation Electrification

Electric Vehicle Charging Infrastructure

The Build Back Better Act would invest \$13.5 billion in electric vehicle infrastructure to support development of an electric vehicle charging network to assist the transition to zero emissions vehicles. This funding would go toward construction of charging infrastructure in publicly accessible locations, multi-unit housing structures, workplaces, ports and airports, and underserved areas. It would also support electrification of industrial and medium-heavy duty vehicles. Additionally, funds are included to support the development of energy transportation plans by state energy offices. These funds would supplement the \$7.5 billion already dedicated to alternative fuel charging infrastructure in the bipartisan Infrastructure Investment and Jobs Act, which is targeted toward expanding the nation's highway charging network.

Clean Heavy-Duty Vehicles

The Build Back Better bill would invest \$5 billion to replace qualified heavy-duty vehicles—including waste management trucks and school buses—with zero emission vehicles through a new grant program at the Environmental Protection Agency (EPA). Of note, although transit buses meet the eligibility requirements to qualify for the funds, it's unclear if the intent is to support transit electrification. We expect there would be an opportunity during the program development process to advocate for transit agency grant eligibility. This funding is on top of the \$5 billion for electric school buses and \$5.6 billion for low- and no-emission transit buses in the Infrastructure Investment and Jobs Act.

Joint MTC ABAG Legislation Committee October 8, 2021 Page 3 of 3

Attachment B Agenda Item 4a

Electric Vehicle Tax Incentives

The Build Back Better plan would boost the refundable electric vehicle (EV) income tax credit to up to \$12,500 per vehicle, up from the \$7,500 tax credit currently available and includes strong union-supported incentives. In order to qualify for the full credit, the vehicle must be assembled in the U.S. with union labor (which would disqualify nonunion automakers such as Tesla and Toyota) and it must contain a U.S.-built battery. In order to avoid subsidizing primarily high-income earners, the tax credit value would begin to phase out once an individual's modified adjustable gross income reaches \$400,000 (\$600,000 for heads of household and \$800,000 for married filing jointly) such that the credit would reach zero dollars at an income of \$468,000.

The plan would create a new refundable EV credit for the purchase of used plug-in electric cars. The credit is capped at \$2,500 or 30 percent of the sales price. Like the EV credit, this resale credit has an income cap. Buyers with up to \$75,000 in adjustable gross income (\$112,500 for heads of household and \$150,000 for married filing jointly) would be able to claim the full credit, above which the credit would begin to phase out. The credit would reach zero dollars at an income of \$84,000.

Additionally, Build Back Better would create a commercial electric vehicle manufacturers tax credit that could lower the purchase price of new electric transit buses, extend through 2031and increase the alternative fuel refueling property tax credit, and extend through 2031 the alternative fuels excise tax credit that benefits compressed natural gas (CNG) and liquified natural gas (LNG)-fueled transit vehicles. Regarding bicycles, the bill would create a new electric bicycle tax credit (up to 15 percent of the purchase price) and reinstates and expands bicycle commuter benefits, increasing the bike benefit to up to \$52.50 per month and extending the benefit to cover bike share.

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

September 10, 2021 Agenda Item 4a

Infrastructure Bill Update

Subject:

Status update regarding the Infrastructure Investment and Jobs Act.

Overview:

On August 10, the Senate passed on a bipartisan basis the *Infrastructure Investment and Jobs Act*, or IIJA (H.R. 3684), a roughly \$1 trillion transportation, water, broadband and electric grid infrastructure bill that's intended to deliver on a portion of President Biden's "Build Back Better" jobs, climate and equity agenda. The "summary" section of this memo includes highlights of the bill with additional details included in the attachments.

