

Meeting Agenda

Joint MTC ABAG Legislation Committee

Jesse Arreguin, Chair *Vacant, Vice Chair*
Members

*Eddie Ahn, David Canepa, Carol Dutra-Vernaci,
Pat Eklund, Victoria Fleming, Dave Hudson, Matt Mahan,
Alfredo Pedroza, David Rabbitt, Belia Ramos,
Jim Spering, Sheng Thao, Vacant, Vacant, and Vacant*

Non-Voting Members
Dorene M. Giacomini and Vacant

Friday, February 10, 2023

9:45 AM

REMOTE

In light of Governor Newsom's State of Emergency declaration regarding COVID-19 and in accordance with Assembly Bill 361's (Rivas) provisions 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/88433487042>

iPhone One-Tap: US: +13462487799,,88433487042# or +12532050468,,88433487042#

Join by Telephone (for higher quality, dial a number based on your current location) US:
888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)

Webinar ID: 884 3348 7042

International numbers available: <https://bayareametro.zoom.us/j/88433487042>

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 (7).

2. Consent Calendar

- 2a. [23-0149](#) Approval of Joint MTC ABAG Legislation Committee Minutes of the January 13, 2023 Meeting

Action: Committee Approval

Attachments: [2a 23-0149 2023-01-13 Joint MTC ABAG Legislation Committee Meeting](#)

- 2b. [23-0150](#) 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: Georgia Gann Dohrmann

Attachments: [2b Handout-February 2023 Legislative History.pdf](#)

3. State Legislation

- 3a. [23-0152](#) 2023 State Legislative Session Update

Overview of the legislative landscape in Sacramento as it relates to the MTC/ABAG 2023 Advocacy Program and an update on key committee leadership changes.

Action: Information

Presenter: Georgia Gann Dohrmann

Attachments: [3ai 23-0152 Summary Sheet 2023 State Legislative Session Update.pdf](#)
[3aii 23-0152 Attachment A State Legislators Transit Operations Support L](#)
[3aiii 23-0152 Attachment B Final Draft January Budget Letter 01.18.23.pdf](#)

- 3b. [23-0119](#) Assembly Constitutional Amendment 1 (Aguiar-Curry): Voter Threshold for Local Infrastructure Bonds and Taxes

Assembly Constitutional Amendment (ACA) 1 would lower to 55 percent the voter approval threshold for local bonds and special taxes for affordable housing, transportation, resilience and other public infrastructure.

Action: Support and Seek Amendment / ABAG Executive Board Approval
Support and Seek Amendment / MTC Commission Approval

Presenter: Georgia Gann Dohrmann

Attachments: [3b 23-0119 Summary Sheet ACA 1 Aguiar-Curry Voter Threshold-Local In](#)

3c. [23-0081](#) Assembly Bill 84 (Ward): Property Tax Welfare Exemption

Provides upfront savings on affordable housing developments by revising the welfare tax exemption from a rebate to upfront savings.

Action: Support / ABAG Executive Board Approval
Support / MTC Commission Approval

Presenter: Julie Snyder

Attachments: [3c 23-0081 Summary Sheet AB 84 Ward-Property Tax Welfare Exemptior](#)

4. Federal Legislation**4a.** [23-0151](#) 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: [4a 23-0151 Summit Strategies Monthly Report Jan 2023.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 held on Friday, March 10, 2023 at 9:45 a.m. at the Bay Area Metro Center, 375 Beale Street, San Francisco, CA, and other remote locations. 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.

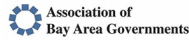
Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We 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 Vacant, Vice Chair
Members

*Eddie Ahn, David Canepa, Carol Dutra-Vernaci,
Pat Eklund, Victoria Fleming, Dave Hudson,
Alfredo Pedroza, David Rabbitt, Belia Ramos,*

Jim Spering, Vacant, Vacant, Vacant, Vacant, and Vacant
Non-Voting Members
Dorene M. Giacopini and Vacant

Friday, January 13, 2023

9:45 AM

REMOTE

1. Call to Order / Roll Call / Confirm Quorum

Present: 9 - Committee Member Hudson, Chair Arreguin, Committee Member Spering, Committee Member Ahn, Committee Member Pedroza, Committee Member Ramos, Committee Member Canepa, Committee Member Dutra-Vernaci and Committee Member Rabbitt

Absent: 2 - Committee Member Eklund and Committee Member Fleming

Non-Voting Member Present: Commissioner Giacopini

Ex Officio Voting Members Present: Commission Chair Pedroza and

Commission Vice Chair Josefowitz

Ad Hoc Non-Voting Members Present: Commissioner Papan and Commissioner Rabbitt.

2. Consent Calendar

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

Aye: 9 - Committee Member Hudson, Chair Arreguin, Committee Member Spering, Committee Member Ahn, Committee Member Pedroza, Committee Member Ramos, Committee Member Canepa, Committee Member Dutra-Vernaci and Committee Member Rabbitt

Absent: 2 - Committee Member Eklund and Committee Member Fleming

2a. [23-0019](#) Approval of Joint MTC ABAG Legislation Committee Minutes of the December 9, 2022 Meeting

Action: Committee Approval

Attachments: [2a_23-0019_2022-12-09_Joint_MTC_ABAG_Legislation_Committee_Meeting_Minutes_Draft.pdf](#)

- 2b.** [23-0100](#) MTC Resolution No. 3931, Revised - Reflect Changes made to MTC Resolution 1058, Revised

Action: MTC Commission Approval

Presenter: Ky-Nam Miller

Attachments: [2bi 23-0100 Summary Sheet MTC Res No.3931 Reflect Changes to MTC Res 1058.pdf](#)
[2bii 23-0100 Attachment A TEMP-RES-3931.pdf](#)

- 2c.** [23-0021](#) 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: Georgia Gann Dohrmann

Attachments: [2c Handout-January 2023 Legislative History.pdf](#)

3. Regional Legislation

- 3a.** [23-0053](#) Outreach Plan for Bay Area Housing Ballot Measure

Overview of proposed outreach plan to local government elected officials in Spring 2023.

Action: Information

Presenter: Rebecca Long and Kate Hartley

Attachments: [3ai 23-0053 Summary Sheet Outreach Plan for Bay Area Housing Ballot Measure.pdf](#)
[3aia 23-0053 PowerPoint Outreach Plan for Bay Area Housing Ballot Measure.pdf](#)

3b. [23-0126](#) Stakeholder Outreach for Potential Bay Area Transportation Measure
Enabling Legislation Update

Update on stakeholder engagement activities conducted in fall 2022 and next steps for the year ahead.

Action: Information

Presenter: Rebecca Long and Dave Vautin

Attachments: [3b 23-0126 Summary Sheet Stakeholder Outreach for Potential Bay Area Transportation Measure Enabling Legislation Update.pdf](#)
[3bi 23-0126 Public Comment Received.pdf](#)

Written public comments were received from: Ian Griffiths and Adina Levin, Seamless Bay Area.

George Spies spoke on this item.

Adina Levin, Seamless Bay Area, spoke on this item.

Bob Allen, Urban Habitat, spoke on this item.

4. State Legislation

4a. [23-0078](#) Overview of Governor Newsom's Fiscal Year 2023-24 State Budget
Proposal

Highlights of transportation, housing, and climate aspects of the Governor's proposed budget.

Action: Information

Presenter: Rebecca Long

Attachments: [4a 23-0078 Summary Sheet Overview of Governor Newsom's Fiscal Year 2023-24 State Budget Proposal.pdf](#)
[4ai 23-0078 Handout MTC Summary of Governor's January Budget v3.pdf](#)

Bob Allen, Urban Habitat, spoke on this item.

Adina Levin, Seamless Bay Area, spoke on this item.

4b. [23-0080](#) Bay Area Housing Finance Authority (BAHFA) Clean-Up Legislation

Update on BAHFA “clean up” legislation to address unintended statutory limitations on BAHFA’s ability to effectively finance affordable housing and support preservation and protection in the Bay Area.

Action: Information

Presenter: Julie Snyder

Attachments: [4bi_23-0080_Summary_Sheet_Bay_Area_Housing_Finance_Authority_Clean-Up_Legislation.pdf](#)
[4bii_23-0080_Attachment_A_BAHFA_Clean-Up_Legislation.pdf](#)

Justine Marcus, Enterprise Community Partners, spoke on this item.
J.T. Harechmak, NPH, spoke on this item.

5. Federal Legislation**5a.** [23-0020](#) 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: [5ai_23-0020_Summit_Strategies_Report.pdf](#)
[5aii_23-0020_Attachment_B_Bay_Area_Transportation_Earmarks.pdf](#)

6. Public Comment / Other Business**7. Adjournment / Next Meeting**

The next meeting of the Joint MTC ABAG Legislation Committee will be Friday, February 10, 2023 at 9:45 a.m. Any changes to the schedule will be duly noticed to the public.



Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
AB 6 Friedman	Introduced 12/5/2022	Assembly Print	Transportation planning. Current law requires certain transportation planning agencies to prepare and adopt regional transportation plans directed at achieving a coordinated and balanced regional transportation system. Current law requires each regional transportation plan to also include a sustainable communities strategy prepared by each metropolitan planning organization in order to, among other things, achieve certain targets established by the State Air Resources Board for the reduction of greenhouse gas emissions from automobiles and light trucks in the region for 2020 and 2035, respectively. This bill would state the intent of the Legislature to enact subsequent legislation that would require regional transportation agencies to prioritize and fund transportation projects, including those funded by a local sales tax measure, that significantly contribute towards the goals outlined in a region’s sustainable communities strategy and the state’s climate goals.		
AB 7 Friedman	Introduced 12/5/2022	Assembly Print	Transportation: funding: capacity projects. Current law requires the Department of Transportation to improve and maintain the state’s highways, and establishes various programs to fund the development, construction, and repair of local roads, bridges, and other critical transportation infrastructure in the state. This bill would state the intent of the Legislature to enact subsequent legislation that would eliminate single occupancy vehicle freeway capacity projects, and allow capacity projects only for bus rapid transit, rail, active transportation purposes, projects that significantly add safety, and projects that significantly reduce congestion, without interfering with existing maintenance and rehabilitation needs.		

<p>AB 9 Muratsuchi</p>	<p>Introduced 12/5/2022</p>	<p>Assembly Natural Resources</p>	<p>California Global Warming Solutions Act of 2006: emissions limit. The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. Under the act, the state board is required to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by no later than December 31, 2030. Under the act, a violation of a rule, regulation, order, emission limitation, emission reduction measure, or other measure adopted by the state board under the act is a crime. This bill instead would require the state board to ensure that statewide greenhouse gas emissions are reduced to at least 55% below the 1990 level by no later than December 31, 2030.</p>	<p>Tracking</p>	
<p>AB 12 Haney</p>	<p>Introduced 12/5/2022</p>	<p>Assembly Judiciary</p>	<p>Tenancy: security deposits. Current law regulates the terms and conditions of residential tenancies, and prohibits a landlord from demanding or receiving security for a rental agreement for residential property, however denominated, in an amount or value in excess of an amount equal to 2 months' rent, in the case of unfurnished residential property, and an amount equal to 3 months' rent, in the case of furnished residential property, in addition to any rent for the first month paid on or before initial occupancy. This bill would instead prohibit a landlord from demanding or receiving security for a rental agreement for residential property in an amount or value in excess of an amount equal to one month's rent, regardless of whether the residential property is unfurnished or furnished, in addition to any rent for the first month paid on or before initial occupancy.</p>		

<p>AB 16 Dixon</p>	<p>Introduced 12/5/2022</p>	<p>Assembly Print</p>	<p>Motor Vehicle Fuel Tax Law: adjustment suspension. The Motor Vehicle Fuel Tax Law, administered by the California Department of Tax and Fee Administration, imposes a tax upon each gallon of motor vehicle fuel removed from a refinery or terminal rack in this state, entered into this state, or sold in this state, at a specified rate per gallon. Existing law requires the department to adjust the tax on July 1 each year by a percentage amount equal to the increase in the California Consumer Price Index, as calculated by the Department of Finance. Article XIX of the California Constitution restricts the expenditure of revenues from the Motor Vehicle Fuel Tax, Diesel Fuel Tax Law, and other taxes imposed by the state on fuels used in motor vehicles upon public streets and highways to street and highway and certain mass transit purposes. This bill would authorize the Governor to suspend an adjustment to the motor vehicle fuel tax, as described above, scheduled on or after July 1, 2024, upon making a determination that increasing the rate would impose an undue burden on low-income and middle-class families. The bill would require the Governor to notify the Legislature of an intent to suspend the rate adjustment on or before January 10 of that year, and would require the Department of Finance to submit to the Legislature a proposal by January 10 that would maintain the same level of funding for transportation purposes as would have been generated had the scheduled adjustment not been suspended.</p>		
<p>AB 31 Carrillo, Juan</p>	<p>Introduced 12/5/2022</p>	<p>Assembly Print</p>	<p>Public transit: funding. Current law provides various sources of funding for capital and operating expenses of public transit systems and intercity rail in the state. This bill would state the intent of the Legislature to enact subsequent legislation that would appropriate funds for the development and operation of a privately run public transit system connecting the Victor Valley and the Antelope Valley in southern California.</p>		
<p>AB 50 Wood</p>	<p>Introduced 12/5/2022</p>	<p>Assembly Print</p>	<p>Energy demand: communication. Current law requires the Energy Commission, in consultation with specified state and federal agencies and at least every 2 years, to conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices. This bill would express the intent of the Legislature to enact subsequent legislation to improve consistent communication between the Energy Commission, Independent System Operator, Public Utilities Commission, and investor-owned utilities to ensure that the state is timely meeting energy demand.</p>		

