

Meeting Agenda

Joint MTC ABAG Legislation Committee

David Canepa, Chair Jesse Arreguin, Vice Chair

Friday, April 12, 2024

9:45 AM

Board Room - 1st Floor

The Joint MTC ABAG Legislation Committee is scheduled to meet at 9:45 a.m. or immediately following the 9:40 a.m. MTC Planning Committee meeting, whichever occurs later.

This meeting shall consist of a simultaneous teleconference call at the following location(s):
2255 Contra Costa Blvd., Suite 202, Pleasant Hill, CA 94523
City of Novato, Margaret Todd Senior Center, Meeting Room 1, 1560 Hill Rd, Novato, CA 94947

Meeting attendees may opt to attend in person for public comment and observation at 375 Beale Street, Board Room (1st Floor). In-person attendees must adhere to posted public health protocols while in the building. The meeting webcast will be available at <https://mtc.ca.gov/whats-happening/meetings/live-webcasts>. Members of the public are encouraged to participate remotely via Zoom at the following link or phone number.

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/89868247833>

iPhone One-Tap: US: +14086380968,,89868247833#

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: 898 6824 7833

International numbers available: <https://bayareametro.zoom.us/j/kWUEdV4vt>

Detailed instructions on participating via Zoom are available at:

<https://bayareametro.zoom.us/j/kdR1hznEgA>

<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.

Roster

David Canepa (Chair), Jesse Arreguin, (Vice Chair), Eddie Ahn, Ken Carlson,
Carol Dutra-Vernaci, Pat Eklund, Dorene M. Giacomini*, Matt Mahan,
Stephanie Moulton-Peters, Sue Noack, David Rabbitt, Belia Ramos,
James P. Spering, Aaron Tiedemann, Vacant, and Vacant
*Non-Voting Member

1. Call to Order / Roll Call / Confirm Quorum

Quorum: A quorum of this body shall be a majority of its regular voting members (8).

2. Consent Calendar

- 2a. [24-0326](#) Approval of Joint MTC ABAG Legislation Committee Minutes of the March 8, 2024 Meeting
Action: Committee Approval
Attachments: [2a 24-0326 2024-03-08 Joint MTC ABAG Legislation Committee Meeting](#)
- 2b. [24-0328](#) 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 24-0328 Handout April Legislative History.pdf](#)
- 2c. [24-0329](#) 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: [2c 24-0329 MTC March 2024 DC Report.pdf](#)
- 2d. [24-0470](#) Assembly Bill 2353 (Ward): Property Tax Welfare Exemption

Provides upfront savings on affordable housing developments by allowing nonprofit developers to withhold property tax payments while their application for a tax exemption is under review.
Action: Support / ABAG Executive Board Approval
Support / MTC Commission Approval
Presenter: Julie Snyder
Attachments: [2d 24-0470 Summary Sheet AB 2353 Ward-Property Tax Welfare Exempt](#)

3. State Legislation

3a. [24-0471](#) Assembly Bill 2485 (Carrillo): Regional Housing Needs Determination

Increase transparency and use of outside experts in the state Department of Housing and Community Development's process for determining regional housing needs.

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

Presenter: Julie Snyder

Attachments: [3a_24-0471_Summary_Sheet_AB_2485_Carrillo_RHND.pdf](#)

3b. [24-0472](#) Regional Transportation Measure Authorizing Legislation

Senate Bill 1031 (Wiener/Wahab): Connect Bay Area Act (MTC-sponsored regional transportation revenue measure authorizing bill).

Action: Support Proposed Amendments / MTC Commission Approval

Presenter: Rebecca Long

Attachments: [3bi_24-0472_Summary_Sheet_Senate_Bill_1031.pdf](#)
[3bii_24-0472_Attachment_A_MTC_Adopted_Provisions_vs_SB_1031_Compar](#)
[3biii_24-0472_Attachment_B_Network_Management_and_SB_1031_Overview](#)
[3biv_24-0472_Attachment_C_Draft_Consolidation_Study_Amendments.pdf](#)
[3bv_24-0472_Attachment_D_Proposed_Principles_and_Expenditure_Framework](#)
[3bvi_24-0472_Attachment_E_Summary_Proposed_Amendments_SB_1031_W](#)
[3bvii_24-0472_Handout_Comments_Received_SB_1031_Wiener-Wahab.pdf](#)
[3bviii_24-0472_Handout-PowerPoint_MTC_Draft_Framework.pdf](#)
[3bix_24-0472_Handout_SB_1031_Draft_Guardrails.pdf](#)

4. Public Comment / Other Business

*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.*

5. Adjournment / Next Meeting

The next meeting of the Joint MTC ABAG Legislation Committee will be held on Friday, May 10, 2024 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.

Meeting Minutes - Draft

Joint MTC ABAG Legislation Committee

David Canepa, Chair Jesse Arreguin, Vice Chair

Friday, March 8, 2024

9:45 AM

Board Room - 1st Floor

Roster

David Canepa (Chair), Jesse Arreguin, (Vice Chair), Eddie Ahn, Ken Carlson,
Carol Dutra-Vernaci, Pat Eklund, Dorene M. Giacomini*, Matt Mahan,
Stephanie Moulton-Peters, Sue Noack, David Rabbitt, Belia Ramos,
James P. Spering, Aaron Tiedemann, Vacant, and Vacant
*Non-Voting Member

1. Call to Order / Roll Call / Confirm Quorum

Present: 11 - Chair Canepa, Vice Chair Arreguin, Committee Member Ahn, Committee Member Carlson, Committee Member Dutra-Vernaci, Committee Member Eklund, Committee Member Moulton-Peters, Committee Member Noack, Committee Member Rabbitt, Committee Member Ramos and Committee Member Spering

Absent: 2 - Committee Member Mahan and Committee Member Tiedemann

Member Eklund invoked AB 2449.

Ex Officio Voting Members Present: Commission Chair Pedroza and
Commission Vice Chair Josefowitz

Ad Hoc Non-Voting Member Present: Commissioner Papan.

The following individuals participated from noticed remote locations: Member Carlson.

2. Consent Calendar

Upon the motion by Committee Member Dutra-Vernaci and second by Committee Member Noack, the Consent Calendar was unanimously approved. The motion carried by the following vote:

Aye: 11 - Chair Canepa, Vice Chair Arreguin, Committee Member Ahn, Committee Member Carlson, Committee Member Dutra-Vernaci, Committee Member Eklund, Committee Member Moulton-Peters, Committee Member Noack, Committee Member Rabbitt, Committee Member Ramos and Committee Member Spring

Absent: 2 - Committee Member Mahan and Committee Member Tiedemann

- 2a. [24-0186](#) Approval of Joint MTC ABAG Legislation Committee Minutes of the February 9, 2024 Meeting

Action: Committee Approval

Attachments: [2a 24-0184 2024-02-09 Joint MTC ABAG Legislation Committee Meeting Minutes Draft.pdf](#)

- 2b. [24-0288](#) 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 24-0288 Handout March Legislative History.pdf](#)

3. State Legislation

- 3a. [24-0189](#) Fiscal Year 2024-25 State Budget Update

Update on budget deficit projections and MTC and ABAG advocacy strategy related to restoring proposed housing cuts, including cuts to the Regional Early Action Program 2.0.

Action: Information

Presenter: Julie Snyder

Attachments: [3ai 24-0189 Summary Sheet State Budget.pdf](#)
[3aii 24-0189 Attachment A Letter to leadership on state budget F INAL.pdf](#)
[3aiii 24-0189 Attachment B Housing Advocates Budget Statement reduced.pdf](#)
[3aiv 24-0189 Attachment C SCAG REAP Letter reduced.pdf](#)
[3av 24-0189 Attachment D SACOG REAP Letter reduced.pdf](#)

3b. [24-0285](#) Regional Transportation Measure Authorizing Legislation

Update on Senate Bill (SB) 925 (Wiener), the MTC-sponsored regional transportation revenue measure authorizing bill.

Action: Information

Presenter: Georgia Gann Dohrmann

Attachments: [3b_24-0285_Summary_Sheet_Senate_Bill_925.pdf](#)

The following individuals spoke on this item:

Bob Allen, Urban Habitat;

Wendi Kallins;

Zack Deutsch-Gross, TransForm;

Ian Griffiths, Seamless Bay Area;

Don Cecil, San Mateo County Economic Development Association;

Aleta Dupree, Team Folds; and

Adina Levin, Seamless Bay Area and MTC Policy Advisory Council.

3c. [24-0286](#) Senate Bill 960 (Wiener): Transit Priority and Complete Streets

Requires Caltrans incorporate infrastructure needs for all road users - including bicyclists, pedestrians, and transit riders - into the state asset management plan, adopt a transit priority policy and make other changes to streamline transit priority project implementation.

Action: Support in Concept / MTC Commission Approval

Presenter: Georgia Gann Dohrmann

Attachments: [3c_24-0286_Summary_Sheet_Senate_Bill_960_Wiener_Transit_Priority_and_Complete_Streets.pdf](#)

The following individuals spoke on this item:

Aleta Dupree, Team Folds;

Adina Levin, Seamless Bay Area; and

Wendi Kallins.

Upon the motion by Committee Member Ahn and second by Committee Member Noack, a support in concept position on Senate Bill 960 (Wiener) was adopted to be forwarded to the Commission for approval. The motion carried by the following vote:

Aye: 10 - Chair Canepa, Vice Chair Arreguin, Committee Member Ahn, Committee Member Carlson, Committee Member Dutra-Vernaci, Committee Member Eklund, Committee Member Noack, Committee Member Rabbitt, Committee Member Ramos and Committee Member Spering

Absent: 3 - Committee Member Mahan, Committee Member Moulton-Peters and Committee Member Tiedemann

3d. [24-0188](#) MTC/ABAG Sacramento Advocacy Trip

Update on preparations for MTC and ABAG's annual Sacramento advocacy trip, planned for March 10 - 12, 2024.

Action: Information

Presenter: Georgia Gann Dohrmann

Attachments: [3di 24-0188 Summary Sheet March Advocacy Days.pdf](#)
[3dii 24-0188 2024 State Legislative Reception Invite Reduced.pdf](#)

4. Federal Legislation**4a. [24-0187](#) 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 24-0187 HANDOUT MTC Washington DC Legislative Update February 2024.pdf](#)

5. Public Comment / Other Business

Aleta Dupree, Team Folds, was called to speak.

6. Adjournment / Next Meeting

The next meeting of the Joint MTC ABAG Legislation Committee will be held on Friday, April 12, 2024 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.



LEGISLATIVE HISTORY

MTC and ABAG Priority Bills

Thursday, April 11, 2024



Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
AB 6 Friedman	Amended 3/16/2023	Senate 2 year	Transportation planning: regional transportation plans: Solutions for Congested Corridors Program: reduction of greenhouse gas emissions. Current law requires that each regional transportation plan 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 require the state board, after January 1, 2024, and not later than September 30, 2026, to establish additional targets for 2035 and 2045, respectively, as specified.		
AB 7 Friedman	Amended 9/1/2023	Senate 2 year	Transportation: planning: project selection processes. The Transportation Agency is under the supervision of the Secretary of Transportation, who has the power of general supervision over each department within the agency. The secretary, among other duties, is charged with developing and reporting to the Governor on legislative, budgetary, and administrative programs to accomplish coordinated planning and policy formulation in matters of public interest, including transportation projects. On and after January 1, 2025, and to the extent applicable, feasible, and cost effective, this bill would require the agency, the Department of Transportation, and the California Transportation Commission to incorporate specified goals into program funding guidelines and processes.		
AB 73 Boerner	Amended 3/9/2023	Senate 2 year	Vehicles: required stops: bicycles. Current law requires the driver of any vehicle, including a person riding a bicycle, when approaching a stop sign at the entrance of an intersection, to stop before entering the intersection. A violation of this requirement is an infraction. This bill would require a person who is 18 years of age or older riding a bicycle upon a two-lane highway when approaching a stop sign at the entrance of an intersection with another roadway with two or fewer lanes, where stop signs are erected upon all approaches, to yield the right-of-way to any vehicles that have either stopped at or entered the intersection, or that are approaching on the intersecting highway close enough to constitute an immediate hazard, and to pedestrians, as specified, and continue to yield the right-of-way to those vehicles and pedestrians until reasonably safe to proceed. The bill would require other vehicles to yield the right-of-way to a bicycle that, having yielded as prescribed, has entered the intersection. The bill would state that these provisions do not affect the liability of a driver of a motor vehicle as a result of the driver's negligent or wrongful		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			act or omission in the operation of a motor vehicle.		
AB 86 Jones-Sawyer	Amended 4/20/2023	Senate 2 year	Homelessness: Statewide Homelessness Coordinator. Would require the Governor to appoint a Statewide Homelessness Coordinator, within the Governor's Office, to serve as the lead person for ending homelessness in California. The bill would require the coordinator to perform prescribed duties, including, among others, identifying a local leader in each relevant city, county, city and county, or other jurisdiction to serve as a liaison between the coordinator and that jurisdiction, overseeing homelessness programs, services, data, and policies between federal, state, and local agencies, coordinating the timing of release of funds and applications for funding for housing and housing-based services impacting Californians experiencing homelessness, and, in collaboration with local leaders, providing annual recommendations to the Legislature and the Governor, as specified. The bill would authorize the coordinator to adjust state goals to the extent allowed by state law.		
AB 799 Rivas, Luz	Amended 9/1/2023	Senate 2 year	Homelessness: financing plan. Would require the California Interagency Council on Homelessness, in collaboration with continuums of care, counties, and big cities, as defined, and other stakeholders, to establish and regularly update a financing plan to solve homelessness by the year 2035. The bill would require the council to establish and update statewide performance metrics to reduce racial and ethnic disparities in homelessness and to increase successful exits from homelessness to permanent housing by updating the Statewide Action Plan for Preventing and Ending Homelessness in California, no later than January 1, 2025, and would require the council to publish these goals on its internet website, as specified.		
AB 817 Pacheco	Amended 1/17/2024	Senate Rules	Open meetings: teleconferencing: subsidiary body. The Ralph M. Brown Act requires, with specified exceptions, each legislative body of a local agency to provide notice of the time and place for its regular meetings and an agenda containing a brief general description of each item of business to be transacted. The act also requires that all meetings of a legislative body be open and public, and that all persons be permitted to attend unless a closed session is authorized. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. Current law authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency (emergency provisions) and, until January 1, 2026, in certain circumstances related to the particular member if at least a quorum of its members participate	Support	Support