Intersection with Reconciliation Bill and Next Steps

Senate Democrats and Speaker Pelosi's intention is to supplement this bipartisan infrastructure bill with a wide-ranging climate and social programs stimulus bill that Democrats could pass via a simple majority (reconciliation bill). The goal is that *in combination*, the bills would deliver on President Biden's "build back better" campaign promise such that aspects of his agenda that *weren't* addressed in the bipartisan infrastructure bill would be included in the reconciliation bill, including housing, electric vehicle incentives, building upgrades, health care, childcare, and education (note: this is not an exhaustive list).

House Democrats in late August advanced this dual track approach by adopting a rule that tees up a vote on the bipartisan infrastructure bill on September 27 and approving the Senate's \$3.5 trillion budget blueprint, which sets a *spending ceiling* for the reconciliation bill and divvies up that spending among the respective policy committees. Policy committees—which are charged with drafting legislation to determine how the allocations will be spent—are expected to be working furiously to meet a September 27 deadline to deliver on Speaker Pelosi's goal of advancing the two bills as a package. With so many moving pieces, it's hard to predict the path forward, but this ambitious timeline *could set the stage* for final bill passage before the start of federal fiscal year 2022 (October 1). Staff will provide a status update at your September committee meeting.

Summary:

The IIIJA would invest nearly \$1 trillion in transportation, water, broadband, and power infrastructure as well as resilience investments. Of this amount, approximately \$550 billion would be *new* spending (the nearly \$1 trillion dollar amount reflects the cost to also maintain existing spending levels (i.e., baseline) for certain infrastructure, including surface transportation and water). Total spending amounts by infrastructure category are detailed in the chart below.

Infrastructure Investment and Jobs Act Spending Categories (\$ in Billions)

Infrastructure Category	Funding Amount
Surface Transportation	\$639
FAST Act Reauthorization	\$477
IIJ Act Stimulus (supplemental spending)	\$157
Electric & Low Emission School Buses	\$5
Airports	\$25
Ports and Waterways	\$17
Water Infrastructure	\$91
Broadband	\$65
Power Infrastructure	\$65
Resilience, Western Water Storage and Environmental Remediation	\$71
Transportation Total	\$681
Other Infrastructure Total	\$292
Total	\$973

Source: MTC analysis of H.R 3684, Eno Transportation

Weekly and

White House Fact Sheet

Transportation - \$681 billion

Transportation infrastructure is by far the largest component of the infrastructure bill. Regarding surface transportation, the bill combines a roughly \$475 billion five-year surface transportation reauthorization—a 56 percent increase above Congress's last five-year transportation bill, the Fixing America's Surface Transportation (FAST) Act—with approximately \$157 billion in supplemental one-time stimulus funding to be distributed to more than two dozen grant programs over five years. We estimate that the bill would provide about \$4.5 billion in "guaranteed" funding for the Bay Area via the highway and transit formula funds that MTC distributes. We also expect Bay Area projects to receive a share of the state's \$4.5 billion in bridge repair funds and dedicated resources for zero emission vehicle charging and resilience projects. The bill would also provide funding for airports, ports and waterways, as shown in the chart on Page 1.

The most unprecedented element of the deal is in the scale of new discretionary grants that would be administered by the U.S. Department of Transportation (USDOT); the bill would authorize approximately \$150 billion in competitive grant funding that could help fund Bay Area surface transportation priorities. (Note: this figure excludes funds dedicated to

geographies outside of the Bay Area, such as the Northeast Corridor). See page 3 of Attachment A for additional details on the discretionary grants.

Water Infrastructure

Water infrastructure would be funded at approximately \$91 billion and—similar to surface transportation—includes a reauthorization of drinking and wastewater funding (\$36 billion) and provides supplemental one-time stimulus funding to targeted programs. Nearly \$53 billion would be distributed through the existing drinking water and clean water state revolving loan funds (\$26.4 billion each) which provide grants to states for loans supporting water infrastructure and water quality improvement projects. An additional \$15 billion would be available for lead pipe replacement (to be administered through drinking water state revolving loan funds) and \$10 billion to address emerging pollutants. The remaining funding would be distributed through various other programs.