<p>AB 67 Muratsuchi</p>	<p>Introduced 12/7/2022</p>	<p>Assembly Public Safety</p>	<p>Homeless Courts Pilot Program. Current law governs the jurisdiction of various criminal actions and criminal proceedings. Current law also provides various diversion programs, including programs for defendants with cognitive disabilities and programs for defendants who were, or currently are, members of the United States military. This bill, upon an appropriation by the Legislature, would create the Homeless Courts Pilot Program, which would remain in effect until January 1, 2028, to be administered by the Judicial Council for the purpose of providing comprehensive community-based services to achieve stabilization for, and address the specific legal needs of, chronically homeless individuals who are involved with the criminal justice system. The bill would require programs seeking grant funds to provide a number of specified services or program components, including, but not limited to, a diversion program enabling participating defendants to have infraction or misdemeanor charges dismissed upon completion of a program, provision of supportive housing, as defined, during the duration of the program, and a dedicated county representative to assist defendants with housing needs. The bill would require an applicant for grant funding under the program to submit a plan for a new homeless court program or expansion of an existing homeless court program, and would require any funding awarded to an applicant to be used in accordance with that plan.</p>		
<p>AB 68 Ward</p>	<p>Introduced 12/8/2022</p>	<p>Assembly Print</p>	<p>Housing. The Planning and Zoning Law, requires each city, county, and city and county to prepare and adopt a general plan that contains certain mandatory elements, including a housing element. Current law defines several terms for the purposes of these provisions. This bill would make nonsubstantive changes to those definitions.</p>		
<p>AB 73 Boerner Horvath</p>	<p>Introduced 12/13/2022</p>	<p>Assembly Print</p>	<p>Vehicles. Would state the intent of the Legislature to enact legislation relating to a stop-as-yield pilot program seeking to improve the flow of traffic by allowing both drivers and bicyclists to move safely at an intersection where there is a stop sign.</p>		

<p>AB 84 Ward</p>	<p>Introduced 12/16/2022</p>	<p>Assembly Housing and Community Development</p>	<p>Property tax: welfare exemption: affordable housing. Current property tax law, in accordance with the California Constitution, provides for a “welfare exemption” for property used exclusively for religious, hospital, scientific, or charitable purposes and that is owned or operated by certain types of nonprofit entities, if certain qualifying criteria are met. Under current property tax law, property that meets these requirements that is used exclusively for rental housing and related facilities is entitled to a partial exemption, equal to that percentage of the value of the property that is equal to the percentage that the number of units serving lower income households represents of the total number of residential units, in any year that any of certain criteria apply, including that the property be subject to a legal restriction that provides that units designated for use by lower income households are continuously available to or occupied by lower income households, at rents not exceeding specified limits. For the 2018–19 fiscal year through the 2027–28 fiscal year, in the case of an eligible owner of property receiving a low-income housing tax credit under specified federal law, existing property tax law requires that a unit continue to be treated as occupied by a lower income household for these purposes if the occupants were lower income households on the lien date in the fiscal year in which their occupancy of the unit commenced and the unit continues to be rent restricted, notwithstanding an increase in the income of the occupants of the unit to 140% of area median income, adjusted for family size. This bill, beginning with the 2024–25 fiscal year, would remove the requirement that an eligible owner of property receive a low-income housing tax credit and would instead require that a unit continue to be treated as occupied by a lower income household, as described above, if the property is subject to a legal restriction that provides that units designated for use by lower income households are continuously available to or occupied by lower income households, at rents not exceeding specified limits.</p>		
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<p>AB 96 Kalra</p>	<p>Introduced 1/9/2023</p>	<p>Assembly Public Employment and Retirement</p>	<p>Public employment: local public transit agencies: autonomous transit vehicle technology. Would require a public transit employer to provide written notice to the exclusive employee representative of the workforce affected by autonomous transit vehicle technology of its determination to begin, or its substantive progress toward initiating, any procurement process or a plan to acquire or deploy any autonomous transit vehicle technology for public transit services that would eliminate job functions or jobs of the workforce to which the autonomous transit vehicle technology applies not less than 12 months before commencing the process, plan, or deployment. The bill would require a public transit employer, upon a written request of the exclusive employee representative, to provide specified information to the exclusive employee representative, including the potential gaps in skills that may result from the new service. The bill would require the public transit employer, following the written request for information by the exclusive employee representative, and within 30 days of receiving the specified information, to commence collective bargaining on specified subjects, including creating plans to train and prepare the affected workforce to fill new positions created by the autonomous transit vehicle technology.</p>		
<p>AB 99 Connolly</p>	<p>Introduced 1/9/2023</p>	<p>Assembly Transportation</p>	<p>State highways: vegetation management: herbicides and pesticides. Current law prohibits each state agency that has responsibility for roadside vegetation control operations on, or along, a roadway, including a state highway, from conducting a roadside vegetation control operation on a portion of the roadway for which a property owner has made a request for information related to the roadside vegetation control operation until certain conditions are satisfied, as specified. This bill would require the Department of Transportation to develop and adopt a statewide policy to discontinue roadside spraying of herbicides and synthetic pesticides in each county where the county board of supervisors has adopted a resolution that opposes the spraying of herbicides and synthetic pesticides in the county, except where no alternative vegetation management practice is feasible or during a state of emergency relating to wildfire if the spraying is solely for purposes of preventing, combating, or mitigating the risk of wildfire.</p>		
<p>AB 221 Ting</p>	<p>Introduced 1/10/2023</p>	<p>Assembly Budget</p>	<p>Budget Act of 2023. Would make appropriations for the support of state government for the 2023–24 fiscal year.</p>		

<p>AB 241 Reyes</p>	<p>Introduced 1/13/2023</p>	<p>Assembly Print</p>	<p>Clean Transportation Program. The California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 creates the Clean Transportation Program, administered by the State Energy Resources Conservation and Development Commission, to provide funding to certain entities to develop and deploy innovative technologies that transform California’s fuel and vehicle types to help attain the state’s climate change policies. This bill would state the intent of the Legislature to enact future legislation related to the Clean Transportation Program.</p>		
<p>AB 257 Hoover</p>	<p>Introduced 1/19/2023</p>	<p>Assembly Public Safety</p>	<p>Encampments: penalties. Would prohibit a person from sitting, lying, sleeping, or storing, using, maintaining, or placing personal property in any street, sidewalk, or other public property within 500 feet of a school, daycare center, park, or library. The bill would make a violation of the prohibition an infraction or a misdemeanor. The bill would also make willfully resisting, delaying, or obstructing a peace officer, public officer, or public employee in the discharge or attempt to discharge any duty to enforce the prohibition a misdemeanor. By imposing criminal penalties for a violation of these provisions, this bill would impose a state-mandated local program.</p>		
<p>AB 281 Grayson</p>	<p>Introduced 1/24/2023</p>	<p>Assembly Local Government</p>	<p>Planning and zoning: housing: postentitlement phase permits. Current law, which is part of the Planning and Zoning Law, requires a local agency to compile a list of information needed to approve or deny a postentitlement phase permit, to post an example of a complete, approved application and an example of a complete set of postentitlement phase permits for at least 5 types of housing development projects in the jurisdiction, as specified, and to make those items available to all applicants for these permits no later than January 1, 2024. Current law establishes time limits for completing reviews regarding whether an application for a postentitlement phase permit is complete and compliant and whether to approve or deny an application, as specified, and makes any failure to meet these time limits a violation of specified law. Current law defines various terms for these purposes, including “local agency” to mean a city, county, or city and county, and “postentitlement phase permit,” among other things, to exclude a permit required and issued by a special district. This bill would include a special district in the definition of “local agency” and would remove special districts from the exclusion in the definition of “postentitlement phase permit.”</p>		

<p>AB 284 Patterson, Joe</p>	<p>Introduced 1/24/2023</p>	<p>Assembly Housing and Community Development</p>	<p>Department of Housing and Community Development: annual report: Homeless Housing, Assistance, and Prevention program. Under current law, grants under the Homeless Housing, Assistance, and Prevention (HHAP) program are allocated in 4 rounds of funding, administered by the California Interagency Council on Homelessness, as provided. Current law requires the Department of Housing and Community Development to submit an annual report to the Governor and both houses of the Legislature on the operations and accomplishments during the previous fiscal year of the housing programs administered by the department. Current law requires that the report include, among other things, the number of units assisted by those programs and the number of individuals and households served and their income level. This bill would additionally require that this report include an evaluation of the HHAP program.</p>		
<p>AB 309 Lee</p>	<p>Introduced 1/26/2023</p>	<p>Assembly Print</p>	<p>Social housing. The Zenovich-Moscone-Chacon Housing and Home Finance Act establishes the Department of Housing and Community Development and the California Housing Finance Agency and sets forth various programs administered by those entities intended to, among other things, provide a comprehensive and balanced approach to the solution of housing problems of the people of this state. The act sets forth various definitions that govern its construction. This bill would define "social housing" for purposes of the Zenovich-Moscone-Chacon Housing and Home Finance Act.</p>		

<p>AB 312 Reyes</p>	<p>Introduced 1/26/2023</p>	<p>Assembly Print</p>	<p>State Partnership for Affordable Housing Registries in California Grant Program. Would establish, subject to appropriation by the Legislature, the State Partnership for Affordable Housing Registries in California Grant Program to provide technical assistance to eligible entities, as defined, for the purpose of creating a state-managed online platform of affordable housing listings, information, and applications. The bill would require the Department of Housing and Community Development to administer the program and to adopt guidelines for this purpose. The bill would require the department to develop a housing preapplication to standardize applications for affordable housing and to solicit participation of eligible entities no later than January 1, 2026, and to launch the platform no later than July 1, 2027. The bill would require the department to provide technical assistance to participating entities and to ensure equitable access to database users, as specified. The bill would authorize the department to coordinate with the Office of Data and Innovation to carry out the requirements of the program and to contract with vendors pursuant to existing provisions of state contract law, as specified. The bill would establish minimum requirements for the platform and would require a vendor selected to create and maintain the platform to demonstrate specified capabilities and implement those requirements.</p>		
<p>AB 316 Aguiar-Curry</p>	<p>Introduced 1/26/2023</p>	<p>Assembly Print</p>	<p>Vehicles: autonomous vehicles. Would prohibit the operation of an autonomous vehicle with a gross vehicle weight of 10,000 pounds or more on public roads for testing purposes, transporting goods, or transporting passengers without a human safety operator physically present in the autonomous vehicle at the time of operation.</p>		
<p>AB 321 Wilson</p>	<p>Introduced 1/26/2023</p>	<p>Assembly Print</p>	<p>Sales and Use Tax: exemptions: zero-emission public transportation ferries. Sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. This bill, until January 1, 2034, would exempt from those taxes the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, zero-emission public transportation ferries, as defined.</p>		

<p>AB 338 Aguiar-Curry</p>	<p>Introduced 1/30/2023</p>	<p>Assembly Print</p>	<p>Public works: definition. Current law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Existing law defines the term “public works” for purposes of requirements regarding the payment of prevailing wages to include construction, alteration, demolition, installation, or repair work done under contract and paid for using public funds, except as specified. Current law makes a willful violation of laws relating to the payment of prevailing wages on public works a misdemeanor. This bill would, commencing January 1, 2025, expand the definition of “public works” to include fuel reduction work done under contract and paid for in whole or in part out of public funds performed as part of a fire mitigation project, as specified. The bill would limit those provisions to work that falls within an apprenticeship occupation in the building and construction trades for which an apprenticeship program has been approved and to contracts in excess of \$100,000. The bill would delay the application of those provisions until January 1, 2026, for nonprofits.</p>		
<p>AB 346 Quirk-Silva</p>	<p>Introduced 1/31/2023</p>	<p>Assembly Print</p>	<p>Income tax credits: low-income housing: California Debt Limit Allocation Committee rulemaking. Current law creates the California Debt Limit Allocation Committee (CDLAC) for the purpose of administering the volume limit for the state on private activity bonds through an allocation system. Current law authorizes CDLAC to adopt, amend, or repeal rules and regulations as emergency regulations in accordance with the rulemaking provisions of the Administrative Procedure Act. This bill, instead, would authorize CDLAC to adopt, amend, or repeal rules and regulations without complying with the procedural requirements of the Administrative Procedures Act, except as specified. The bill would make rules and regulations adopted, amended, or repealed by CDLAC effective immediately upon adoption.</p>		