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met (nonemergency provisions). This bill, until January 1, 2026, would authorize a subsidiary body, as defined, to use similar alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. In order to use teleconferencing pursuant to this act, the bill would require the legislative body that established the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter.		
AB 990 Grayson	Amended 1/25/2024	Senate Rules	Water quality: waste discharge requirements: infill housing projects. Under current law, the State Water Resources Control Board and the 9 California regional water quality control boards regulate water quality and prescribe waste discharge requirements in accordance with the federal National Pollutant Discharge Elimination System (NPDES) permit program established by the federal Clean Water Act and the act. This bill would require the regional water board, defined to mean the regional water board with geographic boundaries for the San Francisco Bay region, to, by July 1, 2025, initiate modifications to its waste discharge requirements, as specified. The bill would require these modifications to be completed within 6 months of initiation. Before finalizing the modifications, the bill would require the regional water board to make specified findings, including, among other things, that concerns regarding the potential impacts of the draft NPDES permit requirements on the development of housing on infill sites have been adequately addressed. The bill would make these provisions inoperative on July 1, 2028, and would repeal them on January 1, 2029.		
AB 1053 Gabriel	Amended 3/30/2023	Senate 2 year	Housing programs: multifamily housing programs: expenditure of loan proceeds. Current law establishes the Department of Housing and Community Development and requires it to administer various programs intended to promote the development of housing, including the Multifamily Housing Program, pursuant to which the department provides financial assistance in the form of deferred payment loans to pay for the eligible costs of development of specified types of housing projects. Current law sets forth various general powers of the department in implementing these programs, including authorizing the department to enter into long-term contracts or agreements of up to 30 years for the purpose of servicing loans or grants or enforcing regulatory agreements or other security documents. This bill would authorize a borrower to use any funds approved, reserved, or allocated by the department for purposes of providing a loan under any multifamily housing program under these provisions for construction financing, permanent financing, or a combination of construction financing and permanent financing, as provided.	Support	Support

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
AB 1333 Ward	Amended 1/3/2024	Senate Rules	Residential real property: bundled sales. Current law, until January 1, 2031, for purposes of the exercise of a power of sale, prohibits a trustee from bundling properties for the purpose of sale, instead requiring each property to be bid on separately, unless the deed of trust or mortgage provides otherwise. Current law also prohibits specified institutions that, during their immediately preceding annual reporting period, as established with their primary regulator, foreclosed on 175 or more residential real properties, containing no more than 4 dwelling units, from conducting a sale of 2 or more parcels of real property containing one to 4 residential dwelling units, inclusive, at least 2 of which have been acquired through foreclosure under a mortgage or deed of trust. This bill would prohibit a developer of residential one to 4 dwelling units, inclusive, from conducting a sale of 2 or more parcels of real property containing one to 4 residential dwelling units, inclusive, in a single transaction to an institutional investor, as defined, if the occupancy permit was issued on or after January 1, 2025.		
AB 1335 Zbur	Amended 6/22/2023	Senate 2 year	Local government: transportation planning and land use: sustainable communities strategy. Current law requires specified designated transportation planning agencies to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system, as described. Current law requires the plan to include specified information, including a sustainable communities strategy prepared by each metropolitan planning organization, and requires each transportation planning agency to adopt and submit, every 4 years, an updated plan to the California Transportation Commission and the Department of Transportation. Current law requires the sustainable communities strategy to include specified information, including an identification of areas within the region sufficient to house all the population of the region over the course of the planning period of the regional transportation plan, as specified, and an identification of areas within the region sufficient to house an 8-year projection of the regional housing need for the region, as specified. This bill would additionally require each metropolitan planning organization to include in the sustainable communities strategy the total number of new housing units necessary to house all the population of the region over the course of the planning period of the regional transportation plan, as specified, and the total number of new housing units necessary to house the above-described 8-year projection, as specified.	Oppose	Oppose
AB 1505 Rodriguez	Amended 7/3/2023	Senate Inactive File	Seismic retrofitting: soft story multifamily housing. Current law establishes the Seismic Retrofitting Program for Soft Story Multifamily Housing for the purposes of providing financial assistance to owners of soft story multifamily housing for seismic retrofitting to protect individuals living in multifamily housing that have been determined to be at risk of collapse in earthquakes, as specified. Current law also		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			establishes the Seismic Retrofitting Program for Soft Story Multifamily Housing Fund, and its subsidiary account, the Seismic Retrofitting Account, within the State Treasury. Current law provides that the Legislature will appropriate \$250,000,000 from the General Fund in the 2023–24 Budget Act to the Seismic Retrofitting Program for Soft Story Multifamily Housing Fund for the purposes of carrying out the program. Current law requires the CRMP to develop and administer the program, as specified. Existing law makes these provisions inoperative on July 1, 2042, and repeals them as of January 1, 2043. Current federal law, the Robert T. Stafford Disaster Relief and Emergency Assistance Act, establishes various grant opportunities, including the Hazard Mitigation Grant Program and Building Resilient Infrastructure and Communities grant program, to support hazard mitigation projects. This bill would remove the requirement for the Legislature to appropriate \$250,000,000 from the General Fund in the 2023–24 Budget Act to the Seismic Retrofitting Program for Soft Story Multifamily Housing Fund. The bill would authorize the Office of Emergency Services to dedicate federal Hazard Mitigation Grant Program and Building Resilient Infrastructure and Communities application funding to specified projects to augment and support the Seismic Retrofitting Program for Soft Story Multifamily Housing.		
AB 1567 Garcia	Amended 5/26/2023	Senate Natural Resources and Water	Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024. Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,995,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, clean energy, and workforce development programs.		
AB 1657 Wicks	Amended 3/4/2024	Senate Appropriations	The Affordable Housing Bond Act of 2024. Current law authorizes the issuance of bonds in specified amounts pursuant to the State General Obligation Bond Law and requires that proceeds from the sale of these bonds be used to finance various existing housing programs, capital outlay related to infill development, brownfield cleanup that promotes infill development, and housing-related parks. This bill would enact the Affordable Housing Bond Act of 2024, which, if adopted, would authorize the issuance of bonds in the amount of \$10,000,000,000 pursuant to the State General Obligation Bond Law. Proceeds from the sale of these bonds would be used to finance programs to fund affordable rental housing and homeownership programs, including, among others, the Multifamily Housing Program, the CalHome Program, and the Joe Serna, Jr. Farmworker Housing Grant Program. This bill would provide	Support	Support