Broadband/High-Speed Internet

The IIJA provides \$65 billion to help build out broadband infrastructure, assist states with developing and implementing digital equity plans, and to subsidize the cost of Internet service for low-income households. Of the funding, \$42.5 billion would be reserved for a U.S. Department of Commerce broadband buildout grant program for states. Each state would receive a minimum of \$100 million; remaining grant funding would be determined via a formula based on each state's proportionate number of underserved and high-cost locations. Another significant component of the broadband proposal is a \$30/month voucher low-income families may use for Internet service (\$14.2 billion cost). This subsidy builds on the existing Emergency Broadband Benefit established during the pandemic, removing any sunset date for the benefit and expanding eligibility to more low-income households. An estimated 10.6 million Californians would be eligible for the benefit, according to a White House fact sheet.

Power Infrastructure and Clean Energy

The IIJA includes \$65 billion to upgrade power infrastructure and increase energy efficiency, creates a new Grid Deployment Authority, and invests in clean energy research and technology. Investments of interest include: \$5 billion in grants to states, grid operators, and other entities to harden the electric grid against extreme weather events, \$5 billion for demonstration projects aimed at hardening and enhancing grid resilience, \$3 billion for the Smart Grid Investment Matching Grant Program with expanded eligibilities to include improvements that increase flexibility in responding to natural disasters and fluctuating demand, \$8 billion to establish at least four

regional clean hydrogen hubs, \$550 million for the Energy Efficiency and Conservation Block Grant Program to support state and local governments in investing in energy efficiency and conservation projects and \$225 million for a Department of Energy competitive grant program for states or regional partnerships to update their building energy codes.

Resilience, Western Water Storage, Environmental Remediation

The bill would provide about \$71 billion for resilience, western water storage and remediation, including funding for wildfire resilience, flood mitigation, and ecosystem restoration. With regard to wildfires, the bill includes \$3.3 billion for wildfire risk reduction efforts, including controlled burns, community wildfire defense grants, and funds to boost federal firefighter salaries. The bill would additionally provide \$2 billion for federal ecological restoration projects to support fuel reduction. Other investments of interest:

- \$3.5 billion to supplement the <u>Weatherization Assistance Program</u> that reduces energy costs for low-income households¹
- \$1 billion is provided for the Federal Emergency Management Administration (FEMA)'s Building Resilient Infrastructure and Communities (BRIC) grants
- \$1 billion for a new grant program for states and local governments to develop and implement cybersecurity plans
- \$24 million for San Francisco Bay restoration (funds will go to EPA) and \$132 million for the National Estuary Program, of which an *estimated* \$4.5 million would come directly to the San Francisco Estuary Partnership over five years (\$900,000/year). This would more than double the Partnership's current annual federal funding of approximately \$700,000.
- \$17 billion for Army Corps of Engineers flood mitigation and waterways management planning and projects, including \$11.6 billion for construction (intended to support both unfunded projects in the Army Corps pipeline and new construction).²
- More than \$8 billion for water storage, recycling, and ecosystem restoration intended to help make California and other western states more resilient to drought

¹ Weatherization funding could also be categorized under "power infrastructure and clean energy" funding.

² Based on external infrastructure bill analyses, staff attributed Army Corps funding to the "resilience" category, though a portion of the \$17 billion most likely accounts for a significant amount of the "ports and waterways" funding listed in the chart on Page 1.

Joint MTC ABAG Legislation Committee September 10, 2021 Page 5 of 5

Agenda Item 4a

- \$1.2 billion over five years for brownfield remediation
- \$3.5 billion for superfund remediation

Attachments: Attachment A: Summary of Surface Transportation Provisions of the IIJA

Therese W. McMillan

Summary of Surface Transportation Provisions of the Infrastructure Investment and Jobs Act

August 25, 2021

This writeup provides highlights of the transportation aspects of the Senate-passed Infrastructure Investment and Jobs (IIJA) Act, with a focus on Bay Area impacts.