<p>AB 350 Aguiar-Curry</p>	<p>Introduced 1/31/2023</p>	<p>Assembly Print</p>	<p>Regional transportation plans: Sacramento Area Council of Governments. Current law requires certain transportation planning agencies, including the Sacramento Area Council of Governments (SACOG), to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system. This bill would require the updated regional transportation plan, sustainable communities strategy, and environmental impact report adopted by the SACOG on November 18, 2019, to remain in effect for all purposes until the SACOG adopts its next update to its regional transportation plan, which the bill would require it to adopt and submit on or before December 31, 2025. The bill would provide that a specified update to the regional transportation plan adopted by the SACOG for purposes of compliance with certain federal laws is not a project for purposes of the California Environmental Quality Act (CEQA), thereby exempting this update from CEQA.</p>		
<p>AB 356 Mathis</p>	<p>Introduced 1/31/2023</p>	<p>Assembly Print</p>	<p>California Environmental Quality Act: aesthetic impacts. The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. Current law, until January 1, 2024, specifies that, except as provided, a lead agency is not required to evaluate the aesthetic effects of a project and aesthetic effects are not considered significant effects on the environment if the project involves the refurbishment, conversion, repurposing, or replacement of an existing building that meets certain requirements. This bill would extend the operation of the above provision indefinitely.</p>		

<p>AB 364 Bryan</p>	<p>Introduced 2/1/2023</p>	<p>Assembly Print</p>	<p>Street furniture data: statewide integrated data platform. Current law authorizes the Department of Transportation to develop, in cooperation with local and regional transportation entities, the full potential of all resources and opportunities that are now, and may become, available to the state and to regional and local agencies for meeting California's transportation needs. Current law authorizes the department to do any act necessary, convenient, or proper for the construction, improvement, maintenance, or use of all highways that are under its jurisdiction, possession, or control. This bill would require the department to develop guidelines for data sharing, documentation, public access, quality control, and promotion of open-source and accessible platforms and decision support tools related to street furniture data. The bill would define "street furniture" as objects and pieces of equipment installed along a street or road to provide amenities for pedestrians, including, but not limited to, bus shelters, trash receptacles, benches, or public toilets. The bill would require the department to develop the guidelines, in collaboration with specified state and local agencies, and submit a report to the Legislature by January 1, 2025, and every 3 years thereafter, describing those guidelines. To the extent this imposes duties on local agencies, the bill would impose a state-mandated local program.</p>		
<p>AB 394 Hoover</p>	<p>Introduced 2/2/2023</p>	<p>Assembly Print</p>	<p>Housing Resources Augmentation Program. The Building Homes and Jobs Act, imposes a fee, except as provided, of \$75 to be paid at the time of the recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, per each single transaction per single parcel of real property, not to exceed \$225. Current law requires that a county recorder send revenues from this fee, as provided, to the State Controller for deposit in the Building Homes and Jobs Trust Fund. Current law, for moneys collected on and after January 1, 2019, requires 20% of all moneys in the fund, upon appropriation by the Legislature, to be expended for affordable owner-occupied workforce housing. This bill would reduce the expenditure of moneys in the Building Homes and Jobs Trust Fund for affordable owner-occupied workforce housing from 20% to 10%, and would, instead, require 10% of all moneys in the fund to be transferred to the Housing Resources Augmentation Fund, established by the bill.</p>		

<p>AB 410 Jones-Sawyer</p>	<p>Introduced 2/2/2023</p>	<p>Assembly Print</p>	<p>Shared mobility devices. Current law defines shared mobility device to mean an electrically motorized board, motorized scooter, electric bicycle, bicycle, or other similar personal transportation device, except as provided. Current law requires a shared mobility service provider to affix to each shared mobility device a tactile sign containing raised characters and accompanying Braille, as specified, to identify the device for the purpose of reporting illegal or negligent activity. This bill would make a nonsubstantive change to that provision.</p>		
<p>AB 411 Bennett</p>	<p>Introduced 2/2/2023</p>	<p>Assembly Print</p>	<p>Transportation: trails. Current law states the intent of the Legislature to annually allocate \$7,000,000 to the Environmental Enhancement and Mitigation Program Fund to provide grants to local, state, and federal agencies and nonprofit entities to undertake certain environmental enhancement and mitigation projects, including, but not limited to, urban forestry projects, acquisition or enhancement of resource lands, and projects to mitigate the impact of proposed transportation facilities or to enhance the environment. This bill would revise that statement of legislative intent to instead allocate \$10,000,000 annually for that purpose.</p>		
<p>AB 413 Lee</p>	<p>Introduced 2/2/2023</p>	<p>Assembly Print</p>	<p>Vehicles: stopping, standing, and parking. Current law prohibits the stopping, standing, or parking of a vehicle in certain places and under certain conditions, including within an intersection, on a sidewalk or crosswalk, or in front of a fire station. Current law additionally authorizes local jurisdictions to, by ordinance, restrict parking in certain areas, at certain times, and for certain reasons, and to establish metered parking. This bill would prohibit the stopping, standing, or parking of a vehicle within 20 feet of any unmarked or marked crosswalk.</p>		

<p>AB 434 Grayson</p>	<p>Introduced 2/6/2023</p>	<p>Assembly Print</p>	<p>Housing element: notice of violation. The Planning and Zoning Law, for housing development projects that submit a preliminary application prior to January 1, 2030, prohibits a city or county from conducting more than 5 hearings, as defined, held pursuant to these provisions, or any other law, ordinance, or regulation requiring a public hearing, if the proposed housing development project complies with the applicable, objective general plan and zoning standards in effect at the time an application is deemed complete, as defined. Current law requires the Department of Housing and Community Development to notify a city, county, or city and county, and authorizes the department to notify the Attorney General, that a 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 additionally authorize the department to notify a city, county, city and county, or the Attorney General when the planning agency of a city, county, or city and county fails to comply with the above-described provision that prohibits holding more than 5 hearings for specified variances.</p>		
<p>AB 440 Wicks</p>	<p>Introduced 2/6/2023</p>	<p>Assembly Print</p>	<p>Density bonuses and other incentives. 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 certain types of housing. This bill would make nonsubstantive changes to those provisions.</p>		

<p>AB 463 Hart</p>	<p>Introduced 2/6/2023</p>	<p>Assembly Print</p>	<p>Electricity: prioritization of service: public transit vehicles. Current law requires the Public Utilities Commission to establish priorities among the types or categories of customers of every electrical corporation and every gas corporation, and among the uses of electricity or gas by those customers, to determine which of those customers and uses provide the most important public benefits and serve the greatest public need, and to categorize all other customers and uses in order of descending priority based on these standards. Current law requires the commission, in establishing those priorities, to consider, among other things, the economic, social, and other effects of a temporary discontinuance in electrical or gas service to certain customers or for certain uses, as specified. If an electrical or gas corporation experiences a shortage of capacity or capability and is unable to meet all demands by its customers, existing law requires the commission to order that service be temporarily reduced by an amount that reflects the established priorities for the duration of the shortage. This bill would require the commission, in establishing those priorities, to also consider the economic, social equity, and mobility impacts of a temporary discontinuance in electrical service to the customers that rely on electrical service to operate public transit vehicles.</p>		
<p>AB 480 Ting</p>	<p>Introduced 2/7/2023</p>	<p>Assembly Print</p>	<p>Surplus land. Current law prescribes requirements for the disposal of surplus land by a local agency, as defined, and requires, except as provided, a local agency disposing of surplus land to comply with certain notice requirements before disposing of the land or participating in negotiations to dispose of the land with a prospective transferee, particularly that the local agency send a notice of availability to specified entities that have notified the Department of Housing and Community Development of their interest in surplus land, as specified. If the local agency receives a notice of interest, the local agency is required to engage in good faith negotiations with the entity desiring to purchase or lease the surplus land. Current law defines terms for purposes of these provisions, including the term "exempt surplus land," which includes, among other things, surplus land that is put out to open, competitive bid by a local agency, as specified, for purposes of a mixed-use development that is more than one acre in area, that includes not less than 300 housing units, and that restricts at least 25% of the residential units to lower income households with an affordable sales price or an affordable rent for a minimum of 55 years for rental housing and 45 years for ownership housing. This bill would modify these provisions to require that the mixed-use development include not less than 300 residential units.</p>		

<p>AB 485 Davies</p>	<p>Introduced 2/7/2023</p>	<p>Assembly Print</p>	<p>Tenancy: application screening fee. Current law regulates the hiring of real property and imposes various requirements on landlords relating to the application for, and leasing of, residential rental property, including prohibiting the imposition of an application screening fee greater than the cost of gathering information concerning the applicant, or the cost of using a tenant screening service or a consumer credit reporting service. Current law specifies that in no case shall the application screening fee charged by the landlord or their agent be greater than \$30 and authorizes the fee to be adjusted annually by the landlord or their agent commensurate with an increase in the Consumer Price Index, as specified. This bill would increase the maximum application screening fee that may be charged by a landlord or their agent to \$40 and would remove the authorization for the fee to be adjusted annually.</p>		
<p>AB 499 Rivas, Luz</p>	<p>Introduced 2/7/2023</p>	<p>Assembly Print</p>	<p>Los Angeles County Metropolitan Transportation Authority: job order contracting: pilot program. Would establish a pilot program to authorize the Los Angeles County Metropolitan Transportation Authority to use job order contracting as a procurement method. The bill would impose a \$5,000,000 cap on awards under a single job order contract and a \$1,000,000 cap on any single job order. The bill would limit the term of an initial contract to a maximum of 12 months, with extensions as prescribed. The bill would establish various additional procedures and requirements for the use of job order contracting under this authorization. The bill would require the authority, on or before January 1, 2028, to submit to the appropriate policy and fiscal committees of the Legislature a report on the use of job order contracting under the bill. These provisions would be repealed on January 1, 2029.</p>		
<p>AB 500 Davies</p>	<p>Introduced 2/7/2023</p>	<p>Assembly Print</p>	<p>Rent increases: noticing. Current law requires a landlord of a residential dwelling to give notice at least a specified number of days, either 30 or 90, before the effective date of the change based upon the percentage increase in the amount of rent charged to the tenant at any time during the 12 months before the effective date of the increase, either in and of itself or when combined with any other rent increases for the 12 months before the effective date of the increase. Current law also specifies that if the proposed rent increase for a tenant is caused by a change in a tenant's income or family composition as determined by a recertification required by statute or regulation, the notice of the rent increase shall be delivered at least 30 days before the effective date. This bill would instead require that notice of a proposed rent increase of any percentage be delivered at least 90 days before the effective date of the increase.</p>		

<p>AB 510 Jackson</p>	<p>Introduced 2/7/2023</p>	<p>Assembly Print</p>	<p>Local land trusts. 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. Current law requires that the housing element include 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, existing law requires that the local government rezone sites within specified time periods. Current law prescribes requirements for the disposal of surplus land, as defined, by a local agency. Current law requires land to be declared surplus land or exempt surplus land, as supported by written findings, before a local agency takes any action to dispose of it consistent with the agency's policies or procedures. This bill would require each city and county to establish a local land trust, as defined, for the purposes of holding and developing real property within the jurisdiction. The bill would require the local land trust to be governed by the city council or board of supervisors of the local government.</p>		
<p>AB 519 Schiavo</p>	<p>Introduced 2/7/2023</p>	<p>Assembly Print</p>	<p>Affordable housing: consolidated funding application process. Would require the Department of Housing and Community Development, by July 1, 2024, to establish a workgroup to develop a consolidated application for the purposes of obtaining grants, loans, tax credits, credit enhancement, and other types of financing for building affordable housing, and developing a coordinated review process for the application. The bill would require the workgroup to include representatives of the department, the California Housing Finance Agency, the California Tax Credit Allocation Committee, and the California Debt Limit Allocation Committee. The bill would require the workgroup to identify a lead agency by October 1, 2024 to receive the application and to work directly with applicants and specify the responsibilities of the lead agency. The bill would require the application to follow certain procedures.</p>		