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			for submission of the bond act to the voters at the March 5, 2024, statewide general election in accordance with specified law.		
AB 1777 Ting	Amended 3/21/2024	Assembly Transportation	Autonomous vehicles. Current law authorizes the operation of an autonomous vehicle on public roads for testing purposes by a driver who possesses the proper class of license for the type of vehicle operated if specified requirements are satisfied. Current law prohibits the operation of an autonomous vehicle on public roads until the manufacturer submits an application to the Department of Motor Vehicles, as specified, and that application is approved. Current law requires the manufacturer to certify in the application that, among other things, the autonomous technology satisfies specified requirements and the manufacturer has tested the autonomous vehicle on public roads and has complied with the testing standards established by the department, as specified. This bill would require a manufacturer to additionally certify that, among other things, the autonomous vehicle is capable of responding to and complying with geofencing protocols, as defined, and the manufacturer has clearly displayed a working telephone number on the autonomous vehicle that is being monitored at all times to enable communication between the manufacturer and law enforcement officers, emergency responders, and traffic control officers, as specified. If an autonomous vehicle is operating without a human operator and is found to have committed a violation of the Vehicle Code that is only punishable as an infraction, the bill would require the manufacturer to be cited for the violation.		
AB 1778 Connolly	Amended 4/1/2024	Assembly Third Reading	Vehicles: electric bicycles. Would, until January 1, 2029, authorize a local authority within the County of Marin, or the County of Marin in unincorporated areas, to adopt an ordinance or resolution that would prohibit a person under 16 years of age from operating a class 2 electric bicycle or require a person operating a class 2 electric bicycle to wear a bicycle helmet, as specified. The bill would require an ordinance or resolution that is adopted for this purpose to make a violation an infraction punishable by either a fine of \$25 or completion of an electric bicycle safety and training course, as specified. The bill would, if an ordinance or resolution is adopted, require the county to, by January 1, 2028, submit a report to the Legislature that includes, among other things, the total number of traffic stops initiated for violations, the results of the traffic stops, and the actions taken by peace officers during the traffic stops, as specified. The bill would require the local authority or county to administer a public information campaign for at least 30 calendar days prior to the enactment of the ordinance or resolution, as specified. The bill would require the local authority or county to only issue warning notices for the first 60 days after the passage of the ordinance or resolution.		
AB 1812	Introduced 1/10/2024	Assembly Budget	Budget Act of 2024. Would make appropriations for the support of state government for the 2024–25 fiscal year.		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
Gabriel					
AB 1837 Papan	Amended 3/21/2024	Assembly Transportation	San Francisco Bay area: public transit: Regional Network Management Council. Current law creates the Metropolitan Transportation Commission as a local area planning agency for the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Current law creates various transit districts located in the San Francisco Bay area, with specified powers and duties relating to providing public transit services. Current law requires the commission to adopt rules and regulations to promote the coordination of fares and schedules for all public transit systems within its jurisdiction, as specified. This bill would create the Regional Network Management Council as an 11-member council to represent the interests of its stakeholders, to provide leadership and critical input on regional transit policies, and to provide executive guidance on regional transit policies and actionable implementation plans in pursuit of transformative improvements in the customer experience San Francisco Bay area transit. The bill would require the commission to facilitate the creation of the council.		
AB 1868 Friedman	Introduced 1/18/2024	Assembly Appropriations	Property taxation: assessments: affordable housing. Current law requires the county assessor to consider, when valuing real property for property taxation purposes, the effect of any enforceable restrictions to which the use of the land may be subjected. Under current law, these restrictions include, among other enumerated items, a recorded contract with a nonprofit corporation that meets prescribed requirements, including requirements that the nonprofit corporation has received a welfare exemption for properties intended to be sold to low-income families who participate in a special no-interest loan program, and that the contract includes a restriction on the use of the land for at least 30 years to owner-occupied housing available at affordable housing cost. This bill would, for purposes of valuing property by the county assessor, establish a rebuttable presumption that, at the time of purchase, the value of real property subject to a recorded contract that meets the above-described requirements is no greater than the sum of the value of the first mortgage and any applicable down payment.		
AB 1882 Villapudua	Amended 2/14/2024	Assembly Transportation	Vehicles: fee exceptions. Current law defines “disabled veteran” for purposes of the Vehicle Code as, among other things, a person who, as a result of injury or disease suffered while on active service with the Armed Forces of the United States, has a disability that has been rated at 100% by the Department of Veterans Affairs. Existing law also defines a “disabled veteran” as a veteran who is unable to move without the aid of an assistant device. This bill would instead define a disabled veteran as a veteran who cannot walk without the use of an assistant device.		
AB 1886 Alvarez	Amended 4/1/2024	Assembly Local Government	Housing Element Law: substantial compliance: Housing Accountability Act. The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			boundaries that includes, among other things, a housing element. Current law, commonly referred to as the Housing Element Law, prescribes requirements for a city's or county's preparation of, and compliance with, its housing element, and requires the Department of Housing and Community Development to review and determine whether the housing element substantially complies with the Housing Element Law, as specified. If the department finds that a draft housing element or amendment does not substantially comply with the Housing Element Law, current law requires the legislative body of the city or county to either (A) change the draft element or amendment to substantially comply with the Housing Element Law or (B) adopt the draft housing element or amendment without changes and make specified findings as to why the draft element or amendment substantially complies with the Housing Element Law despite the findings of the department. Current law requires a planning agency to promptly submit an adopted housing element or amendment to the department and requires the department to review the adopted housing element or amendment and report its findings to the planning agency within 60 days. This bill would require a planning agency that makes the above-described findings as to why a draft housing element or amendment substantially complies with the Housing Element Law despite the findings of the department to submit those findings to the department. The bill would require the department to review those finding in its review of an adopted housing element or amendment. The bill would create a rebuttable presumption of validity for the department's findings as to whether the adopted element or amendment substantially complies with the Housing Element Law.		
AB 1893 Wicks	Amended 4/1/2024	Assembly Housing and Community Development	Housing Accountability Act: housing disapprovals: required local findings. Current law, commonly referred to as the Housing Element Law, prescribes requirements for a city's or county's preparation of, and compliance with, its housing element, and requires the Department of Housing and Community Development to review and determine whether the housing element substantially complies with the Housing Element Law, as specified. The Housing Accountability Act, among other things, prohibits a local agency from disapproving, or conditioning approval in a manner that renders infeasible, a housing development project for very low, low-, or moderate-income households unless the local agency makes written findings as to one of certain sets of conditions, as specified. One Under the act, one set of conditions available to a local agency for the finding necessary to disapprove a housing development project for very low, low-, or moderate-income households is that (A) the jurisdiction has adopted a housing element that is in substantial compliance with the Housing Element Law, and (B) the jurisdiction has met or exceeded its share of the regional housing need allocation for the planning period for the income category proposed for the housing development project. Current law defines "housing for very low, low-, or moderate-income		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			households” for purposes of the Housing Accountability Act to mean at least 20% of the total units shall be sold or rented to lower income households or 100% of the units are sold or rented to persons and families of moderate income. This bill would revise that definition to mean at least 10% of the units are dedicated to lower income households, 100% of the units are dedicated to lower income households at an affordable rent consistent with rent limits established by the California Tax Credit Allocation Committee, 100% of the units are sold or rented to persons and families of moderate income, or the housing development consists of 10 units or fewer.		
AB 1904 Ward	Introduced 1/23/2024	Senate Rules	Transit buses: yield right-of-way sign. Current law authorizes a transit bus in the Santa Cruz Metropolitan Transit District and the Santa Clara Valley Transportation Authority to be equipped with a yield right-of-way sign on the left rear of the bus if the applicable entity approves a resolution requesting that this section be made applicable to it. Current law requires the sign to be designed to warn a person operating a motor vehicle approaching the rear of the bus that the bus is entering traffic and be illuminated by a red flashing light when the bus is signaling in preparation for entering a traffic lane after having stopped to receive or discharge passengers. This bill would expand the authorization to equip transit buses, as described above, to apply to any transit agency if the transit agency approves a resolution that this authorization be made applicable to it.		
AB 1932 Ward	Amended 4/3/2024	Assembly Housing and Community Development	Personal income tax: mortgage interest deduction. The Personal Income Tax Law allows various deductions in computing the income that is subject to the taxes imposed by that law, including, in modified conformity with federal income tax laws, a deduction for a limited amount of interest paid on acquisition indebtedness, as defined, with respect to a qualified residence of the taxpayer. Current law limits the aggregate amount treated as acquisition indebtedness for these purposes to \$1,000,000, or \$500,000 in the case of a married individual filing a separate return. Current law specifies for these purposes that a qualified residence includes the taxpayer’s principal residence and one other residence selected by the taxpayer, as provided. This bill, for taxable years beginning on or after January 1, 2025, would disallow the deduction of acquisition indebtedness with respect to a qualified residence of a taxpayer other than the principal residence. This bill would require the Franchise Tax Board, in consultation with the Department of Finance, to estimate the amount of additional revenue resulting from the above-described modifications made with respect to the calculation of taxable income under the Personal Income Tax Law by this bill and to notify the Controller of that amount, as provided.		
AB 1958 Berman	Introduced 1/29/2024	Senate Rules	Santa Clara Valley Transportation Authority: board of directors. Current law vests the government of the Santa Clara Valley Transportation Authority (VTA) in a 12-member board of directors,		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			appointed by the County of Santa Clara and the cities within the county, as specified. Current law requires, to the extent possible, the county and cities to appoint individuals to the board of directors who have expertise, experience, or knowledge relative to transportation issues. This bill would require, to the extent possible, the county and cities to appoint individuals to the board of directors who have expertise, experience, or knowledge relative to transportation or project management issues.		
AB 2023 Quirk-Silva	Amended 3/21/2024	Assembly Local Government	Housing element: inventory of land: rebuttable presumptions. The Housing Element Law prescribes requirements for a city's or county's preparation of, and compliance with, its housing element, and requires the Department of Housing and Community Development to review and determine whether the housing element substantially complies with the Housing Element Law, as specified. Current law requires the housing element to include an inventory of land suitable and available for residential development. If that inventory of sites does not identify adequate sites to accommodate the need for groups of all household income levels, as provided, current law requires that the local government rezone sites within 3 years after the date the housing element is adopted or within one year if the local government fails to adopt a housing element that the department finds to be in substantial compliance with the Housing Element Law within 120 days of the statutory deadline to adopt the housing element. This bill, for the 7th and each subsequent revision of the housing element, would require a local government to complete the rezoning of sites within one year of the statutory deadline for the adoption of the housing element or the earlier of 3 years after the date the housing element is adopted or 90 days after receipt of comments from the department, as specified, if the local government satisfies certain requirements, including submitting a draft element or draft amendment to the department for review within specified timeframes and adopting a draft element or draft amendment that the department finds to be insubstantial compliance with the Housing Element Law, as specified.		
AB 2061 Wilson	Introduced 2/1/2024	Assembly Revenue and Taxation Suspense File	Sales and Use Tax: exemptions: zero-emission public transportation ferries. Current 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, beginning January 1, 2025, and until January 1, 2030, 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, sold to a public agency, as specified.		
AB 2086 Schiavo	Introduced 2/5/2024	Assembly Transportation	Department of Transportation funding: report and public dashboard. Would require the California Transportation Commission, on or before January 1, 2026, to adopt guidelines for the Department of Transportation to use to determine whether the use of the funding made		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			available to the department is advancing the Core Four priorities of safety, equity, climate action, and economic prosperity established by the Transportation Agency. In developing the guidelines, the bill would require the commission to conduct a public engagement process, hold a public comment period, and allow the interagency equity advisory committee established by these 3 agencies an opportunity to review, provide recommendations on, and evaluate potential changes to, the proposed guidelines.		
AB 2158 Flora	Introduced 2/6/2024	Assembly Transportation	Vehicles: disabled veterans. Current law authorizes the Department of Motor Vehicles to issue a distinguishing placard to a qualified disabled veteran or person with a disability, upon application, to be displayed upon a parked vehicle for the purposes of identifying eligibility for certain parking privileges. For purposes of the department issuing special license plates and distinguishing placards, this bill would authorize the department to issue a special license plate or distinguishing placard to a veteran who has a post-traumatic stress disorder diagnosis that is connected to their military service, as specified.		
AB 2187 Bryan	Amended 3/21/2024	Assembly Judiciary	Office of Tenants' Rights and Protections. Current law provides that there is in state government, in the Business, Consumer Services, and Housing Agency, the Civil Rights Department under the direction of an executive officer known as the Director of Civil Rights, who is appointed by the Governor. Among other responsibilities, the department is required to issue publications that in its judgment will tend to promote goodwill and minimize or eliminate discrimination in housing, as specified. This bill would, upon appropriation by the Legislature, establish the Office of Tenants' Rights and Protections in the Business, Consumer Services, and Housing Agency, administered by a director appointed by the Governor, and would require that office to create and maintain an up-to-date, digestible, and language-inclusive list of statewide tenants' rights and protections.		
AB 2230 Bennett	Introduced 2/8/2024	Assembly Judiciary	Residential Housing Unfair Practices Act of 2023. The Cartwright Act makes every trust unlawful, against public policy, and void, subject to specified exemptions. A "trust" is defined for these purposes as a combination of capital, skill, or acts by 2 or more persons for certain designated purposes. A violation of the act is punishable as a crime. This bill would expand the definition of "trust" under the act to specifically include the capital, skill, or acts of all affiliated persons, as defined. For purposes of the act, the bill would define an "affiliated person" to include, among others, a natural person related within the 3rd degree of consanguinity or affinity to any other person, together with other specified persons with certain ownership interests. The bill would expand the purposes for a trust under the act to include creating or carrying out restrictions in residential housing, preventing or limiting competition in development or redevelopment, construction, leasing, rental, or purchase of residential housing, among other specified acts.		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
AB 2240 Arambula	Introduced 2/8/2024	Assembly Appropriations	Farm labor centers: migratory agricultural workers. The Farm Labor Center Law authorizes a housing authority to acquire, own, operate, construct, reconstruct, repair, replace, maintain, and dispose of a farm labor center, as defined, due to the need to assemble, domicile, and house persons and families engaged in agricultural work. Current law also authorizes a housing authority to arrange and contract for the furnishing of services, privileges, works, or facilities for or in connection with its farm labor center, as specified. Current law prohibits a housing authority that operates a farm labor center from limiting an agricultural worker's housing unit occupancy period to less than 270 days if the Director of Agriculture certifies that there are seasonal crops that would keep those workers in the immediate area for that period of time. This bill instead would prohibit the housing authority from limiting the occupancy period, unless approved by the Department of Housing and Community Development.		
AB 2243 Wicks	Amended 3/19/2024	Assembly Housing and Community Development	Affordable Housing and High Road Jobs Act of 2022: objective standards and affordability and site criteria. The Affordable Housing and High Road Jobs Act of 2022, until January 1, 2033, authorizes a development proponent to submit an application for an affordable housing development or a mixed-income housing development that meets specified objective standards and affordability and site criteria, including being located within a zone where office, retail, or parking are a principally permitted use. The act makes a development that meets those objective standards and affordability and site criteria a use by right and subject to one of 2 streamlined, ministerial review processes depending on, among other things, the affordability requirements applicable to the project. This bill would make various changes to the objective standards and affordability and site criteria applicable to an affordable housing development or mixed-income housing development subject to the streamlined, ministerial review process under the act.		
AB 2290 Friedman	Amended 4/1/2024	Assembly Appropriations	Transportation: Class III bikeways: bicycle facilities: Bikeway Quick-Build Project Pilot Program. Current law establishes 4 classifications of bikeways and defines a "Class III bikeway" as a bikeway that provides a right-of-way on-street or off-street, designated by signs or permanent markings and shared with pedestrians and motorists. This bill would prohibit the allocation of Active Transportation Program funds for a project that creates a Class III bikeway unless the project is on a street with a design speed limit of 20 miles per hour or less or the project will reduce the design speed limit to 20 miles per hour or less.		
AB 2314 Lee	Amended 4/4/2024	Assembly Housing and Community Development	Tribal housing developments: use by right: density. The Planning and Zoning Law authorizes a development proponent to submit an application for a multifamily housing development that is subject to a streamlined, ministerial approval process, as provided, and not subject to a conditional use permit, if the development satisfies specified objective		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			planning standards, including, among others, that the development proponent has committed to record, prior to the issuance of the first building permit, a land use restriction or covenant providing that any lower or moderate-income housing units required remain available at affordable housing costs or rent to persons and families of lower or moderate income, as specified. This bill would deem a tribal housing development that is located on a site owned in fee simple by the tribe an allowable use if it satisfies specified requirements, including that it is located on an infill lot and it is not located on an environmentally sensitive site, as specified. The bill would define “allowable use” for purposes of these provisions to mean that the development project is a permitted use regardless of zoning designation, as specified.		
AB 2353 Ward	Introduced 2/12/2024	Assembly Revenue and Taxation	Property taxation: welfare exemption: delinquent payments: interest and penalties. 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. Current law imposes various penalties and costs for delinquent payment of real property taxes. Current law, however, requires the cancellation of any delinquent penalty, cost, redemption penalty, interest, or redemption fee upon satisfactory proof, as described, that the penalty, cost, interest, or fee attached due to an error of the tax collector, the auditor, or the assessor or due to their inability to complete valid procedures initiated prior to the delinquency date, as specified. This bill would provide that a taxpayer is not liable for interest or penalties imposed by the county tax collector, and would prohibit the county tax collector from taking or continuing any collection action, with respect to any delinquent installments of property taxes levied upon a property for which the taxpayer has submitted to the county assessor an application for an exemption pursuant to the above-described partial welfare exemption, except as provided.		
AB 2361 Davies	Introduced 2/12/2024	Assembly Housing and Community Development	Planning and zoning: regional housing needs: exchange of allocation: Counties of Orange and San Diego. The Planning and Zoning Law requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city that includes, among other specified mandatory elements, a housing element. That law, for the 4th and subsequent revisions of the housing element, requires the Department of Housing and Community Development to determine the existing and projected		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			need for housing for each region. That law further requires the appropriate council of governments, or, for cities and counties without a council of governments, the department, to adopt a final regional housing plan that allocates a share of the regional housing need to each city, county, or city and county in accordance with certain requirements. This bill would establish a pilot program for the Counties of Orange and San Diego, and the cities therein. The bill would authorize a city or county within the pilot program, by agreement, to transfer all or a portion of its allocation of regional housing need to another city or county within the pilot program.		
AB 2396 Reyes	Amended 4/1/2024	Assembly Appropriations Suspense File	State Partnership for Affordable Housing Registries in California Grant Program. Current law creates the Department of Housing and Community Development and sets forth its powers and duties relating to the administration of housing programs. This bill would, upon appropriation by the Legislature, require the department to solicit participation in the State Partnership for Affordable Housing Registries in California Grant Program among eligible entities, as defined, through a notice of funding availability. The bill would require the department to disburse funds awarded to eligible entities, and require program administrators, as defined, to launch Phase 1 of the platforms, as specified. The bill would require the department to disburse funds to applicants in geographically diverse communities to the extent feasible.		
AB 2455 Gabriel	Amended 4/4/2024	Assembly Public Employment and Retirement	Whistleblower protection: state and local government procedures. Current law authorizes a city, county, or city and county auditor or controller to maintain a whistleblower hotline to receive calls from persons who have information regarding fraud, waste, or abuse by local government employees, as specified. Current law authorizes the county auditor to refer calls received on the whistleblower hotline to the appropriate government authority for review and possible investigation. During the initial review of a call, current law requires the auditor, controller, or other appropriate governmental agency to hold in confidence information disclosed through the whistleblower hotline, as specified. Upon receiving specific information that an employee or local government has engaged in an improper activity, as defined, existing law authorizes a city or county auditor to conduct an investigative audit of the matter, as specified. This bill would expand the above-described duties and authorizations to the auditor's or controller's designee, as specified.		
AB 2485 Carrillo, Juan	Amended 3/19/2024	Assembly Housing and Community Development	Regional housing need: determination. 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, which includes, among other mandatory elements, a housing element. That law requires, for the 4th and subsequent revisions of the housing element, the Department of Housing and Community Development (department) to determine the existing and projected need for housing for each region, as specified. That law requires the department, in consultation with the		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			council of governments, to determine the existing and projected need of housing for each region in a specified manner. That law requires the department's determination to be based upon population projections produced by the Department of Finance, as specified. That law also requires the department to meet and consult with the council of governments regarding the assumptions and methodologies to be used to determine each region's housing need and requires the council of governments to provide data assumptions from the council of governments' projections, as specified. That law authorizes the department to accept or reject the information provided by the council of governments and, after consultation with each council of governments, to make determinations on the council of governments' data assumptions and the methodology the department will use to determine each region's housing need. That law requires the department to provide its determinations to each council of governments, as specified. This bill would require the department to publish on its internet website the data sources, analyses, and methodology, as specified, prior to finalization of the regional determination.		
AB 2506 Lowenthal	Introduced 2/13/2024	Assembly Housing and Community Development	Property taxation: local exemption: possessory interests: publicly owned housing. Would authorize a county board of supervisors to exempt from property taxation any possessory interest held by a tenant of publicly owned housing, as defined, with a value so low that the total taxes and applicable subventions on the property would amount to less than the cost of assessing and collecting them, except as provided. The bill would provide that there is a rebuttable presumption that the property taxes and applicable subventions on a possessory interest held by a tenant in publicly owned housing are less than the costs of assessing and collecting those taxes and applicable subventions. The bill would set forth procedures for granting or denying those exemptions and for implementing the exemption. The bill would provide that the board shall be deemed to have agreed with the rebuttable presumption and the exemption shall be deemed granted if the board does not take any action, if the board agrees, by a majority vote, to grant the exemption at a public hearing, or if the board fails to reach a majority vote for or against the exemption at the public hearing. By imposing additional duties on county boards of supervisors and local tax officials, the bill would impose a state-mandated local program.		
AB 2535 Bonta	Amended 4/9/2024	Assembly Transportation	Trade Corridor Enhancement Program. Current law requires the California Transportation Commission, under the Trade Corridor Enhancement Program, to allocate, upon appropriation by the Legislature, revenues from a specified portion of the state excise tax on diesel fuel and certain federal funds to infrastructure projects located on or along specified transportation corridors. Under current law, eligible projects under the program include, among others, highway improvements to more efficiently accommodate the movement of freight		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			and environmental and community mitigation or efforts to reduce environmental impacts of freight movement. This bill would prohibit the commission from programming funding under the program to a project that expands the physical footprint of a highway in a community that experiences disproportionate burdens from diesel particulate matter, as specified.		
AB 2584 Lee	Amended 4/10/2024	Assembly Appropriations	Single-family residential real property: corporate entity: ownership. Would prohibit a business entity, as defined, that has an interest in more than 1,000 single-family residential properties from purchasing, acquiring, or otherwise obtaining an interest in another single-family residential property and subsequently leasing the property. The bill would authorize the Attorney General to bring a civil action for a violation of these provisions, and would require a court in a civil action in which the Attorney General prevails to order specified relief, including that the business entity pay a civil penalty of \$100,000 for each violation and that the business entity sell the property to an independent third party within one year of the date that the court enters judgment.		
AB 2597 Ward	Amended 4/1/2024	Assembly Local Government	Planning and zoning: revision of housing element: Southern California Association of Governments. Existing law requires certain local governments to revise their housing elements 18 months after the adoption of every 2nd regional transportation plan update, but no later than 8 years after the deadline for the previous update of the housing element, as specified. This bill would extend the above-described deadline for certain local governments that are within the regional jurisdiction of the Southern California Association of Governments and that have a compliant housing element as of the adoption of the second regional transportation plan update, as specified, except the County of Los Angeles and local governments within the County of Los Angeles, to revise their housing elements 30 months after adoption of every 2nd regional transportation plan update for the 7th and subsequent revisions of the housing element.		
AB 2645 Lackey	Amended 4/3/2024	Assembly Transportation	Electronic toll collection systems: information sharing: law enforcement. Current law prohibits a transportation agency, as defined, from selling or otherwise providing to any other person or entity, with certain exceptions, personally identifiable information of a person who subscribes to an electronic toll collection system or who uses a toll bridge, toll lane, or toll highway that employs an electronic toll collection system. Under current law, a transportation agency is authorized to make personally identifiable information of a person available to a law enforcement agency only pursuant to a search warrant, except under certain circumstances. Current law defines “personally identifiable information” for these purposes and provides that it includes, among other things, a license plate number. Current law authorizes a law enforcement agency to request the Department of the California Highway Patrol (CHP) to activate the Emergency Alert System within the		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			appropriate area if that agency determines that a child 17 years of age or younger, or an individual with a proven mental or physical disability, has been abducted and is in imminent danger of serious bodily injury or death, and there is information available that, if disseminated to the general public, could assist in the safe recovery of that person. Current law also authorizes the CHP, upon the request of a law enforcement agency, to activate various other alerts for missing individuals meeting certain criteria and alerts following an attack upon a law enforcement officer or a hit-and-run fatality. This bill, if the CHP activates one of the above-mentioned alerts and that alert contains a license plate number of a vehicle involved in the incident, would require a transportation agency that employs an electronic toll collection system to notify the CHP and the law enforcement agency that requested the alert upon identifying that vehicle with that license plate number using a camera-based vehicle identification system or other electronic medium employed in connection with the electronic toll collection system.		
AB 2669 Ting	Amended 4/2/2024	Assembly Appropriations	Toll bridges: tolls. Current law provides for the construction and operation of various toll bridges by the state, the Golden Gate Bridge, Highway and Transportation District, and private entities that have entered into a franchise agreement with the state. This bill would prohibit a toll from being imposed on the passage of a pedestrian, bicycle, or personal micromobility device over these various toll bridges, unless the bridge was under construction on or after January 1, 2025, and the tolls are used to fund the cost of constructing the bridge.		
AB 2678 Wallis	Amended 3/18/2024	Assembly Appropriations	Vehicles: high-occupancy vehicle lanes. Current state law authorizes the Department of Transportation to designate certain lanes for the exclusive use of high-occupancy vehicles (HOVs). Current federal law authorizes, until September 30, 2025, a state to allow specified alternate fuel and plug-in electric or hybrid vehicles to use lanes designated for HOVs. Current state law authorizes the Department of Motor Vehicles to issue decals or other identifiers to qualified vehicles, as specified. Current state law allows a vehicle displaying a valid decal or identifier issued pursuant to these provisions to be operated in a lane designated for the exclusive use of HOVs regardless of the occupancy of the vehicle. These existing state laws, by operation of their provisions, become inoperative on the date the federal authorization expires. Current state law also repeals these provisions on September 30, 2025. This bill would extend the repeal date of these provisions until January 1, 2027.		
AB 2719 Wilson	Introduced 2/14/2024	Assembly Appropriations	Vehicles: commercial vehicle inspections. Would authorize a public transit agency, as defined, to request the California Highway Patrol (CHP) to conduct an annual inspection and certification of its fleet. The bill would authorize the Commissioner of the CHP to issue stickers or other devices as evidence of certification. The bill would exempt any public transit agency vehicle that has been certified through that inspection from the requirement to stop at a roadside inspection.		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
AB 2728 Gabriel	Amended 3/11/2024	Assembly Local Government	Planning and zoning: housing development: independent institutions of higher education and religious institutions. The Affordable Housing on Faith and Higher Education Lands Act of 2023 (the act) requires a housing development project on certain lands owned by an independent institution of higher education or a religious institution to be a use by right if the development project satisfies specified criteria, including that a specified percentage of the development project's total units are for lower income households. This bill would require the program in the housing element to develop a plan that incentivizes and promotes the production of very low, low-, and moderate-income housing on land owned by religious institutions and independent institutions of higher education. The bill would require a local government to include in the annual report specified information relating to housing development projects under the act, including the number of applications submitted and the total number of building permits issued under the act. The bill would require the Department of Housing and Community Development to develop a list of existing state grants and financial incentives in connection with the planning, construction, and operation of very low, low-, and moderate-income housing on land owned by religious institutions and independent institutions of higher education, and to develop a set of model partnership agreements that can be used by those institutions when they partner with an affordable housing builder.		
AB 2744 McCarty	Amended 4/8/2024	Assembly Transportation	Vehicles: pedestrian, bicycle, and vehicle safety. Current law authorizes a legislative body of a city, whenever this legislative body determines that it is necessary for the more efficient maintenance, construction, or repair of streets and roads within the city, to contract with the board of supervisors of any county for the rental of the county's equipment, as specified. This bill would, beginning on January 1, 2025, prohibit the addition of a right-turn or travel lane within 20 feet of a marked or unmarked crosswalk where there is not already a dedicated and marked right-turn or travel lane, and would prohibit vehicles from using this 20-foot area for right turns unless the area is already marked as a dedicated right-turn lane before January 1, 2025.		
AB 2776 Rodriguez	Amended 4/1/2024	Assembly Natural Resources	Recovery from major federal disasters: funding priority. This bill would authorize the Office of Emergency Services (OES), the Office of Planning and Research (OPR), and the council to prioritize infrastructure and housing recovery projects in communities that suffered a loss in population and businesses due to a major federal disaster and have unmet recovery needs as a result of a major federal disaster under specified programs, including, among others, the Affordable Housing and Sustainable Communities Program and the federal Building Resilient Infrastructure and Communities program. The bill would also authorize the OES, the OPR, and the council to prioritize funding to communities recovering from major federal disasters under those same specified		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			programs.		
AB 2809 Haney	Amended 4/8/2024	Assembly Transportation	Vehicles: automated speed enforcement. Would require the Secretary of Transportation to develop guidelines for the implementation of a state highway work zone speed safety program using automated speed enforcement systems, as specified. The bill would authorize the Department of Transportation to establish a state highway work zone speed safety program in accordance with those guidelines. The bill would require the department, if a program is established, to prepare and submit a report to the Legislature, as specified. The bill would require any moneys generated from the issuance of the citations to be deposited in the Safe Highway Work Zone Account, created in the State Transportation Fund, and for the moneys to be allocated, upon appropriation by the Legislature, to the Department of Transportation for administration of the program. The provisions of the bill would become inoperative on July 1, 2030.		
AB 2813 Aguiar-Curry	Introduced 2/15/2024	Assembly Local Government	Government Investment Act. The Legislature adopted ACA 1 at the 2023–24 Regular Session of the Legislature, which, if approved by the voters, would amend and add provisions of the California Constitution to (1) create an additional exception to the 1% limit on the ad valorem tax rate on real property by authorizing a local jurisdiction 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, if the proposition proposing that tax is approved by 55% of the voters in that local jurisdiction; and (2) authorize a local jurisdiction to impose, extend, or increase a sales and use tax to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, if the proposition proposing that tax is approved by 55% of the voters in that local jurisdiction. Pursuant to the existing law described above, ACA 1 is scheduled to appear on the ballot at the November 5, 2024, statewide general election. This bill would authorize a local government that imposes a tax under ACA 1 to commit revenues to affordable housing programs, including downpayment assistance, first-time home buyer programs, and owner-occupied affordable housing rehabilitation programs. The bill would require a local government to ensure that any project that is funded with ACA 1 bonded indebtedness or ACA 1 special taxes to have an estimated useful life of at least 15 years or 5 years if the funds are for specified public safety buildings, facilities, and equipment.		
AB 2986 Carrillo, Wendy	Amended 3/21/2024	Assembly Local Government	Local Agency Formation Commission for the County of Los Angeles: East Los Angeles Task Force. Would require the Local Agency Formation Commission for the County of Los Angeles (LALAFCO) to establish the East Los Angeles Task Force for the purposes of identifying and evaluating the potential impacts of incorporation of, or the establishment of special districts within, East Los Angeles, as defined.		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			The bill would require the task force to be composed of 11 members appointed by LALAFCO in consultation with the County of Los Angeles. The bill would require the task force to meet quarterly, incorporating robust community engagement, to discuss the potential impacts of incorporation or the establishment of special districts in East Los Angeles, as specified. The bill, by December 1, 2026, would require the task force to complete and submit a report to the Legislature on the potential impacts of city and special district incorporation in East Los Angeles, including an analysis of advantages, disadvantages, and recommendations for future actions. The bill would repeal these provisions on January 1, 2027.		
AB 3055 Bonta	Amended 4/9/2024	Assembly Transportation	Survivors of human trafficking: identification cards. Current law authorizes the Department of Motor Vehicles to issue an identification card to an applicant who provides specified information to the department and pays a specified fee. Current law provides assisted processes for persons being released from a federal or state prison or a state hospital to obtain an identification card. Current law additionally waives the fee for senior citizens and indigent persons. This bill would require the department to develop an assisted and expedited process for survivors of human trafficking to obtain a new or replacement identification card. The bill would require the department to develop an application form that can be filled out by specified persons on behalf of the applicant. The bill would require the department to waive the fee for an applicant applying pursuant to this process. The bill would also require the California Victim Compensation Board to post specified information, including information about obtaining an identification card using this process, on its internet website.		
AB 3068 Haney	Introduced 2/16/2024	Assembly Housing and Community Development	Adaptive reuse: streamlining: incentives. The Planning and Zoning Law requires each county and city to adopt a comprehensive, long-term general plan for its physical development, and the development of certain lands outside its boundaries, that includes, among other mandatory elements, a housing element. That law allows a development proponent to submit an application for a development that is subject to a specified streamlined, ministerial approval process not subject to a conditional use permit, if the development satisfies certain objective planning standards, including that the development is a multifamily housing development that contains two or more residential units. This bill would deem an adaptive reuse project a use by right in all zones, regardless of the zoning of the site, and subject to a streamlined, ministerial review process if the project meets specified requirements. In this regard, an adaptive reuse project, in order to qualify for the streamlined, ministerial review process, would be required to be proposed for an existing building that is less than 50 years old or meets certain requirements regarding the preservation of historic resources, including the signing of an affidavit declaring that the project will comply with the United States Secretary of		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			the Interior's Standards for Rehabilitation or receive federal or state historic rehabilitation tax credits, as specified. The bill would require an adaptive reuse project to comply with any broadly applicable housing affordability requirement, as defined, adopted by the local government and would require at least one-half of the square footage of the adaptive reuse project to be dedicated to residential uses, unless the project is an office conversion project, as specified.		
AB 3138 Wilson	Amended 4/1/2024	Assembly P. & C.P.	Vehicle identification and registration: alternative devices. Existing law requires a vehicle to display a license plate, issued by the Department of Motor Vehicles, with tabs that indicate the month and year the vehicle registration expires. Existing law requires the department to issue a registration card upon registering a vehicle that includes, among other information, the name of the owner and the vehicle registration number. Existing law authorizes the department to establish a program allowing an entity to issue devices as alternatives to the conventional license plates, stickers, tabs, and registration cards, subject to specific requirements that include limitations on how vehicle location technology is used with an alternative device and how an alternative device may display certain specialized license plates. Existing law requires an alternative device to be subject to the approval of the Department of the California Highway Patrol. This bill would instead require the Department of Motor Vehicles to consult with the Department of the California Highway Patrol when approving an alternative device. The bill would modify the limitations on the use of vehicle location technology and the replication of specialized license plates. The bill would authorize the department to approve an alternative device that displays banner messages, as specified.		
AB 3160 Gabriel	Amended 3/21/2024	Assembly Housing and Community Development	Insurance, income, and corporation taxes: credits: low-income housing. Current law establishes a low-income housing tax credit program pursuant to which the California Tax Credit Allocation Committee provides procedures and requirements for the allocation, in modified conformity with federal law, of state insurance, personal income, and corporation tax credit amounts to qualified low-income housing projects that have been allocated, or qualify for, a federal low-income housing tax credit, and farmworker housing. Current law limits the total annual amount of the state low-income housing credit for which a federal low-income housing credit is required to the sum of \$70,000,000, as increased by any percentage increase in the Consumer Price Index for the preceding calendar year, any unused credit for the preceding calendar years, and the amount of housing credit ceiling returned in the calendar year. Existing law provides for an additional allocation of \$500,000,000 in low-income housing tax credits for the 2020 calendar year and up to \$500,000,000 for the 2021 calendar year and thereafter. Existing law provides that the additional amount for the 2021 calendar year and thereafter is available only if the Budget Act or		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			related legislation specifies an amount available for allocation. This bill would instead require that this additional allocation of low-income housing tax credits be \$500,000,000.		
AB 3190 Haney	Amended 3/21/2024	Assembly Labor and Employment	Public works. 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. Current law defines the term “public works” for purposes of requirements regarding the payment of prevailing wages. Current law defines “paid for in whole or in part out of public funds” to include, among others, projects that involved transfer by the state or political subdivision of an asset of value for less than fair market price or projects where the money loaned by the state or political subdivision will be repaid on a contingent basis. Current law makes a willful violation of laws relating to the payment of prevailing wages in public works a misdemeanor. This bill would expand the definition of paid for in whole or in part out of public funds to include projects paid using credits that the state or political subdivision agrees to apply against tax liabilities to the state or political subdivision.		
ACA 10 Haney	Introduced 3/6/2023	Assembly Appropriations	Fundamental human right to housing. The California Constitution enumerates various personal rights, including the right to enjoy and defend life and liberty, acquiring, possessing, and protecting property, and pursuing and obtaining safety, happiness, and privacy. This measure would declare that the state recognizes the fundamental human right to adequate housing for everyone in California. The measure would make it the shared obligation of state and local jurisdictions to respect, protect, and fulfill this right, by all appropriate means, as specified.		
ACA 18 Wallis	Introduced 2/16/2024	Assembly Print	Road usage charges: vote and voter approval requirements. The California Constitution requires any change in state statute that increases the tax liability of any taxpayer to be imposed by an act passed by 2/3 of the membership of each house of the Legislature, and prohibits specified taxes on real property from being so imposed. For these purposes, the California Constitution defines a “tax” as any state levy, charge, or exaction, except as described in certain exceptions. The California Constitution describes one of those exceptions as a charge imposed for entrance to or use of state property, or the purchase, rental, or lease of state property, except charges governed by a specified provision of the California Constitution. This measure, on or after its effective date, would provide that the exception described above does not include a road usage charge, as described, thereby requiring the imposition of this type of charge to be subject to the 2/3 vote requirement.		
SB 225 Caballero	Amended 6/22/2023	Assembly 2 year	Community Anti-Displacement and Preservation Program: statewide contract. This bill would establish the Community Anti-Displacement and Preservation Program (CAPP) to make loans to aq/rehab unrestricted housing units and attach long-term affordability restrictions. HCD would issue an RFQ to select a private sector entity or	Support	Support