Investment and Jobs Act vs. FAST Act Comparison Chart

	(F	FAST Act Y 2016-2020)	`	IIJ Act TY 2022-2026) Senate passed)	% Increase
Surface Transportation					
Authorization ⁱ	\$	305 billion	\$	477 billion	56%
One-time General Fund					
advance appropriation) ii		-	\$	157 billion	N/A
Total	\$	305 billion	\$	634 billion	108%

Bay Area Highway and Transit Formula Funding Increase

The IIJA would substantially boost the Bay Area transit formula resources that MTC distributes, and the Bay Area would receive a lesser but not insignificant boost in flexible highway funds. Initial estimates are below and are subject to change.

Bay Area Transit

The IIJA would provide the Bay Area \$3.4 billion in transit formula funds over five years vs. the \$2.3 billion in Federal Transit Administration (FTA) formula funds over the FAST Act period. This increase would be a result of both a big boost in the federal transit formula funding from the Highway Trust Fund (HTF)—a big win for the long-term as it would be very unusual for HTF-funded federal transit (and highway) program funding levels to fall below this new baseline after five years at this funding level—and because of additional one-time supplemental stimulus funding to the Section 5337 State of Good Repair program, which we advocated for along with our large transit system partners across the country.

Bay Area Transit Formula Fund Estimate

	FAST Act (FY 2016-2020) ¹	IIJ Act (FY 2022-2026) ²	5-Year Funding Increase
State of Good Repair	\$1.1 billion	\$1.7 billion	\$0.7 billion
Urbanized Area	\$1.1 billion	\$1.5 billion	\$0.4 billion
Other	\$0.1 billion	\$0.2 billion	\$0.1 billion
Total	\$2.3 billion	\$3.4 billion	\$1.1 billion

Note: Sums may not total due to rounding.

- 1. Amounts include FAST Act authorized funding plus Federal Transit Administration (FTA) supplemental appropriations from FY 2018, FY 2019 and FY 2020.
- 2. Amounts reflect IIJ transportation authorization and supplemental advance appropriations.

Bay Area Flexible Highway, Climate and Bike/Ped Formula Funding

The IIJA would increase five-year funding totals for flexible highway program funding in the Bay Area from \$0.8 billion to \$1.1 billion. Note that much of this increase is due to the new, highly flexible Carbon Reduction formula program, which the Senate funded at the expense of increasing the Congestion Mitigation and Air Quality Improvement (CMAQ) Program. Like CMAQ, the Carbon Reduction Program has broad eligibilities including public transit, high occupancy vehicle projects and congestion pricing. See chart below:

Bay Area Highway Formula Fund Estimate

	FAST Act	IIJ Act	5-Year Funding
	(FY 2016-2020)*	(FY 2022-2026)	Increase
Surface Transportation			
Program	\$473 million	\$603 million	\$130 million
CMAQ	\$367 million	\$368 million	\$1 million
Transportation			
Alternatives Program ¹	\$38 million	\$70 million	\$32 million
Carbon Reduction			
Program (new)	-	\$71 million	\$71 million
Total	\$878 million	\$1.1 billion	\$234 million

^{1.} Amount reflects only those program funds suballocated to the Bay Area for the regional ATP program; does not include the Bay Area's share of the states "any area" funds

Encouragingly, metropolitan planning resources that come directly to MTC would increase as well, with the Metropolitan Planning program increasing by about 30 percent overall compared to FAST Act levels (FAST Act FY 2016-2020 vs. proposed FY 2022-2026 funding).

California Funding for Bridges, Resilience and Electric Vehicle Charging Infrastructure
The State of California would receive a much larger increase in formula funds (proportionately
and dollar amount) compared to the suballocated formula programs, including five-year totals of
approximately \$4.2 billion from a flexible new bridge repair formula program (\$27.5 billion
nationwide) and approximately \$380 million for electric vehicle charging infrastructure.
Additionally, California would receive over the five year timeframe roughly \$2.6 billion in
funding that could be used for resilience-focused investments, \$630 million from a new
resilience-focused formula program for states and up to \$1.9 billion of the state's anticipated
\$12.8 billion in National Highway Performance Program (NHPP) highway funding (highway
and bridge resilience would be newly eligible for up to 15 percent of NHPP funding). We expect
there will be legislation at the state level to implement these new programs, providing an
opportunity to advocate for an approach that maximizes funding for the Bay Area.