<p>AB 529 Gabriel</p>	<p>Introduced 2/8/2023</p>	<p>Assembly Print</p>	<p>Adaptive reuse projects. The Planning and Zoning Law requires each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city, and specified land outside its boundaries, that includes, among other specified mandatory elements, a housing element. That law requires the Department of Housing and Community Development to determine whether the housing element is in substantial compliance with specified provisions of that law. Existing law, for award cycles commenced after July 1, 2021, awards a city, county, or city and county, that has adopted a housing element determined by the department to be in substantial compliance with specified provisions of the Planning and Zoning Law and that has been designated by the department as prohousing based upon their adoption of prohousing local policies, as specified, additional points in the scoring of program applications for housing and infrastructure programs pursuant to guidelines adopted by the department, as provided. This bill would add the expansion of adaptive reuse projects to the list of specified prohousing local policies.</p>		
<p>AB 531 Irwin</p>	<p>Introduced 2/8/2023</p>	<p>Assembly Print</p>	<p>Veterans Housing and Homeless Prevention Bond Act of 2024. Would enact the Veterans Housing and Homeless Prevention Bond Act of 2024 to authorize the issuance of bonds in an amount not to exceed \$600,000,000 to provide additional funding for the Veterans Housing and Homeless Prevention Act of 2014 (VHHPA). The bill would provide for the handling and disposition of the funds in the same manner as the 2014 bond act.</p>		
<p>ACA 1 Aguiar-Curry</p>	<p>Introduced 12/5/2022</p>	<p>Assembly Print</p>	<p>Local government financing: affordable housing and public infrastructure: voter approval. The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements. The measure would specify that these provisions apply to any city, county, city and county, or special district measure imposing an ad valorem tax to pay the interest and redemption charges on bonded indebtedness for these purposes that is submitted at the same election as this measure.</p>		

ACA 3 Lee	Introduced 1/19/2023	Assembly Print	<p>Wealth tax: appropriation limits. Would authorize the Legislature to impose a tax upon all forms of personal property or wealth, whether tangible or intangible, and would require any tax so imposed to be administered and collected by the Franchise Tax Board and the Department of Justice, as determined by the Legislature in statute. The measure would authorize the Legislature to classify any form of personal property or wealth for differential taxation or for exemption by a majority vote.</p>		
SB 4 Wiener	Introduced 12/5/2022	Senate Housing	<p>Planning and zoning: housing development: higher education institutions and religious institutions. Would require that a housing development project be a use by right upon the request of an applicant who submits an application for streamlined approval, on any land owned by an independent institution of higher education or religious institution on or before January 1, 2024, if the development satisfies specified criteria, including that the development is not adjoined to any site where more than one-third of the square footage on the site is dedicated to industrial use. The bill would define various terms for these purposes. Among other things, the bill would require that 100% of the units, exclusive of manager units, in a housing development project eligible for approval as a use by right under these provisions be affordable to lower income households, except that 20% of the units may be for moderate-income households, provided that all of the units are provided at affordable rent, as set in an amount consistent with the rent limits established by the California Tax Credit Allocation Committee, or affordable housing cost, as specified. The bill would authorize the development to include ancillary uses on the ground floor of the development, as specified.</p>		
SB 7 Blakespear	Introduced 12/5/2022	Senate Rules	<p>Homelessness. Would state the intent of the Legislature to enact legislation regarding homelessness and the regional housing needs allocation.</p>		
SB 12 Stern	Introduced 12/5/2022	Senate Environmental Quality	<p>California Global Warming Solutions Act of 2006: emissions limit. Under the California Global Warming Solutions Act of 2006, the State Air Resources Board is required to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by no later than December 31, 2030. Under the act, a violation of a rule, regulation, order, emission limitation, emission reduction measure, or other measure adopted by the state board under the act is a crime. This bill instead would require the state board to ensure that statewide greenhouse gas emissions are reduced to at least 55% below the 1990 level by no later than December 31, 2030.</p>		

SB 17 Caballero	Introduced 12/5/2022	Senate Rules	<p>Senior housing. Would state the intent of the Legislature to enact legislation that would create new opportunities for the development of affordable senior housing.</p>		
SB 18 McGuire	Introduced 12/5/2022	Senate Rules	<p>Housing programs: tribal housing program. Current law authorizes the Department of Housing and Community Development to modify or waive various requirements of any state financing being provided to a housing development by the department in specified situations, if tribal law, tribal governance, tribal charter, or difference in tribal entity or agency legal structure would cause a violation or not satisfy the requirements for the financing. This bill would express the intent of the Legislature to enact subsequent legislation to create and fund a tribal housing program that promotes construction and rehabilitation of homes for rent and sale, specifically for tribal communities, to direct state agencies with housing funding to create alternative criteria for tribal nations that are tailored to tribal laws and practices in order to meet newly established threshold and compliance requirements for applications, and to provide technical assistance on grant writing and applications on a need basis.</p>		
SB 20 Rubio	Introduced 12/5/2022	Senate Gov. & F.	<p>Joint powers agreements: regional housing trusts. Would authorize 2 or more cities, by entering into a joint powers agreement pursuant to the Joint Exercise of Powers Act, to create a regional housing trust for the purposes of funding housing to assist the homeless population and persons and families of extremely low, very low, and low income within their jurisdictions. The bill would require a regional housing trust created pursuant to these provisions to be governed by a board of directors consisting of a minimum of 9 directors, as specified. The bill would authorize a regional housing trust to fund the planning and construction of housing, receive public and private financing and funds, and authorize and issue bonds, as specified. The bill would require the joint powers agreement establishing the regional housing trust to incorporate specified annual financial reporting and auditing requirements.</p>		

<p>SB 31 Jones</p>	<p>Introduced 12/5/2022</p>	<p>Senate Public Safety</p>	<p>Encampments: sensitive areas: penalties. Under current law, a person who lodges in a public or private place without permission is guilty of disorderly conduct, a misdemeanor. Current law also provides that a person who willfully and maliciously obstructs the free movement of any person on any street, sidewalk, or other public place is guilty of a misdemeanor. Under existing law, a public nuisance is anything that is injurious to health, or is indecent or offensive to the senses, so as to interfere with the comfortable enjoyment of life or property by an entire community, neighborhood, or considerable number of persons. Current law provides various remedies against a public nuisance, including abatement by any public body or officer authorized by law. This bill would prohibit a person from sitting, lying, sleeping, or storing, using, maintaining, or placing personal property upon any street, sidewalk, or other public right-of-way within 1000 feet of a sensitive area, as defined. The bill would specify that a violation of this prohibition is a public nuisance that can be abated and prevented, as provided.</p>		
<p>SB 34 Umberg</p>	<p>Introduced 12/5/2022</p>	<p>Senate Gov. & F.</p>	<p>Surplus land disposal: violations: Orange County. Current law prescribes requirements for the disposal of land determined to be surplus land by a local agency. Those requirements include a requirement that a local agency, prior to disposing of a property or participating in negotiations to dispose of that property with a prospective transferee, send a written notice of availability of the property to specified entities, depending on the property's intended use, and send specified information in regard to the disposal of the parcel of surplus land to the Department of Housing and Community Development. Current law, among other enforcement provisions, makes a local agency that disposes of land in violation of these disposal provisions, after receiving notification of violation from the department, liable for a penalty of 30% of the final sale price of the land sold in violation for a first violation and 50% for any subsequent violation. Under current law, except as specified, a local agency has 60 days to cure or correct an alleged violation before an enforcement action may be brought. Current law provides for the deposit and use of penalty revenues for housing, as prescribed. This bill, until January 1, 2030, would require the County of Orange, or any city located within Orange County, if notified by the department that its planned sale of surplus land is in violation of existing law, to cure or correct the alleged violation within 60 days, as prescribed.</p>		

<p>SB 35 Umberg</p>	<p>Introduced 12/5/2022</p>	<p>Senate Rules</p>	<p>Community Assistance, Recovery, and Empowerment (CARE) Court Program. The Community Assistance, Recovery, and Empowerment (CARE) Act, effective January 1, 2023, authorizes specified adult persons to petition a civil court to create a voluntary CARE agreement or a court-ordered CARE plan and implement services, to be provided by county behavioral health agencies, to provide behavioral health care, including stabilization medication, housing, and other enumerated services, to adults who are currently experiencing a severe mental illness and have a diagnosis identified in the disorder class schizophrenia and other psychotic disorders, and who meet other specified criteria. Current law authorizes CARE Act proceedings to commence in the county where the respondent resides, is found, or is facing criminal or civil proceedings. This bill would make technical, nonsubstantive changes to that provision.</p>		
<p>SB 37 Caballero</p>	<p>Introduced 12/5/2022</p>	<p>Senate Rules</p>	<p>Tenancy. Would make findings and declarations relating to senior housing and would state the intent of the Legislature to subsequently amend this bill to include provisions that would enact meaningful tenancy reform to ensure that aging adults can remain safely housed.</p>		
<p>SB 72 Skinner</p>	<p>Introduced 1/10/2023</p>	<p>Senate Budget and Fiscal Review</p>	<p>Budget Act of 2023. Would make appropriations for the support of state government for the 2023–24 fiscal year.</p>		
<p>SB 84 Gonzalez</p>	<p>Introduced 1/13/2023</p>	<p>Senate Rules</p>	<p>Clean Transportation Program. Would state the intent of the Legislature to enact future legislation related to the Clean Transportation Program.</p>		
<p>SB 91 Umberg</p>	<p>Introduced 1/17/2023</p>	<p>Senate Environmental Quality</p>	<p>California Environmental Quality Act: exemption: supportive and transitional housing: motel conversion. Current law, until January 1, 2025, exempts from the California Environmental Quality Act (CEQA) projects related to the conversion of a structure with a certificate of occupancy as a motel, hotel, residential hotel, or hostel to supportive or transitional housing, as defined, that meet certain conditions. This bill would extend indefinitely the above exemption.</p>		
<p>SB 221 Seyarto</p>	<p>Introduced 1/19/2023</p>	<p>Senate Gov. & F.</p>	<p>Personal Income Tax Law: Corporation Tax Law: credits: domestic violence survivor housing. Would, for taxable years beginning on or after January 1, 2023, and before January 1, 2028, allow a credit against the taxes imposed by the Personal Income Tax Law and the Corporation Tax Law in an amount equal to the difference between the fair market rental value and the amount realized in rents and other revenues from leasing qualified rental property, as defined, to qualified nonprofits, as defined, for the purpose of providing housing to survivors of domestic violence below market rates. The bill would state it is the intent of the Legislature to comply with the additional information requirements of a bill authorizing a new tax expenditure.</p>		

<p>SB 225 Caballero</p>	<p>Introduced 1/19/2023</p>	<p>Senate Housing</p>	<p>Community Anti-Displacement and Preservation Program: statewide contract. Current law establishes the Department of Housing and Community Development in the Business, Consumer Services, and Housing Agency and makes the department responsible for administering various housing programs throughout the state, including, among others, the Multifamily Housing Program and the California Emergency Solutions Grants Program. Current law, upon appropriation, authorizes the department to make either or both loans and grants to rehabilitate, capitalize operating subsidy reserves for, and extend the long-term affordability of department-funded housing projects that have an affordability restriction that has expired, that have an affordability restriction with a remaining term of less than 10 years, or are otherwise at risk for conversion, as provided. This bill would establish the Community Anti-Displacement and Preservation Program for purposes of funding the acquisition and rehabilitation of unrestricted housing units and attaching long-term affordability restrictions on the housing units, while safeguarding against the displacement of current residents.</p>		
<p>SB 229 Umberg</p>	<p>Introduced 1/23/2023</p>	<p>Senate Gov. & F.</p>	<p>Surplus land: disposal of property: violations: public meeting. Current law prescribes requirements for the disposal of land determined to be surplus land by a local agency. Those requirements include a requirement that a local agency, before disposing of a property or participating in negotiations to dispose of that property with a prospective transferee, send a written notice of availability of the property to specified entities, depending on the property's intended use, and send specified information in regard to the disposal of the parcel of surplus land to the Department of Housing and Community Development. Current law, among other enforcement provisions, makes a local agency that disposes of land in violation of these disposal provisions, after receiving notification of violation from the department, liable for a penalty of 30% of the final sale price of the land sold in violation for a first violation and 50% for any subsequent violation. Under existing law, except as specified, a local agency has 60 days to cure or correct an alleged violation before an enforcement action may be brought. This bill would require a local agency that has received a notification of violation from the department to hold an open and public session to review and consider the substance of the notice of violation. The bill would require the local agency's governing body to provide prescribed notice no later than 14 days before the public session.</p>		