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			consortium to manage the program for 5 years. Additionally, HCD could award funding to local entities to make loans for the same purposes.		
SB 440 Skinner	Amended 6/30/2023	Assembly 2 year	Regional Housing Finance Authorities. The San Francisco Bay Area Regional Housing Finance Act establishes the Bay Area Housing Finance Authority to raise, administer, and allocate funding for affordable housing in the San Francisco Bay area, as defined, and provide technical assistance at a regional level for tenant protection, affordable housing preservation, and new affordable housing production. The Los Angeles County Regional Housing Finance Act similarly establishes the Los Angeles County Affordable Housing Solutions Agency to increase the supply of affordable housing in Los Angeles County, as specified. This bill, the Regional Housing Finance Act, would authorize 2 or more local governments, as defined, to establish a regional housing finance authority to raise, administer, and allocate funding for affordable housing in the jurisdiction of the authority, as defined, and provide technical assistance at a regional level for affordable housing development, including new construction and the preservation of existing housing to serve a range of incomes and housing types. The bill would require an authority to be governed by a board composed of at least 3 directors who are elected officials representing the local governments that are members of the authority.		
SB 517 Gonzalez	Amended 3/22/2023	Assembly 2 year	Economic development: movement of freight. Current law authorizes GO-Biz to undertake various activities relating to economic development, including the provision of prescribed information. Current law requires the Transportation Agency to prepare a state freight plan that provides a comprehensive plan to govern the immediate and long-range planning activities and capital investments of the state with respect to the movement of freight. This bill would authorize GO-Biz to serve as the coordinating entity to steer the growth, competitiveness, and sustainability for freight and the supply chain across the state and to promote and assess the continued economic vitality, economic competitiveness, and sustainability of the freight sector. The bill would also authorize GO-Biz to provide freight and supply chain economic competitiveness information.		
SB 532 Wiener	Amended 6/29/2023	Assembly Appropriations	San Francisco Bay area toll bridges: tolls: transit operating expenses. Would, until December 31, 2028, require the Bay Area Toll Authority (BATA) to increase the toll rate for vehicles for crossing the state-owned toll bridges in the San Francisco Bay area by \$1.50, as adjusted for inflation. The bill would require the revenues collected from this toll to be deposited in the Bay Area Toll Account, would continuously appropriate moneys from this toll increase and other specified tolls, and would require moneys from this toll to be transferred to the Metropolitan Transportation Commission (MTC) for allocation to transit operators that provide service within the San Francisco Bay area and that are experiencing a financial shortfall, as specified. The bill		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			would direct MTC to require each transit operator eligible to receive an allocation from the account to, on an annual basis, submit a 5-year projection of its operating needs, as specified.		
SB 768 Caballero	Amended 1/11/2024	Assembly Desk	California Environmental Quality Act: State Air Resources Board: vehicle miles traveled: study. 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 requires the Office of Planning and Research to prepare, develop, and transmit to the Secretary of the Natural Resources Agency for certification and adoption proposed revisions to guidelines establishing criteria for determining the significance of transportation impacts of projects within transit priority areas to promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses. Current law creates the State Air Resources Board as the state agency charged with coordinating efforts to attain and maintain ambient air quality standards, to conduct research into the causes of and solution to air pollution, and to systematically attack the serious problem caused by motor vehicles, which is the major source of air pollution in many areas of the state. Existing law authorizes the state board to do those acts as may be necessary for the proper execution of the powers and duties granted to, and imposed upon, the state board. This bill would require the state board, by January 1, 2026, to conduct and submit to the Legislature a study on how vehicle miles traveled is used as a metric for measuring transportation impacts pursuant to CEQA, as specified.		
SB 827 Glazer	Amended 1/11/2024	Assembly Desk	San Francisco Bay Area Rapid Transit District: Office of the BART Inspector General. Current law establishes the independent Office of the San Francisco Bay Area Rapid Transit District (BART) Inspector General within BART and specifies the duties and responsibilities of the BART Inspector General including, among others, conducting, supervising, and coordinating audits and investigations relating to the district's programs and operations. This bill would provide that the BART Inspector General is vested with the full authority to exercise all responsibility for maintaining a full scope, independent, and objective audit and investigation program. The bill would provide the office with access and authority to examine all records, files, documents, accounts, reports, correspondence, or other property of the district and external entities that perform work for the district. The bill would provide that all books, papers, records, and correspondence of the office are public records subject to the California Public Records Act, but would prohibit the BART Inspector General from releasing certain types of records to the public, except under certain circumstances.		
SB 834	Amended	Assembly Rules	Vehicles: preferential parking: residential, commercial, or other		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
Portantino	2/22/2024		development project. Current law authorizes the legislative body of a city or a county to adopt ordinances establishing requirements for parking, and permits variances to be granted from the parking requirements of a zoning ordinance for nonresidential development if the variance will be an incentive to the development and the variance will facilitate access to the development by patrons of public transit facilities. Current law prohibits a public agency from imposing any minimum automobile parking requirement on any residential, commercial, or other development project, as defined, that is located within 1/2 mile of public transit, as defined. Current law, notwithstanding the above-described prohibition, authorizes a city, county, or city and county to impose or enforce minimum automobile parking requirements on a housing development project if specified conditions are met. Current law authorizes a local authority to authorize preferential parking for designated groups to park on specified streets if the local authority determines that use of the permits will not adversely affect parking conditions for residents and merchants in the area. This bill would prohibit a local authority from issuing any permit conferring preferential parking privileges to any residents or vendors of any developments within 1/2 mile of public transit and exempt from parking minimums. The bill would require the local authority to revise the boundaries of any such preferential parking district to exclude those developments from its boundaries. The bill would make related findings and declarations, and state that it is the intent of the Legislature to discourage car use by incentivizing development near public transit.		
SB 867 Allen	Amended 6/22/2023	Assembly Natural Resources	Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024. Would enact the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,500,000,000 pursuant to the State General Obligation Bond Law to finance projects for drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and clean energy programs.		
SB 904 Dodd	Amended 3/21/2024	Senate Elections and Constitutional Amendments	Sonoma-Marin Area Rail Transit District. Current law creates, within the Counties of Sonoma and Marin, the Sonoma-Marin Area Rail Transit District with specified duties and powers relative to the provision of a passenger and freight rail system within the territory of the district. Under current law, the district is governed by a 12-member board of directors		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			appointed by various local governmental entities. Current law authorizes the board to submit to the voters of the district a measure proposing a retail transactions and use tax ordinance. This bill would also authorize those special taxes to be imposed by a qualified voter initiative if that initiative complies with certain requirements. The bill would require the board of supervisors of the Counties of Sonoma and Marin to call a special election on a tax measure proposed by the district's board of directors or a qualified voter initiative in their respective counties, as specified.		
SB 915 Cortese	Amended 4/1/2024	Senate Local Government	Local government: autonomous vehicles. Existing law authorizes an autonomous vehicle, as defined, to be operated on public roads for testing purposes by a driver who possesses the proper class of license for the type of vehicle being operated if certain requirements are met, including that the vehicle is being operated solely by employees, contractors, or other persons designated by the manufacturer. Existing law prohibits an autonomous vehicle from being operated on public roads until the manufacturer submits an application to the Department of Motor Vehicles containing certain certifications regarding safety and other technological requirements and the department approves that application pursuant to adopted regulations. Existing law, commencing January 1, 2030, and to the extent authorized by federal law, prohibits the operation of certain new autonomous vehicles that are not zero-emission vehicles, as defined. This bill would prohibit an autonomous vehicle service, that has received approval to conduct commercial passenger service or engage in commercial activity using driverless vehicles by the Department of Motor Vehicles, the Public Utilities Commission, or another state agency, from commencing operation within a local jurisdiction until authorized by a local ordinance enacted pursuant to the bill's provisions. The bill would authorize each city, county, or city and county in which an autonomous vehicle has received authorization to operate, to protect the public health, safety, and welfare by enacting an ordinance in regard to autonomous vehicle services within that jurisdiction. The bill would require each city, county, or city and county that enacts an ordinance to include certain provisions within that ordinance. These would include a policy for entry into the business of providing autonomous vehicle services including a permitting program that includes, among other things, the establishment of reasonable vehicle caps and hours of service restrictions. This bill contains other related provisions and other existing laws.		
SB 917 Skinner	Introduced 1/10/2024	Senate Budget and Fiscal Review	Budget Act of 2024. Would make appropriations for the support of state government for the 2024–25 fiscal year.		
SB 936 Seyarto	Amended 2/20/2024	Senate Environmental Quality	California Environmental Quality Act: exemption: road and safety improvement projects. The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			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. This bill would exempt from CEQA activities or projects undertaken by the Department of Transportation for road and safety improvements at any of the 15 locations in the state highway system with the highest rates of vehicle collisions at any given time, as determined in accordance with data collected by the department.		
SB 946 McGuire	Amended 3/14/2024	Senate Revenue and Taxation	Personal Income Tax Law: Corporation Tax Law: exclusions: wildfire mitigation payments. The Personal Income Tax Law and the Corporation Tax Law, in conformity with federal income tax law, generally defines gross income as income from whatever source derived, except as specifically excluded, and provides various exclusions from gross income. This bill would, for taxable years beginning on or after January 1, 2024, and before January 1, 2029, provide an exclusion from gross income for amounts received as a California qualified wildfire loss mitigation payment, as defined.		
SB 951 Wiener	Amended 4/3/2024	Senate Housing	California Coastal Act of 1976: coastal zone: coastal development. Current law requires a city or county to prepare and adopt a general plan for its jurisdiction that contains certain mandatory elements, including a housing element. Current law requires the housing element to identify adequate sites for housing, including rental housing, factory-built housing, mobilehomes, and emergency shelters, among other things. Current law requires the housing element to contain an assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. Current law requires rezoning, including adoption of minimum density and development standards, as specified, when an inventory of sites does not identify adequate sites to accommodate the need for groups of specified household income levels. This bill would additionally apply specified rezoning standards for any necessary local coastal program updates for jurisdictions located within the coastal zone.		
SB 960 Wiener	Introduced 1/23/2024	Senate Transportation	Transportation: planning: transit priority projects: multimodal. Would require all transportation projects funded or overseen by the Department of Transportation to provide comfortable, convenient, and connected complete streets facilities unless an exemption is documented and approved, as specified.	Support in Concept	
SB 961 Wiener	Introduced 1/23/2024	Senate Transportation	Vehicles: safety equipment. The Department of the California Highway Patrol regulates the safe operation of specified vehicles, including motortrucks of 3 or more axles that are more than 10,000 pounds, truck tractors, trailers, semitrailers, and buses. Current federal law regulates required safety equipment on vehicles, including rear impact guards on certain large trucks to prevent rear underrides in collisions with passenger vehicles. This bill would require certain trucks and trailers to also be		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			equipped with side guards, as specified.		
SB 968 Seyarto	Introduced 1/24/2024	Senate Housing	Planning and zoning: regional housing needs allocation. Current law requires each council of governments or delegate subregion, as applicable, to develop a proposed methodology for distributing the existing and projected regional housing need to cities, counties, and cities and counties within the region or within the subregion, as provided. Current law requires the consideration of several specified factors in developing the methodology. Current law prohibits certain criteria from being a justification for a determination or reduction in a jurisdiction's share of the regional housing need, including prior underproduction of housing in a city or county from the previous regional housing need allocation, as specified. This bill would permit the council of governments or delegate subregion, in developing the methodology, to consider prior overproduction of housing units in a city or county from the previous regional housing need allocation in a particular income category and to count it as credit toward the future regional housing need allocation of that same income category in the next cycle. The bill would provide that the amount eligible to count as credit toward the next cycle is determined by each jurisdiction's most recent annual progress report, as specified.		
SB 1011 Jones	Introduced 2/5/2024	Senate Public Safety	Encampments: penalties. Under current law, a nuisance is anything that is injurious to health or indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property. Current law also provides that a nuisance is anything that obstructs the free passage or use of any public park, square, street, or highway, among other things. Under current law, a public nuisance is a nuisance that affects the entire community, neighborhood, or a 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 a street or sidewalk if a homeless shelter, as defined, is available to the person. The bill would also prohibit sitting, lying, sleeping, or storing, using, maintaining, or placing personal property within 500 feet of a public or private school, open space, or major transit stop, as specified. The bill would specify that a violation of this prohibition is a public nuisance that can be abated and prevented, as specified. The bill would also provide that a violation of the prohibition may be charged as a misdemeanor or an infraction, at the discretion of the prosecutor. The bill would prohibit a person from being found in violation of the bill's provisions unless provided notice, at least 72 hours before commencement of any enforcement action, as specified.		
SB 1031 Wiener	Amended 3/18/2024	Senate Transportation	San Francisco Bay area: local revenue measure: transportation improvements. (1)Existing law creates the Metropolitan Transportation Commission as a local area planning agency for the 9-county San	Sponsor	