Additionally, California's Trade Corridors Enhancements Program and "any area" Active Transportation Program would both be expected grow in accordance with the funding increases proposed for the federal freight formula program and federal Transportation Alternatives Program since state law directs these federal funds to these programs.

Opportunity for Bay Area Projects to Compete for \$150 billion in Discretionary Grants

Bay Area projects (large and small) could also receive substantial direct federal investment via funding for existing and new discretionary grant programs. In addition to huge dollar amounts, the focus of the grant programs reflects many of the Plan Bay Area 2050 priorities and in general the selection criteria are Bay Area/large metro-friendly (ex: points for national and regional economic benefits). Grant programs of interest are listed below.

Of note, the IIJA authorizes approximately \$190 billion in discretionary grants, however a portion of those funds are reserved for geographies outside the Bay Area (notably the Northeast Corridor), thus the Bay Area would be eligible to compete for approximately \$150 billion in discretionary grant funds. Of this, \$95 billion is "guaranteed" funding—i.e., grants are either funded from the Highway Trust Fund (HTF) or one-time supplemental general fund stimulus (upfront stimulus)—while the \$55 billion in non-stimulus general fund authorizations (GF) are much less certain as they are subject to annual appropriations.

Transit, Bridge, Climate, Rail, Safety, and Priority Project Discretionary Grant Programs (Note: National five-year totals. Fund sources listed to provide indication as to level of

certainty that the funding will be made available.)

Highway and Bridge

- Bridge Investment Program \$15.8 billion for a new bridge program
 - \$9.2 billion in upfront stimulus funding, plus \$3.3 billion guaranteed from the reauthorization (HTF) and \$3.3 billion in general funds subject to annual appropriations
 - Program would provide multi-year grants for major bridge improvements, like full funding grant agreements for bridges. BATA bridges and Golden Gate Bridge could apply. Smaller projects could be funded too.
- Charging and Fueling Infrastructure Grants (alternative fuel vehicles) \$2.5 billion (HTF)

Transit and Intercity Passenger Rail

- Capital Investment Grants \$23 billion
 - \$8 billion in one-time upfront stimulus funding plus \$15 billion subject to appropriation (vs. \$12 billion in the FAST Act).
 - o Program funds transit modernization and expansion projects
- Federal-State Partnership for Intercity Passenger Rail \$43.5 billion
 - \$36 billion in upfront funding, of which at least \$12 billion may be spent outside the Northeast Corridor; \$7.5 billion in additional funds subject to annual appropriations, of which not less than \$3.4 billion must be spent outside the Northeast Corridor)
 - Expanded eligibilities to allow program to fund new and expanded intercity rail (e.g. California High Speed Rail), in addition to the program's historic focus on Amtrak and other intercity rail service's state of good repair
- Amtrak \$30 billion (roughly 40 percent is reserved for the Northeast corridor)
 - \$19.2 billion in upfront stimulus and an additional \$11 billion subject to annual appropriations