<p>SB 233 Skinner</p>	<p>Introduced 1/24/2023</p>	<p>Senate Rules</p>	<p>Energy: new zero-emission vehicles and electric vehicle supply equipment: bidirectional capability. Current law requires the State Energy Resources Conservation and Development Commission to undertake various actions in furtherance of meeting the state’s clean energy and pollution reduction objectives, including actions related to electric vehicles. This bill would state the Legislature’s intent to enact future legislation to mandate that all new zero-emission vehicles and electric vehicle supply equipment sold in California have bidirectional capability by January 1, 2027, to the extent practical as determined by the commission.</p>		
<p>SB 265 Hurtado</p>	<p>Introduced 1/31/2023</p>	<p>Senate Rules</p>	<p>Cybersecurity preparedness: critical infrastructure sectors. Would require the Office of Emergency Services (Cal OES) to direct the California Cybersecurity Integration Center (Cal-CSIC) to prepare, and Cal OES to submit to the Legislature on or before January 1, 2025, a strategic, multiyear outreach plan to assist critical infrastructure sectors, as defined, in their efforts to improve cybersecurity and an evaluation of options for providing grants or alternative forms of funding to, and potential voluntary actions that do not require funding and that assist, that sector in their efforts to improve cybersecurity preparedness. The bill would make related findings and declarations.</p>		
<p>SB 267 Eggman</p>	<p>Introduced 1/31/2023</p>	<p>Senate Rules</p>	<p>Credit history of persons receiving government rent subsidies. The California Fair Employment and Housing Act (FEHA), prohibits, in instances in which there is a government rent subsidy, the use of a financial or income standard in assessing eligibility for the rental of housing that is not based on the portion of the rent to be paid by the tenant. FEHA requires the Civil Rights Department to enforce specific provisions of the act, including the provision described above. This bill would additionally prohibit the use of a person’s credit history as part of the application process for a rental housing accommodation without offering the applicant the option of providing alternative evidence of financial responsibility and ability to pay in instances in which there is a government rent subsidy. The bill would require the housing provider to consider that alternative evidence in lieu of the person’s credit history in determining whether to offer the rental accommodation to the applicant.</p>		

<p>SB 270 Wiener</p>	<p>Introduced 1/31/2023</p>	<p>Senate Rules</p>	<p>California Environmental Quality Act: housing projects: housing sustainability districts: exemption. The California Environmental Quality Act (CEQA) exempts from its requirements a housing project undertaken in a housing sustainability district designated by a local government if specified requirements are met, including that the lead agency has certified an environmental impact report for the district, and the Department of Housing and Community Development has approved the district, within 10 years of the lead agency's review of the housing project. This bill would instead allow the exemption to apply if the lead agency has certified an environmental impact report for the district, and the Department of Housing and Community Development has approved the district, within 12 years of the lead agency's review of the housing project.</p>		
<p>SB 294 Wiener</p>	<p>Introduced 2/2/2023</p>	<p>Senate Rules</p>	<p>Housing development projects: floor area ratios. 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. Current law prohibits 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. Current law prohibits a local agency from imposing a lot coverage requirement that would physically preclude a housing development project of not more than 10 units from achieving the floor area ratios described above. This bill would delete the 10-unit maximum for eligible projects, and would prohibit a local agency from imposing a floor area ratio standard that is less than 2.5 on a housing development project that consists of 11 to 20 units. The bill would prohibit a local agency from imposing a floor area ratio standard that is less than 1.25 for every ten housing units, rounded to the nearest ten units, on a housing development project that consists of more than 20 units.</p>		

<p>SB 320 Skinner</p>	<p>Introduced 2/6/2023</p>	<p>Senate Rules</p>	<p>Property taxation: possessory interests: independent: publicly owned housing project. Current property tax law requires that all property subject to tax be assessed at its full cash value, and includes certain possessory interests among those property interests that are subject to tax. Current property tax law defines a taxable possessory interest to be a use that is independent, durable, and exclusive. Current property tax law specifies that, for purposes of the definition of a taxable possessory interest, a possession or use is not independent if it is pursuant to a contract that includes, but is not limited to, a long-term lease for the private construction, renovation, rehabilitation, replacement, management, or maintenance of housing for active duty military personnel and their dependents, if specified criteria are met. This bill would provide that there is no independent possession or use of land or improvements if the possession or use is for a tenancy, as defined, in a residential unit, as defined, in a publicly owned housing project, as defined, is part of a governmental assistance program, and directly fulfills the governmental, public purpose of providing the housing, as described in the governmental assistance program.</p>		
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<p>SB 341 Becker</p>	<p>Introduced 2/7/2023</p>	<p>Senate Rules</p>	<p>Housing development. Current law awards jurisdictions that are in substantial compliance with specified provisions and that are prohousing additional points or preference in the scoring of applications for specified state programs, including, among others, the Affordable Housing and Sustainable Communities Program and the Infill Incentive Grant Program of 2007. Current law authorizes additional bonus points to be awarded to other state programs when already allowable under state law. Current law establishes the Infill Infrastructure Grant Program of 2019, which requires the department, upon appropriation of funds by the Legislature, to establish and administer a grant program to allocate those funds to eligible applicants, as defined, to fund capital improvement projects that are an integral part of, or necessary to facilitate the development of, a qualifying infill project, qualifying infill area, or catalytic qualifying infill area, as those terms are defined, pursuant to specified requirements. Current law requires the department, in its review and ranking of applications for the award of capital improvement project grants, to rank affected qualifying infill projects and qualifying infill areas based on specified priorities. This bill would remove the Affordable Housing and Sustainable Communities program from the list of specified state programs for which additional points or preference is awarded. This bill, with respect to the Infill Infrastructure Grant Program of 2019, would specify that only the qualifying infill area portion of that program must be awarded additional points or preference. This bill would add the qualifying infill area and catalytic qualifying infill area portions of the Infill Infrastructure Grant Program of 2019 as one of the specified state programs for which additional points or preference is awarded.</p>		
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<p>SB 355 Eggman</p>	<p>Introduced 2/8/2023</p>	<p>Senate Rules</p>	<p>Multifamily Affordable Housing Solar Roofs Program. Decisions of the Public Utilities Commission adopted the California Solar Initiative, to be administered by the state's 3 largest electrical corporations and subject to the commission's supervision. Current law requires the commission to ensure that not less than 10% of the funds for the California Solar Initiative are used for the installation of solar energy systems on low-income residential housing. Pursuant to this requirement, the commission adopted decisions that established the Multifamily Affordable Housing Solar Roofs Program, pursuant to which the electrical corporations provide monetary incentives for the installation of solar energy systems on low-income residential housing. Current law requires the commission, beginning with the 2016-17 fiscal year and ending with the 2019-20 fiscal year, to authorize the annual allocation of certain amounts of moneys for the Multifamily Affordable Housing Solar Roofs Program. Current law authorizes the commission to continue authorizing the allocation of those moneys through June 30, 2026, if the commission determines that revenues are available and that there is adequate interest and participation in the program. This bill would make nonsubstantive changes to the provisions authorizing the program.</p>		
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<p>SBX1 2 Skinner</p>	<p>Introduced 12/5/2022</p>	<p>Senate Rules</p>	<p>Energy: transportation fuels: supply and pricing: maximum gross gasoline refining margin. Current law requires operators of refineries in the state that produce gasoline meeting California specifications, within 30 days of the end of each calendar month, to submit a report to the State Energy Resources Conservation and Development Commission containing certain information regarding its refining activities related to the production of gasoline in that month. Current law requires the commission to notify a refiner that has failed to timely provide the required information and imposes a civil penalty on the refiner that fails to submit the required information within 5 days of being notified of the failure. This bill would establish a maximum gross gasoline refining margin at an unspecified amount per gallon and would authorize the commission to annually adjust the maximum gross gasoline refining margin, as provided. The bill would authorize the commission to petition the court to enjoin a refiner from exceeding the maximum gross gasoline refining margin. The bill would also authorize the commission to assess an administrative civil penalty on a refiner for exceeding the maximum gross gasoline refining margin, as provided. The bill would authorize the commission to grant a refiner’s request for an exemption from the maximum gross gasoline refining margin upon a showing by the refiner of reasonable cause, and to subject the refiner to alternative maximum margins or other conditions set by the commission. The bill would require a refiner seeking an exemption to file a statement under the penalty of perjury setting forth the basis of the request for exemption.</p>		
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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
2023 Legislative Deadlines***

January

- 1: Statutes take effect
- 4: Legislature reconvenes
- 10: Budget must be submitted by Governor
- 16: Martin Luther King, Jr. Day
- 20: Last day for policy committees to hear and report to fiscal committees' fiscal bills introduced in their house in the odd-numbered year.

February

- 17: Last day for bills to be introduced
- 20: Presidents' Day

March

- 30: Spring Recess begins upon adjournment
- 31: Cesar Chavez Day observed.

April

- 10: Legislature reconvenes from Spring Recess
- 28: Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house

May

- 5: Last day for policy committees to meet and report to the floor nonfiscal bills introduced in their house
- 12: Last day for policy committees to meet prior to June 5
- 19: Last day for fiscal committees to meet and report to the floor bills introduced in their house. Last day for fiscal committees to meet prior to June 5.
- 29: Memorial Day
- 30- June 2: Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.

Joint MTC ABAG Legislation Committee

2023 Tentative Legislative Deadlines

Page 2 of 2

June

- 2: Last day for each house to pass bills introduced in that house
- 5: Committee meetings may resume
- 15: Budget Bill must be passed by midnight

July

- 4: Independence Day
- 14: Last day for policy committees to meet and report bills. Summer Recess begins upon adjournment of session provided Budget Bill has been passed.

August

- 14: Legislature reconvenes from Summer Recess

September

- 1: Last day for fiscal committees to meet and report bills
- 4: Labor Day
- 5-14: Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.
- 8: Last day to amend bills on the floor
- 14: Last day for each house to pass bills. Interim (Study) Recess begins upon adjournment

October

- 14: Last day for Governor to sign or veto bills passed by the Legislature before September 14 and in the Governor's possession in or after September 14
- 2: Bills enacted on or before this date take effect January 1, 2023

2024

- January 1: Statutes take effect
- January 3: Legislature reconvenes

Source: compiled by the Office of the Assembly Chief Clerk and the Office of the Secretary of The Senate.

*Dates are subject to change.

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

February 10, 2023

Agenda Item 3a

2023 State Legislative Session Update

Subject:

Overview of the legislative landscape in Sacramento as it relates to the MTC/ABAG 2023 Advocacy Program and an update on key committee leadership changes.

Summary:

Transportation and Housing Legislative Landscape

The California Legislature's 2023-24 legislative session has commenced. Homelessness and housing continue to be high-priority issues for legislators across the state, with nearly three dozen bills already introduced on these topics. Many more are expected before the February 17, 2023 bill introduction deadline. To date, housing bills appear primarily focused on addressing the homelessness crisis, including through increasing housing availability for California's unhoused populations and those at risk of becoming homeless. For example, Senate Bill (SB) 37 (Caballero) aims to authorize meaningful tenancy reform to ensure aging adults can remain housed and SB 20 (Rubio) would authorize regional housing trusts to fund housing to assist the homeless population and low-income households. Notable production-focused housing bills include SB 4 (Wiener), which aims to streamline approvals for religious institutions, colleges and non-profits seeking to build affordable housing on their land, California Assembly Constitutional Amendment (ACA) 1 (Aguiar-Curry) related to local affordable housing bonds (see Agenda Item 3b) and Assembly Bill (AB) 84 (Ward) related to property tax welfare exemptions, an important tool the Bay Area Housing Finance Authority (BAHFA) has used to deliver housing preservation deals (see Agenda Item 3c).

Transportation also continues to be a topic of interest, with climate change and equity themes appearing in many high-profile bills and legislative proposals. On January 18, 2023, Senator Wiener was joined by a dozen state legislators, including nine Bay Area members, in sending a letter to Senate and Assembly leadership urging support for transit in the 2023 state budget. Specifically, the legislators call on the state to "provide sorely needed transit operations funding as part of next fiscal year's budget," highlighting that failure to do so "would lead to fewer mobility options for Californians, increased driving, congestion, and greenhouse gas emissions, undermining our shared equity, access, mobility and climate goals." The letter also supports

maintaining in full the transit, active transportation, and climate adaptation funding commitments from the 2022 transportation package (see Attachment A). MTC also co-led a broad coalition letter to the budget committee chairs, signed by a wide array of stakeholders including Bay Area transportation agencies, local and statewide environmental and equity-focused organizations, the business associations and labor organizations (see Attachment B).

Assembly Transportation Committee Chair Laura Friedman has introduced two intent bills (AB 6 and AB 7) focused on ensuring state and local transportation spending decisions advance the state's climate goals. MTC has been working with committee staff to provide technical assistance.

Bay Area Representation on Key Committees

Committee membership for the 2023-24 legislative session was finalized this week. The Bay Area delegation continues to have strong representation on MTC/ABAG committees of interest, including those with jurisdiction over state spending, transportation, housing, and land use.