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Existing law creates various transit districts located in the San Francisco Bay area, with specified powers and duties relating to providing public transit services. This bill would authorize the commission to raise and allocate new revenue and incur and issue bonds and other indebtedness, as specified. In this regard, the bill would authorize the commission to impose a retail transactions and use tax, a regional payroll tax, a parcel tax, and a regional vehicle registration surcharge in all or a subset of the 9 counties of the San Francisco Bay area, in accordance with applicable constitutional requirements. The bill would require the parcel tax to be collected by counties and the other 3 taxes to be collected by specified state agencies, and would require the net revenues from those taxes to be remitted to the commission, as prescribed. The bill would require the revenue generated pursuant to these provisions to be used for transportation improvements in the San Francisco Bay area, including for various transit purposes, and would require the commission to distribute those revenues in accordance with specified requirements and expressions of legislative intent. By adding to the duties of local officials with respect to elections procedures for revenue measures on behalf of the commission, this bill would impose a state-mandated local program.		
SB 1032 Padilla	Amended 3/21/2024	Senate Appropriations Suspense File	Housing finance: portfolio restructuring: loan forgiveness. Existing law establishes various rental housing finance programs administered by the Department of Housing and Community Development. Existing law authorizes the department to monitor and fund various multifamily housing loans. With respect to these programs and loans, existing law authorizes the department to approve an extension of a department loan, the reinstatement of a qualifying unpaid matured loan, the subordination of a department loan to new debt, or an investment of tax credit equity pursuant to specified rental housing finance programs and multifamily housing loans administered, monitored, or funded by the department, subject to specified requirements. This bill would additionally authorize the department to forgive the above-described loans, including the full amounts of the principal, interests, fees, and any other outstanding balances of specified department loans, if the borrower shows that the loan is impeding their ability to maintain and operate the project, as specified. The bill would require that projects receiving loan forgiveness meet specified requirements, including that the projects maintain the same number of affordable units at the same affordable housing cost as provided in the project's regulatory agreement. The bill would authorize borrowers to appeal a loan forgiveness decision to the Secretary of Business, Consumer Services, and Housing for reconsideration. This bill contains other related provisions.		
SB 1054	Amended 3/20/2024	Senate Energy, Utilities and Communications	Climate Pollution Reduction in Homes Initiative: natural gas: customer credit. Would require the State Energy Resources		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
Rubio			Conservation and Development Commission, in consultation with the Department of Community Services and Development, to develop and supervise the Climate Pollution Reduction in Homes Initiative to require gas corporations to jointly award grants for local service providers, as defined, nonprofit organizations, and regional collections of local governments to provide financial assistance to low-income households for the purchase of zero-carbon-emitting appliances. The bill would require the Energy Commission, as part of developing and administering the initiative, to develop guidelines, as specified, and authorize local service providers, nonprofit organizations, and regional collections of local governments to use those grant moneys for outreach and technical assistance, rebates, loans, installation, educational information, and other support services to assist low-income households.		
SB 1055 Min	Introduced 2/8/2024	Senate Housing	Accessory dwelling units: regional housing need. Current law requires the planning agency of a city or county to provide an annual report to its legislative body, the Office of Planning and Research, and the Department of Housing and Community Development by April 1 of each year that includes, among other information, the city's or county's progress in meeting its share of regional housing needs, as described. Existing law, the Planning and Zoning Law, authorizes a local agency, by ordinance or ministerial approval, to provide for the creation of accessory dwelling units in areas zoned for residential use, as specified. Current law authorizes a local agency to impose standards on accessory dwelling units that include, but are not limited to, parking, height, setback, landscape, architectural review, and maximum size of a unit. Current law prohibits a local agency from establishing height limitations for accessory dwelling units, including height limitations that would prohibit attached accessory dwelling units from attaining a height of 25 feet, as specified. This bill would prohibit a qualifying local agency from imposing height limitations that would prohibit an attached accessory dwelling unit from attaining a height of 16 feet, as specified. The bill would define "qualifying local agency" as a local agency that the Department of Housing and Community Development has determined that the number of housing units that have been entitled by the local agency, as shown on its most recent annual progress report, is greater than the local agency's share of the regional housing need, for the low- and very low income categories, prorated for that annual reporting period.		
SB 1079 Menjivar	Amended 4/2/2024	Senate Appropriations Suspense File	Youth Housing Bond Act of 2024. Would enact the Youth Housing Bond Act of 2024 (bond act), which, if adopted, would authorize the issuance of bonds in the amount of \$____ pursuant to the State General Obligation Bond Law to finance the Youth Housing Program, established as part of the bond act. The bill, as a part of the program, would require the Department of Housing and Community Development to make awards to local agencies, nonprofit organization, and joint ventures for		