- Consolidated Rail Infrastructure and Safety Improvements (CRISI) \$10 billion
 - \$5 billion in upfront stimulus funding and \$5 billion subject to annual appropriations
 - Program funds rail safety, efficiency and reliability improvements. Examples of eligible projects include capital projects to reduce congestion and facilitate ridership growth and highway-rail grade crossing improvements.
- Railroad Crossing Elimination Program \$5.5 billion
 - New program funded at \$3 billion in upfront stimulus funding and \$2.5 billion subject to annual appropriations
 - o Supplements the longstanding Rail-Highway Grade Crossing program funding that is distributed to states via formula, funded through the HTF at \$1.2 billion (FAST Act funded the program at \$1.1 billion).
- Low- and Zero-Emission Bus Program (transit) \$5.6 billion
 - \$375 million guaranteed from the reauthorization (HTF) and \$5.25 billion in upfront stimulus
- ADA Accessibility Improvements for Legacy Rail Systems \$1.75 billion (upfront stimulus) (new program)
- Competitive Grants for Rail Vehicle Replacement \$1.5 billion (HTF)
- Electric or Low-Emission Ferry Program \$500 million
 - \$250 million in upfront stimulus funding, plus \$250 million subject to annual appropriations

Multimodal Mobility, Economy, Safety, and Climate Programs

- National Infrastructure Project Assistance \$15 billion
 - \$5 billion in upfront stimulus funding and \$10 billion subject to annual appropriations
 - o Program would provide multiyear grant agreements for large projects
 - o Multimodal eligibility, including for integrated intercity and commuter rail projects, as advocated by MTC and national partners
- Local and Regional Project Assistance \$15 billion
 - \$7.5 billion in upfront stimulus funding plus \$7.5 billion subject to annual appropriations
 - Authorizes RAISE (BUILD/TIGER)
- INFRA (multimodal freight program) \$8 billion
 - o \$4.8 billion from the HTF and \$3.2 billion in upfront stimulus appropriations
- Safe Streets and Roads for All \$6 billion
 - \$5 billion in one-time upfront stimulus funding, \$1 billion subject to annual appropriations
 - o Grants for local jurisdictions and metropolitan planning organizations to develop and implement Vision Zero safety plans
- Rural Surface Transportation Grant Program \$2 billion (HTF)
 - o Grants for highway and bridge improvement, freight and safety projects in urbanized areas less than 200,000 in population. Travel demand management projects are also eligible.
 - States, regional transportation planning organizations, local governments, and multijurisdictional groups may apply.

- PROTECT resilience grants \$1.4 billion (HTF)
 - States, locals, metropolitan planning organizations, and other transportation authorities may apply.
- Reconnecting Communities \$1 billion
 - o \$500 million from the HTF, \$500 million in upfront stimulus
 - Grants may fund planning and construction to remove or retrofit highways and restore community connectivity
- SMART (Strengthening Mobility and Revolutionizing Transportation Grant Program) \$1 billion
 - o \$500 million in upfront stimulus; \$500 million subject to annual appropriations
 - Eligible projects include automated and connected vehicle infrastructure deployment, transit signal prioritization, and other technology-related transportation system improvements
- Congestion Relief Program \$250 million (HTF)
 - New flexible major metro congestion reduction program. Eligibilities are broad and allow for congestion pricing on existing Interstate highways

Note: CRISI and Railroad Crossing Elimination Programs could also fall in the "safety program" category.

¹ Transportation authorization bill funding reflects both Highway Trust Fund (HTF) amounts—which are essentially "guaranteed"—in addition to those funding amounts authorized but subject to the uncertainty of the annual appropriations process. The FAST Act's \$305 billion price tag reflected \$282 in HTF proceeds and only \$23 billion in general funds while the IIJA would provide \$383 billion in HTF funding, with \$94 billion subject to annual appropriations.

ⁱⁱ Chart does not yet reflect the FY 2018 through FY 2020 Highway Improvement Program and Transit Infrastructure Grants, which supplemented highway and transit funding.

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

October 8, 2021 Agenda Item 4b

Washington D.C. Legislative Update

Subject:

September 2021 Report from Washington, D.C. advocate.

Issues:

None identified.