Encouragingly, Bay Area members will continue to lead on state budget negotiations, with Senator Nancy Skinner and Assemblymember Phil Ting retaining their respective positions as Chairs of the Senate and Assembly Budget Committees. Regarding transportation, both Senate and Assembly Transportation Committees will retain their Southern California chairs. Though the Bay Area lost one member in both committees, Bay Area representation on each committee still meets or exceeds the region's population share, with roughly 30 percent of Senate Transportation Committee members from Bay Area districts and 20 percent of Assembly Transportation Committee members from Bay Area districts.

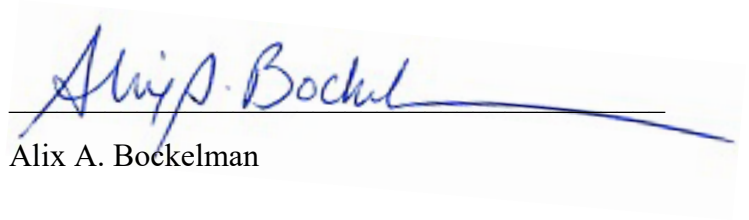
Bay Area members will continue to lead the housing policy committees, with Senator Wiener chairing the Senate Housing Committee and Assemblymember Wicks leading the Assembly Housing and Community Development Committee. Similarly, Assemblymember Aguiar-Curry will retain her position as chair of the Assembly Local Government Committee. The Senate Governance and Finance Committee – formerly chaired by Senator McGuire of the Bay Area – will newly be led by Senator Anna Caballero of the Central Valley, though Bay Area legislators comprise roughly 40 percent of the committee membership. Notably, newly elected Assemblymember Damon Connolly has been appointed Vice Chair of the Joint Legislative Committee on Climate Change Policies (Senator Henry Stern of Los Angeles serves as Chair).

Recommendation:

Information

Attachments:

- Attachment A: State Legislators Transit Operations Support Letter
- Attachment B: Transit funding coalition letter



Alix A. Bockelman

California Legislature



January 18, 2023

The Honorable Toni G. Atkins
Senate President Pro Tempore
California State Senate

The Honorable Anthony Rendon
Speaker of the Assembly
California State Assembly

The Honorable Nancy Skinner
Chair, Senate Budget Committee
California State Senate

The Honorable Phil Y. Ting
Chair, Assembly Budget Committee
California State Assembly

Honorable María Elena Durazo
Chair, Budget Subcommittee No. 5
California State Senate

Honorable Steve Bennett
Chair, Budget Subcommittee No. 3
California State Assembly

Dear Pro Tempore Atkins, Speaker Rendon, Senator Skinner, Assemblymember Ting, Senator Durazo, and Assemblymember Bennett,

We write to express concern about the major proposed funding reductions for public transportation in the Governor's recently released FY 2023-24 budget proposal. We also write to formalize our call for the state to provide sorely needed transit operations funding as part of next fiscal year's budget. California's transit agencies are facing major funding shortfalls - in some cases, as early as this coming year - that would seriously impact the ability of these systems to maintain service for Californians, including our most vulnerable residents who are transit-reliant. **The state budget must provide sorely needed transit operations funding to help agencies avoid these shortfalls as federal emergency funding ends and as agencies' fare revenue recovers.**

Transit agencies across California are at risk of drastic service cuts due to large near-term operating budget shortfalls. For some agencies, these budget shortfalls pose an existential threat to their long-term viability. These budget shortfalls are driven by three main factors:

1. Ridership trends throughout the state have not recovered to pre-pandemic levels due in part to changed commute patterns and the increased prevalence of remote work. While ridership continues to rebound, that rebound has been slow.
2. Operating and capital costs are rising due to inflation.
3. Federal emergency relief funds – provided during the pandemic to sustain transit agencies – are set to run out — for some in the coming fiscal year.

In the absence of new state funding to address these budget shortfalls, many agencies may soon be forced to implement major service cuts. If transit service becomes less frequent, and thus less attractive to riders, these potential cuts would result in further ridership and revenue losses, which would necessitate still more service cuts. Additionally, some agencies may need to increase fares or slow down much needed capital projects.

In the Bay Area, operators – particularly those with historically high farebox recovery (i.e. revenue collected from fares relative to operating expenses) – face significant annual budget shortfalls. Agencies such as the San Francisco Bay Area Rapid Transit District (BART) could be forced to cut multiple lines of service as early as 2025, and would still be faced with budget shortfalls perpetuated by declining ridership as service declines.

In addition, some Southern California transit agencies have relied on high farebox recovery ratios to operate and are now facing significant budget shortfalls. Due to changing travel patterns caused by the pandemic, for example, Metrolink’s farebox recovery ratio declined significantly from 40 percent pre-pandemic to less than 12 percent today. Passenger rail operators will require additional revenues to overcome this gap as commuter ridership recovery is slower than expected for rail operators throughout the state.

Transit agencies statewide are affected by the ridership downturn resulting from the pandemic, the effects of inflation on operating and capital costs, and the depletion of federal emergency relief funding. One example is the Los Angeles County Metropolitan Transportation Authority - currently, the agency has recovered about 70 percent of pre-pandemic ridership, but still faces a major structural fiscal threat.

Failing to provide public transit agencies with operating funding, as they continue to recover and stabilize operations from pandemic ridership declines, is not an option. The service cuts that would result would lead to fewer mobility options for Californians, increased driving, congestion, and greenhouse gas emissions, undermining our shared equity, access, mobility, and climate goals. Near-term operations funding from the state will help provide agencies with time to identify long-term, sustainable funding and operational models that will improve transit service and protect against future service declines.

Further, the Governor’s proposed \$2 billion reduction in previously committed funding to the Transit and Intercity Rail Capital Program (TIRCP) in the coming fiscal years will seriously hamper the potential for these funds to help meet the aforementioned challenges and stymie the state’s ability to unlock historic sums of federal capital funding right when we need to be investing in improving our transit systems to incentivize ridership.

Moreover, reduced state assistance for transit capital projects, including projects already in progress, will stress transit agency budgets and further hamper their ability to sustain operations. While a trigger to restore the funding is proposed in the event of an improving fiscal outlook in January 2024, the reduction itself and uncertainty about the economic outlook harm agencies’ ability to identify a committed funding source to get matching federal dollars. Frankly, we consider the full \$4 billion investment in transit as an integral part of the 2022 agreement that provided the remaining funding for the high-speed rail project, as well as much needed funding to the Active Transportation Program and Climate Adaptation Program.

Pro Tempore Atkins, Speaker Rendon, Senator Skinner, Assemblymember Ting, Senator Durazo, and Assemblymember Bennett

January 18, 2023


Page 3

We understand the state is projecting a budget shortfall and that difficult choices must be made. However, allowing the state's transit systems to unravel would have long-term, possibly irreversible, devastating impacts on California's transportation system and climate goals. Transit is an essential service for millions of Californians as they go about their daily lives - whether going to work, school, home, doctor's appointments, grocery shopping, or any other number of trips. As we noted earlier, transit is also an essential tool in meeting California's ambitious climate goals and avoiding increased traffic congestion by reducing vehicle miles traveled per capita.

Given the pressing and potentially disastrous consequences that could result from a failure for the state to help transit agencies bridge the gaps in funding needs until a long-term revenue source is identified, we reiterate the need for the budget to address operating funding challenges while exploring ways to improve operations and bring riders back to California's transit systems. The state's budget should also honor and restore previously committed TIRCP funds for transit projects to help avoid additionally stressing transit agency budgets. Additionally, the budget should extend statutory relief provided to California's transit agencies through Fiscal Year 2024-25.

Thank you for considering our perspective on this critical issue.

Sincerely,



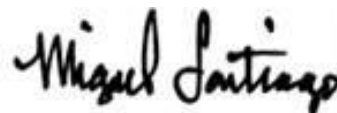
Scott Wiener
Senator, 11th District



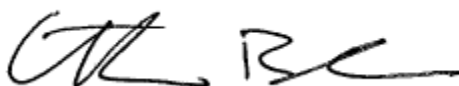
Wendy Carrillo
Assemblymember, 52nd District




Ben Allen
Senator, 24th District



Miguel Santiago
Assemblymember, 54th District



Catherine Blakespear
Senator, 38th District



Mia Bonta
Assemblymember, 18th District



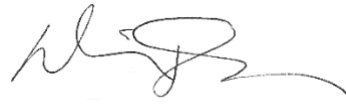
Henry Stern
Senator, 27th District



Matt Haney
Assemblymember, 17th District



Bill Dodd
Senator, 3rd District



Diane Papan
Assemblymember, 21st District



Dave Cortese
Senator, 15th District



Damon Connolly
Assemblymember, 12th District



Marc Berman
Assemblymember, 23rd District



January 18, 2023

The Honorable Nancy Skinner
 Chair, Senate Budget and Fiscal Review Committee
 California State Senate

The Honorable Phil Ting
 Chair, Assembly Committee on Budget
 California State Assembly

Dear Chair Skinner & Chair Ting,

As you begin budget negotiations this year, the undersigned organizations request your support to help the state’s public transit systems avoid looming cuts to critical transit service that millions of Californians rely upon and that is foundational to our state’s climate strategy. These potential cuts reflect the lingering impact of the COVID-19 pandemic, which has devastated transit operating budgets as a result of diminished ridership as well as higher costs arising from inflation. While the Governor’s proposed budget for FY 2023-24 does not specifically address this need and in fact proposes \$2 billion in reductions to public transit capital that the Legislature approved last year, we look forward to engaging with your budget subcommittees to ensure that this year’s final budget bill provides additional transit operating assistance to sustain critical transit service riders depend upon and fund proven strategies to attract new riders and help lessen financial challenges in the future.

A Strong Public Transit System is Vital to Creating an Equitable, Economically Vibrant and Climate Friendly Future

Based on 2021 U.S. Census data, almost 60 percent of California residents who commute via public transit have a household income below \$35,000. Over half a million California households own no vehicle and count on public transit for their daily needs, including access to K-12 education and college. Public transit is an economic lifeline for these residents, especially seniors and persons with disabilities. Yet residents of all income levels also depend on transit to access their jobs and maintaining the viability of the transit systems is essential for the future of the state’s economy and quality of life. Public transit also supports good-paying jobs, employing over 31,000 California workers statewide in FY 2021.

When it comes to climate change, California prides itself on being a global leader. The state has taken a two-pronged strategy to reduce transportation-related emissions – the largest of any

sector – by decarbonizing the vehicle fleet, while also encouraging less driving through a combination of investments in transit and other modes plus a suite of policies to encourage more infill, transit-oriented development. Policies aimed at reducing vehicle miles traveled (VMT) depend on a reliable and convenient public transit system; they have little chance of success if transit agencies across the state have to make severe cuts to service.

Today, about 65 million trips/month are taken on transit in California, reducing VMT by hundreds of millions each year. To meet the state's carbon neutrality goals by 2045, however, significantly more people will need to choose transit instead of driving. To encourage this shift, California Air Resources Board has urged the state to support efforts to *double local transit coverage and service frequencies* by 2030, recognizing that both vehicle decarbonization *and* less driving are needed to achieve our state's bold greenhouse reduction targets. However, without a multi-year commitment of state funds to help sustain transit and put it on a path to attracting millions of new riders, the state's climate strategy is in serious jeopardy.

Bay Area Operators Face Significant Looming Budget Shortfalls

We are at an unprecedented moment, with the survival of transit as we know it at risk. The rise of remote work, growing costs due to inflation, and apprehension to ride transit due to health concerns has led to a growing fiscal cliff on the horizon. Additionally, the transit sector is severely understaffed (with some agencies reporting as high as 30 percent of jobs unfilled for some positions), limiting service agencies can put on the street and placing upward pressure on salaries and benefits as agencies work to retain and attract workers.

Based on current ridership, service levels, and cost trends, Bay Area operators forecast annual budget shortfalls in the tens of millions of dollars in FY 2023-24, growing to hundreds of millions of dollars beginning in FY 2024-25 and thereafter. Funding gaps of this magnitude cannot be addressed through fare increases or service cuts; doing so would lead to service of such poor quality that it would erode transit's climate benefits and cut off even basic access to critical destinations for those who rely on it most. For instance, to achieve budgetary savings in the range of 20-40 percent, the Bay Area Rapid Transit District (BART) would need to cut service by 65-85 percent, eliminating access to jobs, schools, grocery stores, and other essential services for many current riders. This, in turn, would further reduce passengers, leading to further cuts. We cannot let this doomsday scenario happen.

Fortunately, in the medium and long term, there is reason for optimism. While statewide ridership is around 60 percent of its 2019 levels and Bay Area ridership around 53 percent, ridership is steadily growing. In October 2022, statewide ridership was up 14 percent compared to a year before and in the Bay Area up by 34 percent. Bay Area transit operators are working more closely than ever, together with the Metropolitan Transportation Commission (MTC), to create a better, more seamless transit experience across the region. Plans are beginning for a future regional transportation measure to follow the regional housing measure planned for 2024. A unified mapping and wayfinding system is being designed to make transit easier to navigate. The first all-agency transit pass using the Clipper[®] card is being piloted at key colleges and affordable housing sites. Operators across the state are likewise deploying technology to shift to mobile fare payment and updating their routes and frequencies to better serve existing riders while also attracting more of them.