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
			the purpose of acquiring, renovating, constructing, and purchasing equipment for youth centers or youth housing, as those terms are defined.		
SB 1187 McGuire	Introduced 2/14/2024	Senate Appropriations	Housing programs: Tribal Housing Reconstitution and Resiliency Act. Would enact the Tribal Housing Reconstitution and Resiliency Act and would create the Tribal Housing Grant Program Trust Fund to be administered by the Department of Housing and Community Development. The bill would require the fund, upon appropriation from the Legislature, to be allocated in accordance with a specified formula, as provided. This bill contains other related provisions.		
SB 1211 Skinner	Amended 3/21/2024	Senate Local Government	Land use: accessory dwelling units: ministerial approval. This bill, in connection with the ministerial approval of a building permit for an accessory dwelling unit under one of the above-described variations, would additionally prohibit a local agency from requiring the replacement of parking spaces when a carport, covered parking structure, or uncovered parking space is demolished in conjunction with the construction of or conversion to an accessory dwelling unit.		
SB 1212 Skinner	Amended 3/19/2024	Senate Judiciary	Investment entities: purchasing and acquisition interests in housing. Would, on and after January 1, 2025, prohibit an investment entity, as defined, from purchasing or acquiring an interest, as defined, in a single-family dwelling or other dwelling that consists of one or 2 residential units within this state. The bill would provide that a purchase or acquisition of an interest in housing in violation of this prohibition is void. The bill would define “investment entity” as a real estate investment trust or an entity that manages funds pooled from investors and owes a fiduciary duty to those investors. The bill would exempt nonprofit organizations, entities primarily engaged in the construction of housing, and governmental entities from the definition of “investment entity.” The bill would absolve a seller of housing from liability under these provisions if the seller obtains a written release signed by the buyer stating that the buyer is not an investment entity.		

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California State Association of Counties (CSAC)

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

California Association of Councils of Government (CALCOG)

- <https://calcog.org/bill-tracker/>

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

2024 Legislative Calendar*

January

- 1: Statutes take effect
- 3: **Legislature reconvenes**
- 10: Budget must be submitted by Governor
- 12: Last day for **policy committees** to hear and report to **fiscal committees'** fiscal bills introduced in their house in the **odd-numbered year**.
- 15: Martin Luther King, Jr. Day
- 19: Last day for any committee to hear and report to the **Floor** bills introduced in that house in the odd-numbered year. Last day to submit bill requests to the Office of Legislative Counsel.
- 31: Last day for each house **to pass bills introduced** in that house in the odd-numbered year

February

- 16: Last day for bills to be **introduced**
- 19: Presidents' Day

March

- 21: **Spring Recess** begins upon adjournment
- 29: Cesar Chavez Day observed.