Recommendations:

Information

Attachments:

• Attachment A: Summit Strategies Team Report – September 2021

Therese W. McMillan

Therew Whole



440 1st Street, NW, Suite 440 Washington, DC 20001 (202) 638-3307 main (202) 595-9192 fax www.summitstrategies.us

Summit Strategies Team Report – July and August 2021

From: Summit Strategies Team

To: Therese McMillan, Executive Director

Date: October 1, 2021

Subject: September Federal Policy Monthly Report

- Democrats Face a Tenuous Path on Infrastructure and Reconciliation
- House Transportation and Infrastructure Reconciliation Markup
- House Financial Services Reconciliation Markup
- Short Term Funding Measure and Fiscal Year 2022 Appropriations
- President Biden Announces Two Key Department of Housing and Urban Development Appointments
- National Transportation News Roundup

Below is a status update on issues of interest to MTC, and the actions that we have taken to date.

Democrats Face a Tenuous Path on Infrastructure and Reconciliation

Congress faces a daunting legislative agenda that includes increasing the debt limit, funding the government, the \$1.2 trillion bipartisan Infrastructure Investment and Jobs Act (IIJA), and the \$3.5 trillion reconciliation bill. The White House is working with Democratic leadership to navigate intraparty tensions between moderates and progressives to enact critical elements of President Biden's Build Back Better framework. However, a tight timeline and additional potential stumbling blocks are creating uncertainty for each piece of legislation.

The \$1.2 trillion IIJA has been sitting in the House for over a month amid negotiations between moderates and progressives. Speaker Pelosi struck a deal with moderates that the House would move both the IIJA and the reconciliation simultaneously. Additionally, Speaker Pelosi must satisfy progressives, who say they are willing to vote against the IIJA if the reconciliation package is not passed. This situation is very fluid given the challenges of working out an agreement that can secure the 50 votes needed to pass a reconciliation bill in the Senate and satisfy the progressives. It is important to note that if the progressives were to block passage of the IIJA before a final reconciliation agreement is reached, it would not kill the IIJA. The Speaker could call up the bill later once there are 218 votes necessary to pass the legislation in the House.

Democrats are using the reconciliation process to advance the Build Back Better framework, the cornerstone of President Biden's domestic agenda. The proposed \$3.5 trillion investment in social services could represent the largest spending bill ever passed by Congress. House committees of jurisdiction met their September 15 deadline to complete their markups of individual subtitles, with the Ways and Means Committee reporting revenue provisions estimated to raise nearly \$2.1 trillion over the next decade. However, there are ongoing negotiations between the House, Senate, and White House that will likely shrink the \$3.5 trillion price tag to secure the support of pivotal moderate senators like Joe Manchin (D-WV) and Kyrsten Sinema (D-AZ). Both senators have raised concerns with the overall price tag and would like to have a final package of around \$1.5 trillion. Meanwhile, moderates in the House have been very vocal and have voted against progressive measures that are unlikely to pass the Senate and be included in the final package, such as allowing Medicare to negotiate prescription drugs,

creating a carbon tax, or raising the corporate tax to 26 percent. Congresswoman Jayapal (D-WA), chair of the progressive caucus, acknowledged that the price tag of \$3.5 trillion is likely to change to a more workable number between progressives and moderates.

House Transportation and Infrastructure Reconciliation Markup

The House Transportation and Infrastructure Committee approved a \$57 billion spending package after a 17-hour markup session last Tuesday, meeting the reconciliation target set for the Committee in the Budget Resolution. The spending package passed the Committee along party lines by a 37-29 vote.

The legislation includes \$10 billion to be administered by the Federal Transit Administration for "competitive grants to support access to affordable housing and the enhancement of mobility for residents in disadvantaged communities or neighborhoods, in persistent poverty communities, or for low-income riders generally." Other relevant provisions include:

- \$4 billion for the Federal Highway Administration to make grants for multimodal projects and activities that reconnect communities, expand neighborhood access and equity
- \$4 billion for a "Community Climate Incentive Grants" program, including \$3 billion for competitive grants for carbon reduction projects to be eligible entities that are not states (e.g., local governments, territories, MPOs, special purpose districts or public authorities with a transportation function) for multimodal climate and greenhouse gas reduction projects.
- \$10 billion for high-speed rail corridors

Throughout this process your D.C. team has been working with the committee to ensure those relatively unique Bay Area regional priorities—such as regional fare integration—would be eligible to compete for grant funding.