Honor Transit Commitments from FY 2022-23 Budget

Under your leadership, California has made historic investments in our transit capital infrastructure, supporting critical rail and bus expansion and the zero-emission transit transition. The historic transit investment made in last year's Transportation Package includes \$4 billion over the next two years for further transit and intercity rail capital investments, yet Governor Newsom proposes to cut this in half, reducing the amount to \$1 billion next year and \$500 million for the following two years. Doing so would put at risk the funding plans for high priority projects in the Bay Area, several of which are already under construction or poised to receive billions of dollars in highly competitive federal funds.

Request: Provide New Multi-Year Funding for Transit Operating Assistance

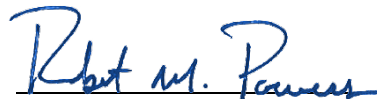
To address the operating challenges, we are seeking a new multi-year operations funding commitment on a limited term basis to assist California's transit systems as they recover from the pandemic and develop long-term funding plans, as necessary. The funding picture for each transit system is unique and there is no one-size-fits-all path to financial sustainability. While some agencies need assistance to stave off service cuts next year, other agencies face deficits in the hundreds of millions of dollars starting in FY 2024-25 or FY 2025-26. Others may not face near-term service cuts but have priorities that, *if funded*, could attract significantly more riders (advancing the state's climate goals) and help avoid budgetary challenges down the road. This month, we are working in coordination with partners statewide, including the California Transit Association, to refine our assessment of the funding need and aim to follow up with a more detailed proposal in February. In addition, we are seeking an extension of the statutory relief previously provided to transit agencies through FY 2024-25.

Californians demand meaningful action on climate change and want their state representatives to ensure transit is not just a viable option, but an attractive one to get to work, school, health care, shopping, dining, entertainment and more. We know that you share these goals and look forward to working with you to ensure that public transit both survives and thrives in California. Please contact Rebecca Long, MTC Director of Legislation and Public Affairs, at rlong@bayareametro.gov or 510-504-7914 with any questions.

Sincerely,



Therese W. McMillan
Executive Director, MTC



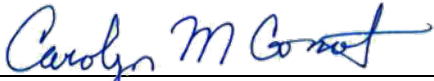
Robert Powers
General Manager, BART



Jeff Tumlin
Director of Transportation, San Francisco
Municipal Transportation Agency



Mike Hursh
General Manager, AC Transit



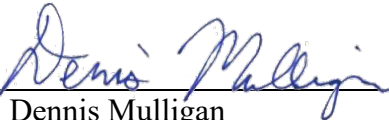
Carolyn Gonot
General Manager, Santa Clara VTA



April Chan
General Manager/CEO/Executive Director,
SamTrans/San Mateo County Transportation
Authority



Michelle Bouchard
Acting Executive Director, Caltrain



Dennis Mulligan
General Manager, Golden Gate Bridge,
Highway and Transportation District



Steve Adams
Transit Manager, Union City Transit



Jason Baker
Senior Vice President,
Silicon Valley Leadership Group



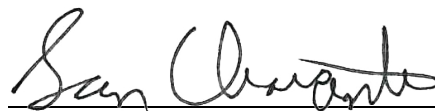
Daniel Barad
Associate Director, Sierra Club




Rashidi Barnes
Chief Executive Officer, Tri Delta Transit




Tilly Chang
Executive Director, San Francisco County
Transportation Authority



Sean Charpentier
Executive Director, San Mateo County
C/CAG



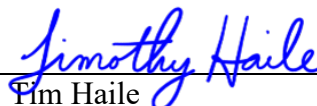
Bill Churchill
General Manager, County Connection



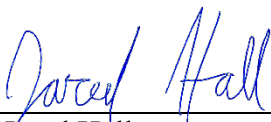
Eddy Cumins
General Manager, SMART



Zack Deutsch-Gross
Policy Director, Transform



Tim Haile
Executive Director, CCTA



Jared Hall
Transit Manager, Petaluma Transit



Daryl Halls
Executive Director, Solano Transportation
Authority (Solano Express)



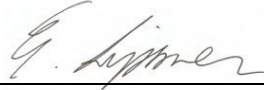
Caro Jauregui
Co-Executive Director, Cal Walks



Beth Kranda
Executive Director, Solano County Transit



Tess Lengyel
Executive Director, Alameda County
Transportation Commission



Eli Lipman
Executive Director, Move LA



Carolina Martinez
Climate Justice Director,
Environmental Health Coalition



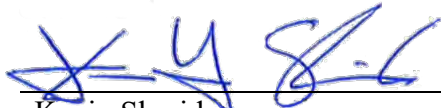
Kate Miller
Executive Director,
Napa Valley Transportation Authority



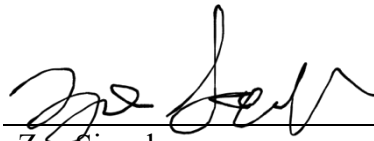
Sofia Rafikova
Policy Advocate,
California Coalition for Clean Air



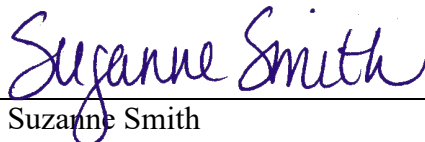
Anne Richman
Executive Director,
Transportation Authority of Marin



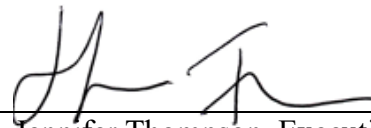
Kevin Sheridan
Executive Director, Tri-Valley – San
Joaquin Valley Regional Rail Authority



Zoe Siegel
Director of Climate Resilience,
Greenbelt Alliance



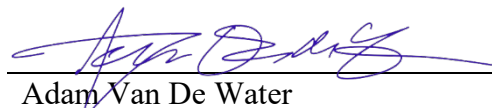
Suzanne Smith
Executive Director, Sonoma County
Transportation Authority



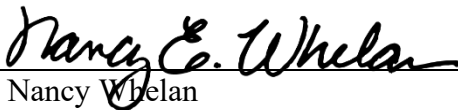
Jennifer Thompson, Executive Director
Sustainable Silicon Valley



Rob Thompson
General Manager,
Western Contra Costa Transit Authority



Adam Van De Water
Executive Director,
Transbay Joint Powers Authority



Nancy Whelan
General Manager, Marin Transit



Jim Wunderman
President & CEO, Bay Area Council

Zak Accuardi
Transportation Advocate, NRDC

Arturo E. Aguilar
Chairman, California Conference Board
Amalgamated Transit Union

Shiloh Ballard
Executive Director,
Silicon Valley Bike Coalition

Eugene Bradley
Founder, Silicon Valley Transit Users

Rita Clement
Transportation Co-Leader,
San Diego 350

David Diaz
Executive Director,
Active San Gabriel Valley

Christine Fitzgerald
Community Advocate, Silicon Valley
Independent Living Center

Sara Greenwald
Transportation Committee Member,
350 Bay Area Transportation Committee

Ian Griffiths
Co-director, Seamless Bay Area

Josh Hawn
President, Common Ground California

Lavie Kakol
Democratic Socialists of America,
San Francisco

Adina Levin
Executive Director, Friends of Caltrain

Bryn Lindblad
Deputy Director, Climate Resolve

Jerry Maldonado
Vice President of Programs, PolicyLink

Richard Marcantonio
Managing Attorney, Public Advocates

Emma Martin
Community Engagement Program Manager,
Center for Independent Living

Kristina Pappas
President, SF League of Conservation
Voters

Jesse O'Sullivan
Policy Counsel, Circulate SD

Jared Sanchez
Senior Policy Advocate, CalBike

Arnold Sowell, Jr.
Executive Director, NextGen California

Laura Tolkoff
Transportation Policy Director, SPUR

Cheryl Weiden
Steering Committee Member
350 Silicon Valley

Sam Wilkins
California State Conference Chairperson
Transport Workers Union of America,
AFL-CIO

Ellen Wu
Executive Director, Urban Habitat

Chair Skinner and Chair Ting

1/18/2023

Page 7 of 7

cc: Bay Area Legislative Delegation
The Honorable Toni Atkins, Senate President Pro Tempore
The Honorable Anthony Rendon, Assembly Speaker
The Honorable Lena Gonzalez, Senate Transportation Committee Chair
The Honorable Laura Friedman, Assembly Transportation Committee Chair
The Honorable Toks Omishakin, Secretary, California State Transportation Agency

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

February 10, 2023

Agenda Item 3b

**Assembly Constitutional Amendment 1 (Aguiar-Curry): Voter Threshold for Local
Infrastructure Bonds and Taxes**

Subject:

Assembly Constitutional Amendment (ACA) 1 would lower to 55 percent the voter approval threshold for local bonds and special taxes for affordable housing, transportation, resilience and other public infrastructure.

Background:

In 2000, California voters passed Proposition 39, a constitutional amendment lowering the vote threshold for certain school bonds from two-thirds to 55 percent. This change is credited with allowing the passage of numerous school bonds that would otherwise have failed. ACA 1 would similarly lower to 55 percent the voter threshold for affordable housing and public infrastructure measures proposed by cities, counties, cities and counties, and certain special districts (as defined in Article XIII C of the California Constitution), including transit districts. The Bay Area Housing Finance Authority (BAHFA) meets the bill's definition of a "special district."

The bill defines affordable housing to include housing developments or portions of housing developments that provide housing and/or homelessness prevention services to extremely low-, low-, and moderate-income households earning up to 150 percent of countywide median income.

"Public infrastructure" is defined as projects that provide any of the following:

- Water or protecting water quality, sanitary sewer, and treatment of wastewater or reduction of pollution from storm water runoff
- Parks and open space and recreation facilities
- Improvements to transit and streets and highways
- Broadband internet access service expansion in underserved areas
- Flood control and protection of property from impacts of sea level rise
- Public safety buildings or facilities, equipment related to fire suppression, emergency response equipment, or interoperable communications equipment for direct and exclusive use by fire, emergency response, police, or sheriff personnel.
- Local hospital construction and public libraries

Recommendation:

Support and Seek Amendment / MTC Commission Approval

Support and Seek Amendment /ABAG Executive Board Approval

Discussion:

Bay Area voters have a long history of being generous and enthusiastic supporters of taxing themselves to help fund transportation and housing improvements. In addition to approving numerous local special taxes (subject to two-thirds approval), Bay Area voters have approved three regional bridge tolls increases to fund mobility improvements on the Bay Area bridge corridors.

MTC and ABAG have directed staff to pursue BAHFA placing a regional housing measure on the ballot in 2024. Concurrently, MTC and ABAG have directed staff to seek stakeholder and public input on authorizing legislation for MTC to place a regional transportation revenue measure on the ballot, with the goal of securing passage in 2024. In addition, MTC and ABAG are undertaking a robust resilience planning effort which, among other items, examines funding needs to enhance the Bay Area's resilience to sea level rise and other climate fueled hazards. Those funding needs are expected to be significant. Meeting future resilience needs will likely require new funding commitments across all levels of government.

Notably, because past bridge toll measures imposed a fee, not a tax, they were subject to a simple majority approval; Regional Measure 3 in 2018 passed with 55% of Bay Area voters supporting the measure. In contrast, potential future regional housing and transportation measures would be most likely be categorized as a special tax, and thus subject to two-thirds approval under current law. As noted above, ACA 1 would reduce this threshold for various expenditure priorities, including transportation, affordable housing, and resilience-related measures, improving the chances for success at the ballot.

Note that concurrent with this legislation, efforts are also underway to pursue a constitutional amendment via statewide initiative to lower the vote threshold to a simple majority strictly for housing bonds. While the vote threshold in ACA 1 is 55 percent versus a simple majority, staff finds ACA 1 consistent with the intent of Item 3D in our 2023 Joint Advocacy Program and recommends a "support and seek amendment," position to address a minor technical issue, as described below.

Amendment Recommendation

We recommend a friendly amendment to clarify that regional agencies would be covered under the bill. Specifically, ACA 1 should be amended to apply to eligible infrastructure bonds imposed by cities, counties, cities and counties, special districts (as defined), *and local governments as defined by Article XIII C of the California Constitution*. Regional governmental entities, including MTC, are considered a “local government” under Article XIII C. This amendment would ensure that a potential future MTC-led regional transportation measure would similarly be subject to the lower vote threshold.