April

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

May

- 3: Last day for **policy committees** to meet and report to the floor **nonfiscal** bills introduced in their house
- 10: Last day for **policy committees** to meet prior to May 28
- 17: Last day for **fiscal committees** to hear and report to the **Floor** bills introduced in their house. Last day for **fiscal committees** to meet prior to May 28.
- 20- 24: **Floor session only**. No committees may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.
- 24: Last day for each house to pass bills introduced in that house
- 27: Memorial Day
- 28: Committee meetings may resume

June

- 15: Budget Bill must be passed by **midnight**
- 27: Last day for a legislative measure to qualify for the Nov. 5 General Election ballot

July

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

August

- 5: Legislature reconvenes from **Summer Recess**
- 16: Last day for **fiscal committees** to meet and report bills
- 19-31: **Floor session only**. No committees may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.
- 23: Last day to **amend** bills on the floor
- 31: Last day for **each house to pass bills**. **Final Recess** begins upon adjournment

September

- 2: Labor Day
- 30: Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor's possession on or after Sept.

October

- 2: Bills enacted on or before this date take effect January 1, 2025

November

- 5: General Election
- 30: Adjournment *sine die* at midnight

December

- 2: 2025-26 Regular Session convenes for Organizational Session at 12 noon.

2025

- January 1: Statutes take effect

Source: compiled by the Office of the Assembly Chief Clerk (<https://clerk.assembly.ca.gov/>) and the Office of the Secretary of The Senate (<https://www.senate.ca.gov/legdeadlines>).

*Dates are subject to change.

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

April 12, 2024

Agenda Item 2c

Washington DC Legislative Update

Subject:

March 2024 Report from Washington, DC advocate.

Issues:


None identified.

Recommendations:

Information

Attachments:

- Attachment A: Summit Strategies Team Report – March 2024



Andrew B. Fremier



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Summit Strategies Team Report – March 2024

From: Summit Strategies Team

To: Andrew B. Fremier, Executive Director

Date: March 28, 2024

Subject: March Federal Policy Monthly Report

- **Fiscal Year (FY) 2024 Appropriations Completed**
 - **Biden Releases FY 2025 Budget**
 - **Supporting MTC Priorities in Congress**
 - **National Transportation News Roundup**
-

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

Fiscal Year (FY) 2024 Appropriations Completed

On Saturday, March 9, 2024, President Joe Biden signed a six-spending bill legislative package totaling nearly \$460 billion. Included in the spending package are the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies; Commerce, Justice, Science, and Related Agencies; Energy and Water Development and Related Agencies; Interior Environment, and Related Agencies; Military Construction, Veterans Affairs, and Related Agencies; and Transportation and Housing and Urban Development and Related Agencies spending bills.

The 2024 Transportation, and Housing and Urban Development, and Related Agencies (THUD) spending bill will provide more than \$106 billion in budgetary resources for the US Department of Transportation, an increase of \$16 billion from FY 2023. This is in addition to \$37 billion in discretionary spending from the Bipartisan Infrastructure Law (BIL). Of the \$106 billion, \$61 billion will go to the Federal Highway Administration (FHWA) for formula programs, and \$2 billion will go to highway infrastructure programs and projects. The Federal Transit Administration (FTA) will receive \$17 billion, including \$14 billion for Transit Formula Funds, \$2 billion for Capital Investment Grants, and \$252 million for transit infrastructure grants and projects.

On Saturday, March 23, 2024, President Biden signed the remaining FY 2024 appropriations spending bills into law, officially funding the government until October. The \$1.2 billion package passed with overwhelming bipartisan support in both the House and Senate, ending a multi-month negotiating process that included several stopgap funding measures. Congress will now turn its attention to FY 2025 appropriations.

Biden Releases FY2025 Budget

On Monday, March 11, 2024, the Biden Administration released its budget for FY 2025. The budget includes transformational investments for the US Department of Transportation, including \$22 billion for the Federal Aviation Administration (FAA), \$63 billion for the Federal Highway Administration (FHWA), and \$17 billion for the Federal Transit Administration (FTA). Of the \$17 billion for the FTA, \$14 billion would be for Transit Formula Grants, and nearly \$2.5 billion for Capital Investment Grants (a 7 percent increase over the final FY 2024 level contained

in the recently enacted appropriations bill). Of the \$63 billion for FHWA, \$30 billion would be for the National Highway Performance Program, \$3 billion for the Highway Safety Improvement Program, and \$102 million for the Reconnecting Communities Pilot Program. The budget also proposes eliminating additional discretionary appropriation for the RAISE grant program and congressional directed spending. The RAISE program would continue to have \$1.5 billion in advanced appropriations provided in the Infrastructure Investment and Jobs Act available. Congress is very likely to reject the elimination of congressionally directed spending.

Supporting MTC Priorities in Congress

With the FY 2024 appropriations package finally completed, the DC Team thanked the Bay Area delegation for their support of Yes In My Backyard (YIMBY) and other measures in the appropriations bills, reaching out to Senators Alex Padilla and Laphonza Butler and Representatives Ro Khanna, Barbara Lee, Mike Thompson, and Doris Matsui, among others. For grants, the DC Team reached out to the Office of Representative Nancy Pelosi and others to secure letters of support for MTC's Rebuilding American Infrastructure with Sustainably and Equitably (RAISE) grant application for the West Oakland Link project. The DC Team also continued to push to get House and Senate support letters for the Bay Skyway RAISE grant application. The DC Team also continues to monitor the status of outstanding MTC grant applications with the US Department of Transportation.

In preparation for MTC's May trip to Washington, DC, the DC team has started planning for the California Transportation Reception and other events. The DC Team is working on a guest list for the reception and securing dinner reservations.

Finally, the DC Team continues to keep the Bay Area delegation up to date on regional transportation revenue measures and other regional issues. In the past month, the DC Team has been in contact with the Offices of Representatives Kevin Mullin, Anna Eshoo, Zoe Lofgren, Jimmy Panetta, John Garamendi, Jared Huffman, and Mike Thompson, and Senator Alex Padilla about regional funding legislation going through the California state legislature. The DC Team has been in contact with the Offices of Representatives Mark DeSaulnier, John Garamendi, Mike Thompson, Barbara Lee, Jared Huffman, and Senator Alex Padilla on the clipper card.

National Transportation News Roundup (links to articles)

- [California Senators Float Plan to Plug Bay Area Transit Budget Gaps \(Yahoo\)](https://finance.yahoo.com/news/california-senators-float-plan-plug-130000637.html?guccounter=1)
<https://finance.yahoo.com/news/california-senators-float-plan-plug-130000637.html?guccounter=1>
- [Rep. Rick Crawford Pursues T&I Chairmanship \(Transport Topics\)](https://www.ttnews.com/articles/rick-crawford-ti-chairman)
<https://www.ttnews.com/articles/rick-crawford-ti-chairman>
- [Baltimore's Key Bridge collapse is expected to disrupt supply chains \(NPR\)](https://www.npr.org/2024/03/27/1241134460/baltimore-bridge-collapse-supply-chains-auto-imports)
<https://www.npr.org/2024/03/27/1241134460/baltimore-bridge-collapse-supply-chains-auto-imports>
- [NYC congestion pricing plan passes final vote, will bring \\$15 tolls for some drivers \(CBS\)](https://www.cbsnews.com/newyork/news/nyc-congestion-pricing-mta-vote-today/)
<https://www.cbsnews.com/newyork/news/nyc-congestion-pricing-mta-vote-today/>

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

April 12, 2024

Agenda Item 2d

Assembly Bill 2353 (Ward): Property Tax Welfare Exemption

Subject:

Provides upfront savings on affordable housing developments by allowing nonprofit developers to withhold property tax payments while their application for a tax exemption is under review.

Background and Bill Provisions:

The California Constitution exempts properties owned by nonprofits and used for specified charitable purposes from local property taxes. 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 is not quickly approved by the Board of Equalization and the county assessor, the developer 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 long as three years, then receive 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.

Last year, Assemblymember Ward attempted to tackle this unnecessary cost-driver with Assembly Bill (AB) 84, which MTC and ABAG supported. Among other provisions, the bill would have required 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 were ultimately deemed ineligible. Concerns from Assemblymember Irwin, chair of the Assembly Revenue and Taxation Committee, the California Assessors’ Association, and the California Association of County Treasurers and Tax Collectors led to the removal of this provision; a stripped-down version of the bill with smaller welfare exemption changes was signed by the Governor.

AB 2353, also authored by Assemblymember Ward, offers the same upfront cost savings to nonprofit housing developers but takes a slightly different approach. The bill would allow nonprofit housing developers to withhold property tax payments without penalty while their application for a welfare tax exemption is under review. The developer would be liable for paying any penalties and taxes if all or a portion of their application is denied.

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 \$5,000 in public subsidy that developers need to qualify for the welfare exemption. In just two years, the program has supported the acquisition and long-term deed-restriction of nearly 500 apartments with affordable rents at a cost of just \$30,000. AB 2353 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. If 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 3C in our 2024 Advocacy Program, staff recommends MTC and ABAG adopt a “support” position on AB 2353.

Known Positions:

Support


California Housing Partnership Corporation (sponsor)

Opposition

California Assessors' Association (unless amended)

Attachments:

None



Andrew B. Fremier

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

April 12, 2024

Agenda Item 3a

Assembly Bill 2485 (Carrillo): Regional Housing Needs Determination

Subject:

Increase transparency and use of outside experts in the state Department of Housing and Community Development's process for determining regional housing needs.

Background and Bill Provisions:

Assembly Bill (AB) 2485 would require the Department of Housing and Community Development (HCD) to publish the data sources, analyses, and methodology it uses to calculate each region's housing need for the purpose of developing the Regional Housing Needs Determination (RHND). Additionally, the bill would require HCD to convene an advisory panel comprised of a "U.S. Census Bureau-affiliated practitioner," a data expert, and a representative of the council of governments each time it calculates a region's housing need. The bill is authored by Assembly Local Government Committee Chair Juan Carrillo (District 39) and sponsored by the Southern California Association of Governments (SCAG).

State law charges HCD with calculating each region's existing and future housing needs every eight years, in consultation with the relevant council of governments. This RHND underpins the Regional Housing Need Allocation (RHNA) developed by the Association of Bay Area Governments (ABAG). The RHNA assigns unit counts by affordability levels to each jurisdiction, informing the housing elements of local General Plans. Those housing elements are required to identify sites to fully accommodate the local share of the RHND.

HCD determines a region's *existing* housing need through a combination of vacancy rates, overcrowding, homes lost in a natural disaster, and the extent to which households are housing cost-burdened. Determining *future* housing need starts with population growth projections from either the state Department of Finance (DOF) or regional transportation plans. The projected growth is divided into age cohorts; the rate at which each cohort forms new households determines how many new homes the region will need to fully house its future population. The final RHND combines the existing need and projected future need.

Recommendation:

Support / ABAG Executive Board Approval

Support / MTC Commission Approval

Discussion:

A March 2022 state audit examined the RHND process and found several errors that resulted in lower numbers for the Sacramento and Santa Barbara areas, which the auditor noted poses a risk to public confidence in HCD's calculations. Among other items, the audit urged the DOF to conduct and document a comprehensive review of its assumptions on household formation rates. According to the state auditor, HCD and DOF have fully implemented five out of six recommendations. While this progress is encouraging, AB 2485's transparency provisions will aid councils of governments and other interested parties in monitoring the state's RHND process for accuracy. For this reason and consistent with Item 4B in our 2024 Advocacy Program, staff recommends MTC and ABAG adopt a "support" position on AB 2485.

Known Positions:

Support

Southern California Association of Governments (sponsor)

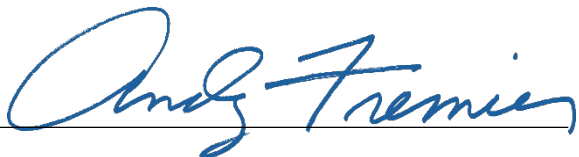
California Association of Councils of Government (CalCOG)

Oppose

None known

Attachments:

None



Andrew B. Fremier

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

April 12, 2024

Agenda Item 3b

Regional Transportation Measure Authorizing Legislation

Subject:

Senate Bill 1031 (Wiener/Wahab): Connect Bay Area Act (MTC-sponsored regional transportation revenue measure authorizing bill).

Background:

Legislative Update

On March 18, 2024, the first round of substantive changes to MTC's sponsored regional transportation measure authorizing legislation were amended into Senate Bill (SB) 1031 (Wiener and Wahab). The bulk of these amendments reflected the Commission's direction provided in January, with some significant exceptions. Attachment A compares Commission-directed provisions with those in print.

Consistent with Commission direction, the bill allows MTC to place a measure on the ballot in all nine Bay Area counties or a subset in November 2026 or later. The bill also identifies eligible expenditures consistent with the expenditure categories approved by the Commission (transit transformation, safe streets, connectivity, and climate resilience). One difference from the Commission-approved bill framework is a \$750 million annual floor for transit operations investments. The Commission in January deferred details on an expenditure plan until further Commission and legislative discussions. However, as one of the joint authors, Senator Wiener prioritized including this transit operations floor in the bill.