House Financial Services Reconciliation Markup

On Tuesday, September 14, 2021, the House Financial Services Committee approved a \$330 billion spending bill, meeting the reconciliation target outlined in the Budget Resolution. Committee members voted 30-24, on a party-line basis, to advance the measure. Throughout this process your DC team has been working with the Bay Area delegation and regional planning agencies across the country to ensure that language was included in the reconciliation bill that would allow the Bay Area Housing Finance Authority priorities to be eligible for housing grant funding.

Short Term Funding Measure and Fiscal Year 2022 Appropriations

On Tuesday, September 21, House Democrats passed a short-term funding bill to avoid a looming government shutdown through a party-line 220-211 vote. The measure did not include a surface transportation extension, increasing pressure on lawmakers in the House to advance the Senate-passed IIJA to avoid transportation programs lapsing in the coming weeks or months. In addition to funding the government through December 3, 2021, the package included:

- \$28.6 billion in disaster relief aid
- \$6.3 billion to aid Afghan refugee resettlement efforts
- Language effectively postponing the consequences of a debt ceiling breach until the end of 2022

While several Republican senators would have supported the bill as proposed, the number fell short of the ten required to circumvent the filibuster during an initial procedural vote. Senator John Kennedy (R-LA), who was willing to support the measure to provide much-needed disaster relief to his home state following Hurricane Ida, was unable to develop support amongst his colleagues to advance the legislation without removing the controversial debt ceiling provision. Minority Leader McConnell (R-KY) had consistently publicly expressed his opposition to assisting Democratic efforts to raise the debt limit. Democrats will likely have to pursue a partisan debt ceiling hike to avoid potentially significant economic disruptions. Appropriators will not complete the annual appropriations process before the end of the fiscal

year. While the House has passed 10 of the 12 spending measures over the summer, the Senate

has yet to consider a single appropriations bill due to a lack of agreement over the overall spending cap for the fiscal year. The Senate Transportation, Housing and Urban Development (THUD) Subcommittee delayed its markup, which was supposed to occur last week. The announcement came after Appropriations Committee Chair Patrick Leahy cited an inability to compromise on topline spending totals with his Republican colleagues. Assuming stopgap funding legislation ultimately passes, it will set the stage for another year-end legislative blitz, including fiscal year 2022 funding and other policy disputes that are unaddressed until after the Thanksgiving recess.

President Biden Announces Two Key Department of Housing and Urban Development Appointments

On Monday, September 13, 2021, President Biden announced the nominations of two individuals to critical positions at the Department of Housing and Urban Development (HUD). He nominated Arthur Jemison for Assistant Secretary for Public and Indian Housing at HUD. Jemison was previously as principal deputy assistant secretary for the Office of Community Planning and Development at HUD. Biden also nominated Alanna McCargo for President of the Government National Mortgage Association at HUD. McCargo was vice president of the Urban Institute's Housing Finance Policy Center to Marketplace and currently serves at HUD as senior advisor for housing finance. Her work has focused on questions of housing equality.

National Transportation News Roundup (links to articles)

- As traffic deaths climb, NTSB chair calls for 'fundamental rethink' of transportation planning (Smart Cities Dive)
- Five ways regional leaders can prepare future infrastructure workers now (Brookings Institute)
- City leaders should expand their purview of electric transportation beyond cars (Utility Dive)
- FTA awards three BRT projects with combined \$164.1 million (Mass Transit)
- How a quality-of-life award for a 12-lane Utah highway sums up the debate over the future of transportation (Washington Post)
- It's time to dismantle racist infrastructure. Let's start with American highways (Fast Company)
- U.S. DOT announces \$409.6 million for bus fleets (Transportation Today)
- House committee sets aside \$4B for transportation carbon reduction initiatives in reconciliation bill (Smart Cities Dive)