Known Positions:

Support


California Labor Federation
California Professional Firefighters
Nonprofit Housing Association of Northern California
State Building and Construction Trades Council

Oppose

None on file

Attachments:

None


Alix A. Bockelman

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

February 10, 2023

Agenda Item 3c

Assembly Bill 84 (Ward): Property Tax Welfare Exemption

Subject:

Provides upfront savings on affordable housing developments by revising the welfare tax exemption from a rebate to upfront savings.

Background and Bill Provisions:

The California Constitution exempts from local property taxes properties owned by nonprofits and used for specified “charitable” purposes. This is known as the “welfare tax exemption.” One of the specified charitable purposes is housing maintained as affordable to lower-income households through a deed restriction.

In practice, if a nonprofit housing developer’s application for a welfare exemption isn’t quickly approved by the Board of Equalization and the county assessor, it must pay the taxes upfront and seek reimbursement. As a result, some nonprofit developers float hundreds of thousands of dollars in tax payments for as many as three years to get the money back without interest once the application is approved. The developers either pay interest to borrow this money or seek additional subsidies from local or state programs, further increasing development costs.

Additionally, affordable housing developers often purchase land subject to recorded covenants restricting its use to affordable housing and then spend a few years piecing together necessary public funding before beginning construction. Based on a survey of a subset of Bay Area county assessors, the general practice is to backdate the welfare exemption only to the start of construction (vs. to the date of the property’s acquisition). This results in developers paying significant taxes that additional state and local housing subsidies must cover.

Finally, all state and federal laws related to affordable housing subsidies require that affordable housing residents must meet specified income limits when they move in, but residents are not required to move out following an income increase. That apartment continues to qualify as affordable for the purpose of being eligible for state and federal funding programs, deed restriction compliance, etc. However, that’s not the case for the welfare exemption. Specific apartments lose the exemption when a resident’s income increases above the limits set in the statute; this increases the property’s operating costs and creates an unstable budgeting environment for the affordable housing property owner. Other properties – those funded by the

Low Income Housing Tax Credit – are permitted to retain the welfare exemption until the resident’s income hits 140 percent of the area median income (AMI) (the “140 percent AMI rule”). This provision of law, however, sunsets in 2028, once again subjecting these properties to increased property tax bills.

Assembly Bill (AB) 84 updates and streamlines the process of applying for and maintaining the welfare exemption by:

- Expanding the 140 percent AMI rule to cover all deed restricted affordable housing and eliminating the sunset.
- Specifying that land restricted for use as affordable housing qualifies for the welfare exemption from the date the restrictions are placed on the property.
- Requiring the county assessor to conditionally grant a welfare exemption within 30 days of application without payment of taxes, subject to retroactive tax payments if the owner or any units are ultimately deemed ineligible.

Recommendation:

Support / ABAG Executive Board Approval

Support / MTC Commission Approval

Discussion:

The welfare tax exemption is a valuable resource for reducing the cost of developing new buildings and acquiring and preserving existing residential properties. One of the first pilots established by the Bay Area Housing Finance Authority – the Welfare Tax Exemption Preservation Program – provides the public subsidy that developers need to qualify for the welfare exemption when preserving existing affordable apartments. AB 84 will reduce the upfront amount of local, regional, or state subsidy required to build or preserve affordable housing by eliminating an inefficient and costly process of payments and refunds. Besides lowering development costs, this change will reduce assessors’ costs tied to processing refund requests and issuing checks. In the case where a developer fails to deliver the promised affordable housing, localities will retain all their current powers to pursue payment of back taxes. For these reasons and consistent with Item 5B in our 2023 Advocacy Program, staff recommends MTC and ABAG adopt a “support” position on AB 84.

Known Positions:

Support

California Housing Partnership Corporation (sponsor)

California Treasurer Malia Cohen (sponsor)

Opposition

No known opposition

Attachments:

None


Alix A. Bockelman

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

February 10, 2023

Agenda Item 4a

Washington D.C. Legislative Update

Subject:

January 2023 Report from Washington, D.C. advocate.

Issues:

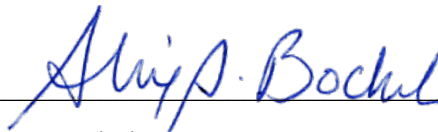
None identified.

Recommendations:

Information

Attachments:

- Attachment A: Summit Strategies Team Report – January 2023



Alix A. Bockelman



**SUMMIT
STRATEGIES**

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Summit Strategies Team Report – January 2023

From: Summit Strategies Team

To: Alix A. Bockelman, Acting Executive Director

Date: January 30, 2023

Subject: January Federal Policy Monthly Report

- **The 118th Congress Begins**
 - **U.S. House of Representatives Committee Assignments Usher in a New Era for Transportation**
 - **Supporting MTC in the new Congress**
 - **Biden to Renominate Phil Washington for Federal Aviation Administration**
 - **Agency Actions and Competitive Grant Update**
 - **National Transportation News Roundup**
-

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

The 118th Congress Begins

After a four-day, 15-vote marathon, Representative Kevin McCarthy (R-CA) on January 7, 2023 was selected as the next Speaker of the House, finally paving the way for Member-elects to be sworn in as Members of the U.S. House of Representatives. The 118th Congress promises significant changes. While Democrats maintained control of the U.S. Senate, without a House majority, Democrats will no longer be able to pass legislation via a party-line vote, which had opened the door last legislative session for Congress to enact historic bills, including the 2021 American Rescue Plan, the 2021 Infrastructure Investment and Jobs Act [also called the Bipartisan Infrastructure Law (BIL)] and the 2022 Inflation Reduction Act. At the same time, newly elected House Republicans are eager to enact the legislative priorities that they campaigned on in the midterms. One measure that Republicans have already passed is the rules package. The rules package is a series of guidelines that determines how the House operates. Included in the new rules package is restoring the ability of a single member to call for a no-confidence vote in the Speaker of the House, an increased threshold to pass tax rate increases, and a 72-hour notice requirement for considering legislation. One new rule, described below, will have a significant impact on new federal transportation investments.

The House package will freeze most funding for the U.S. Department of Transportation for at least most of this year and make it more difficult to increase investment levels in the future. The rules package would replace the “pay-as-you-go” (PAYGO) budget system with the “cut-as-you-go” (CUTGO) budget system. Under PAYGO, increased spending could be offset by increasing revenues and generally did not apply to transportation programs. CUTGO would apply to all spending and will likely result in freezing investment levels in legislation. *This should not have a near term impact on surface transportation programs authorized in the BIL but could impact the reauthorization of aviation programs – which expire later this year.*

U.S. House of Representatives Committee Assignments Usher in a New Era for Transportation

Representative Sam Graves (R-MO) will usher in a new era of leadership as the Chair for the House Transportation and Infrastructure Committee. On Tuesday, January 10, 2023, Chair Graves announced his priorities for the upcoming Congress. Legislative priorities include a pipeline safety bill, a Coast Guard bill, and the next Water Resources Development Act. Chair Graves is also planning oversight of the Biden Administration and its implementation of the BIL. Republicans have also announced committee assignments for the Transportation and Infrastructure Committee. Seventeen new Republican members will be joining 18 returning Republican members on the committee, including Rep. Doug LaMalfa (R-CA). Democrats announced seven new members of the committee.

Other important leadership changes occurred on the House Committee on Appropriations, where Representative Kay Granger (R-TX), Committee Chair, announced that Representative Tom Cole (R-OK) will serve as the new chair of the House Appropriations Transportation, Housing and Urban Development (THUD) Subcommittee.

Supporting MTC in the new Congress

There are several new Members of Congress and staff taking key positions on committees with jurisdiction over transportation and housing policy and funding. The DC team has reached out to new staff on House and Senate THUD – which have jurisdiction over transportation and housing spending – and is working to set up introductory meetings. The DC team is also reaching out to new members and staff on the House Transportation and Infrastructure Committee (which has jurisdiction over roads, bridges, transit, and active transportation) and the Senate Banking Committee (which has jurisdiction over transit).

Biden to Renominate Phil Washington for Federal Aviation Administration

President Joe Biden will renominate Phil Washington, former Chief Executive Officer of the Los Angeles County Metropolitan Transportation Authority, to head the Federal Aviation Administration (FAA). The FAA has been without a permanent administrator for almost a year. In the absence of a permanent administrator, Bill Nolen, the FAA's top aviation safety official, has been running the administration on an interim basis. The Senate Commerce Committee has yet to hold a hearing for Phil Washington, who has faced criticism from Republicans about his resume. Sen. Ted Cruz (R-TX) has also issued a statement that Washington, who is a veteran, does not qualify as a civilian under statute and is therefore ineligible to serve as FAA administrator. A waiver would need to be granted to Washington to be selected as administrator, which would need to be passed in both the House of Representatives and the Senate, which is unlikely to occur with Republicans in control of the House.

Finding a permanent administrator has only increased in importance since the technical glitch which caused thousands of flight delays and cancellations on January 11, 2023.

Agency Actions and Competitive Grant Update

Important Changes to RAISE Grants

On Thursday, January 5, 2023, the U.S. Department of Transportation (USDOT) released an updated version of the Fiscal Year 2023 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Notice of Funding Opportunity (NOFO). For 2023, USDOT has highlighted that the mandated minimum award amounts for planning grants are \$1 million in rural areas and \$5 million in urban areas. The update also includes a renewed emphasis on equity for underserved communities, including an explicit statement that cost share is not a criterion. Also, eligible projects now explicitly include housing plans and integrated economic development plans. Projects designated as "Reconnecting Extra" during the Fiscal Year (FY) 2022 Reconnecting Communities Program (RCP) will have a better chance of getting advanced during the RAISE evaluation process. As of the writing of this memo, those designations have not yet been unveiled, though they are expected to be announced before mid-February with the announcements of FY 2022 RCP grant awards. In addition, recipients of previous Transportation Investment Generating Economic Recovery (TIGER) / Better Utilizing Investments to Leverage

Development (BUILD) / Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grants can also apply for funding to support additional phases of their project. [More information on the update can be found here.](#)

Federal Railroad Administration Begins Soliciting Proposals to Advance New and Existing Intercity Passenger Rail

On Tuesday, December 20, 2022, the Federal Railroad Administration (FRA) issued a Notice of Solicitation and Funding Opportunity to solicit proposals for intercity passenger rail corridors for the Corridor Identification and Development (ID) Program. The Corridor ID Program will guide the development of new and enhanced intercity passenger rail services that will bolster economic growth throughout the country. In evaluating solicitations, the FRA will pay special attention to projects that benefit rural and underserved communities and projects that reduce congestion. The program provides a unique opportunity for projects to receive support throughout their lifecycle, from design to construction. [More information on the solicitation can be found here.](#)

Federal Transit Administration Issues Guidance on Capital Investment Grants Program

On Thursday, January 12, 2023, the Federal Transit Administration (FTA) issued final initial updates to the Capital Investment Grants (CIG) program policy guidance. These revisions reflect adjustments made to the program by the BIL. The revisions are related to changes about who is eligible for a Core Capacity project, how well project sponsors have demonstrated progress on meeting Transit Asset Management and State of Good Repair targets, and how bundles of CIG projects can enter the Project Development phase of the program. [More information on the guidance can be found here.](#)

FTA Announces \$20 Million in Funding to Help Communities Prosper Through Transit

On Monday, January 9, 2023, the U.S. Department of Transportation's FTA announced a Notice of Funding Opportunity (NOFO) to help improve transit in areas experiencing long-term economic distress. The \$20 million in funding through FTA's Areas of Persistent Poverty (AoPP) Program provides resources to underserved communities that are trying to expand or improve transit systems. AoPP supports planning and technical studies to improve public transportation and also funds planning for transit agencies to transition to low- and no-emission vehicles. Special consideration will be giving to projects that mitigate air, water, and ground pollution. [More information on the announcement can be found here.](#)

FRA Issues Guidance on Development and Implementation of Railroad Capital Projects

On Thursday, January 12, 2023, the FRA published a final guidance on the development and implementation of railroad capital projects that may receive FRA funding. The final guidance follows publication of the proposed guidance that was issued on June 28, 2022. The final guidance includes defining the stages in the railroad lifecycle and development process, defining what the FRA requires when providing grants, and differentiating between large and small projects, respectively termed "major projects" and "non-major projects." [More information on the guidance can be found here.](#)

National Transportation News Roundup (links to articles)

- [Widening Highways Doesn't Fix Traffic. So Why Do We Keep Doing It? \(NYTimes\)](#)
- [A 'Bootcamp' to Help Smaller Cities Win Infrastructure Grants \(Route Fifty\)](#)
- [States, Congress Upset With Federal Highway Spending Memo \(Governing\)](#)
- [Southwest crisis reveals clubby world of airline leaders \(Chicago Tribune\)](#)
- [Appeals court to weigh Biden challenge to ruling that blocked mask mandate for public transportation \(Sun Sentinel\)](#)
- [Historic transportation crises haunt Buttigieg \(Axios\)](#)