The Commission in January directed that the regional measure authorizing bill help deliver on transit customer-focused outcomes. Specifically, the Commission directed that the authorizing legislation strengthen MTC's role as a network manager to accelerate the implementation of the Bay Area Transit Transformation Action Plan's rider-focused action items. The bill does this by establishing that MTC is responsible for implementing a seamless transit rider experience across the nine county San Francisco Bay Area and revises existing law requiring MTC to adopt rules and regulations related to the transit coordination. Specifically, it clarifies that MTC must adopt

rules and regulations related to the following topics to promote the coordination of Bay Area public transit agencies:

1. Fares, including fare payment and fare integration
2. Schedules
3. Mapping and wayfinding
4. Real-time transit information
5. Other customer-facing operating policies that would benefit from a regional approach

Notably, current law already conditions the receipt of State Transit Assistance (STA) funds on compliance with MTC's coordination-related rules and regulations. MTC through Resolution 3866 additionally conditions Transportation Development Act Local Transportation Funds (TDA) funds and other regional transportation funds on coordination compliance, to the extent allowed by law. This bill cross references MTC's existing STA fund conditioning authority in the code section where its general transit coordination authority is provided for and further incorporates a reference to TDA funding and new funding that would be generated by a regional transportation revenue measure based on compliance with those rules and regulations.

Attachment B provides a more detailed summary of the bill's network management-related provisions. Current policy related to coordination requirements are included in MTC Resolution 3866, which can be downloaded at this [link](https://mtc.ca.gov/sites/default/files/RES-3866_approved.pdf) (https://mtc.ca.gov/sites/default/files/RES-3866_approved.pdf).

Staff have been working with transit agency legislative staff on potential amendments to address concerns raised by transit agencies about the provisions strengthening MTC's network management authority. The amendments, which we have referred to as "guardrails" will be provided as a handout at your meeting for your consideration and approval.

Transit Consolidation Assessment & Plan

Another provision added to the bill on March 18 is a study requirement related to Bay Area transit agency consolidation. This language was added at the direction of the Senate President Pro Tempore McGuire and Senator Wahab, who is a joint author of SB 1031 with Senator Wiener. Notably, this provision runs counter to the Commission's direction in January where the consensus was that the bill should focus on strengthening transit agency *coordination*, not

consolidation. The language would require the California State Transportation Agency (CalSTA) to select a transportation institute to assess the advantages and disadvantages of consolidation of Bay Area transit agencies in consultation with impacted stakeholders and prepare a consolidation plan to implement recommendations from the assessment. The language is problematic in that it predetermines that the assessment, followed by an implementation plan, will conclude that consolidation of Bay Area transit agencies is the preferred outcome without thoroughly weighing the pros and cons and furthermore implies that all agencies should be consolidated into a single agency. Not surprisingly, these provisions have raised a lot of concerns, contributing to Caltrain, SamTrans and Santa Clara Valley Transportation Authority (VTA) taking an “oppose unless amended” position on the bill last week.

Over the last several weeks, staff have been working closely with transit agency staff on potential amendments bill that could retain the requirement for an assessment and a study related to this topic but would also: 1) clearly define “consolidation” to include options that don’t modify the governance of agencies (e.g. combining staff functionalities); 2) ensure the outcome of the assessment and plan aren’t predetermined by the statute; 3) ensure options are examined based on a defined set of goals that are aligned with Plan Bay Area 2050 (e.g. increasing transit ridership and cost efficiency, among others); and 4) require consolidation options be compared to the benefits of regional network management coordination already underway as well as potential *enhanced* regional transit coordination. These draft amendments related to the transit consolidation assessment and plan are included for your review and referral to the Commission for approval as Attachment C.

Expenditure Plan Recommendations

Staff is seeking direction from the Committee on proposed amendments related to how and where funds will be spent, including guaranteeing minimum “return-to-source” provisions (share of funds to be reinvested for county benefit in which tax proceeds are generated) as well as proposed funding shares for transit and the bill’s other expenditure categories. Attachment D provides more detail on the proposed principles and expenditure plan framework.

Expenditure Category	Share of Program	Method of Distribution
Transit Transformation	45%	Funds prioritized to avert transit service cuts & address transit operating deficits <ul style="list-style-type: none"> • 40% guaranteed to each county based on share of revenue generated (“return to source”) • 60% regional discretionary distributed based on need
Safe Streets	25%	Distributed to county transportation agencies on 100% “return to source” basis
Connectivity	15%	100% return to source guaranteed over capital expenditure plan timeframe
Flex	15%	First priority is guaranteeing minimum “return to source” and meeting transit minimum guarantees. Second priority available for regional priorities (Transit Transformation or capital investments at Commission discretion)

When combined with an assumed \$150 million available for public transit from the proposed employer Transportation Demand Management (TDM) requirement, this framework could provide transit operations with \$750 million in a \$1 billion/year measure and up to \$1.1 billion from a \$1.5 billion/year measure, as shown in Attachment D. Staff recommends this framework replace the current language in the bill that sets a minimum “\$750 million” threshold for Transit Transformation given there is no guarantee that the tax measure will consistently generate a sufficient revenue stream to meet that dollar requirement under a severe recession or other unanticipated event. A percentage-based structure also ensures funding for the other expenditure categories of Safe Streets and Connectivity. This is the practice used to assign funds to transit operations and other purposes in local sales tax measures as well as Regional Measures 2 and 3.

Staff recommends that the proposed stand-alone Climate Resilience category that the Commission endorsed in January be integrated as an eligible expenditure within the Safe Streets and Connectivity Programs, similar to how federal law now allows federal transportation funds to be used to fund resilience needs. This also simplifies the program and creates more flexibility for each county to meet its diverse needs.

Return to Source Provisions

Ensuring that Bay Area taxpayers can count on receiving significant tangible benefits as a result of their contributions to any future tax will be critical to both SB 1031 and a future ballot measure's appeal to voters. Based on staff's analysis, we believe a nine-county ballot measure can fully address the standardized transit operating shortfalls while also providing a minimum 70 percent "return to source" benefit back to counties for the first five years, with the option to grow to 80 percent in years six and beyond. The trade-off with a higher "return to source" is more funding going to investments in counties served by transit systems with minimal operating shortfalls and less funding available to address operating deficits, regional Transit Transformation and/or other regional priorities.

How would the funding be distributed?

- Safe Streets – 25%

Safe Streets funding is proposed to be directly suballocated to counties on the basis of how much they each generate in revenue and could be administered by the county transportation agency, augmenting any existing funding for local road repairs and bicycle and pedestrian enhancements. Under a \$1 billion measure, this would provide \$250 million/year regionwide, or \$375 million under a \$1.5 billion measure.

- Connectivity – 15%

Connectivity funding is proposed to be a multimodal capital program administered by MTC with each county guaranteed their share of benefit from projects funded over a specified timeframe. Projects would be required to be included in Plan Bay Area 2050+ or successive plan. The new bonding authority proposed in the bill would allow MTC to accelerate delivery of the Connectivity Program.

- Transit Transformation – 45% + Revenues Generated from Transportation Demand Management Mandate

With respect to Transit Transformation, the aim is to mitigate near-term transit fiscal cliffs and ensure resources are available to improve transit service, including for Bay Area transit riders who use systems without major operating deficits. The funds are proposed to be distributed 40 percent by formula on a return-to-source basis providing a guarantee that each county will receive at least 40 percent of the 45 percent allocated to transit, leaving 60 percent for MTC to allocate for transit network needs and regional priorities. Additionally, staff is proposing minimum guarantees to transit agencies as shown below, which would be the first call on the 40 percent formula portion.

Funding Guarantee	Rider-Based Threshold
\$25 million/year	Operators serving > 5 million riders per year and/or carrying passengers more than 25 million miles per year
\$10 million/year	Counties with small operators serving > 3 million riders per year
\$5 million/year	Counties with small operators serving < 3 million riders per year

In the near term, the entirety of the 60 percent Transit Transformation regional discretionary portion is anticipated to be needed to meet known transit operating shortfalls, which the bill would specify is the top priority. The TDM mandate will be available to further supplement funding available for Transit Transformation by an estimated \$150 million. In terms of how Transit Transformation funds are distributed, since closing the transit operating gap is MTC and the bill authors' top priority for the measure, our calculations of how much benefit a given county receives overall include funds provided to transit agencies providing service in those counties. Specifically, staff has analyzed this funding framework in the context of known transit operating shortfalls using morning boardings as the basis for determining the benefit a given county receives as a result of the measure averting service cuts in that county. For example, in

determining how much benefit Alameda County would receive from the measure, since 44 percent of BART morning boardings are from stations in Alameda County, the county is assigned 44 percent of the roughly \$250 million estimated for BART's 'standardized' annual operating shortfall.

- Flexible – 15%

Last but not least, the program reserves 15 percent of the funds in a "Flex" category which serves a number of critical needs including 1) ensuring that each county receive a minimum Return to Source and 2) allowing the measure to address changing needs over time. After ensuring that minimum Return to Source targets are met as well as any backfill to meet transit operating deficits, the remainder would be available for regional priorities within the eligibility categories of Safe Streets, Connectivity or Transit Transformation.

Legislative & Bay Area Stakeholder Engagement

In addition to coordinating closely with the author's offices, staff have also been meeting regularly with the Connect Bay Area Working Group staff established to help inform the legislation and keep local stakeholders informed at each stage of the legislative process as well as separate meetings with legislative staff, transit operators, county transportation agency staff and MTC's Policy Advisory Council. This engagement informs the amendment recommendations staff will present at your meeting.

Committee Hearing Schedule

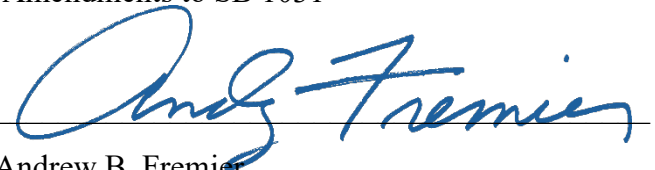
The bill has been referred to the Senate Transportation and Senate Revenue & Taxations Committees. However, we anticipate the bill will first be heard in the Senate Transportation Committee on April 23 followed by the Senate Revenue and Taxation Committee on April 24. These committees are chaired by Senator Cortese and Senator Glazer, respectively. Staff anticipates committee chairs would like as many outstanding policy issues addressed as possible before the bill is heard in their committees.

Recommendation:

Support Proposed Amendments / MTC Commission Approval

Attachments:

- Attachment A: MTC Adopted Provisions vs. SB 1031 Comparison Chart
- Attachment B: Overview of SB 1031 Network Management Provisions
- Attachment C: Draft Transit Consolidation Assessment Amendments to SB 1031
- Attachment D: Proposed Principles and Expenditure Plan Framework for SB 1031
- Attachment E: Summary of Proposed Amendments to SB 1031


Andrew B. Fremier

Comparison of Commission-Adopted Concept for Regional Transportation Measure Legislation with SB 1031 (Wiener/Wahab)
March 18th Version

TOPIC	MTC-Approved Concept (January '24 Action)	SB 1031 (Wiener/Wahab) Provisions (Items following a □ symbol are different from MTC's recommendation)
Goal of Measure & Expenditure Priorities	Specify core goals of measure and expenditure categories (Transit Transformation, Safe Streets, Connectivity & Climate Resilience) in legislation. Given uncertainty on funding level to be authorized, defer recommendation on minimum shares for each expenditure category subject to further stakeholder and legislative engagement. Recommend including a flexible category to enable adjustments based on future needs and subject to changing circumstances.	Section 1 of the bill articulates the vision the Commission adopted for the ballot measure. Chapter 4 of the legislation, titled “Expenditures” lists the three focus areas of protecting and enhancing transit service, making transit faster, safer and easier to use and enhancing mobility and access for all along with the four categories of expenditure approved by MTC. Consistent with Commission direction, does not yet prescribe distribution across expenditure categories, so does not yet explicitly define a “flexible” category.
Funding Distribution	Specify intent to consider need and geographic balance in funding distribution. Defer specifics on distribution within each expenditure category subject to further legislative and stakeholder engagement.	Chapter 4, Expenditures specifies “It is the intent of the Legislature to enact legislation that would require the commission to consider need and geographic balance in distributing regional transportation revenues.”

TOPIC	MTC-Approved Concept (January '24 Action)	SB 1031 (Wiener/Wahab) Provisions (Items following a ☐ symbol are different from MTC's recommendation)
		<ul style="list-style-type: none"> ☐ Specifies a minimum of \$750 million to be allocated annually to fund Transit Transformation improvements, excluding zero-emission transit capital (Section 66538.40 (b)(1) in Chapter 4) ☐ Provides that MTC may allocate measure funds to California State Transportation Agency for the proposed Bay Area Transit Consolidation study ☐ Adds a “maintenance of effort” requirement for transit agencies to maintain their local funding commitments to transit operations to be eligible for funding from the measure.
Accountability	To deliver customer-facing priorities as soon as possible, establish MTC as the Regional Transit Network Manager with oversight over fare payment, fare integration, schedule coordination, mapping & wayfinding, real time transit information, and other customer-facing operating policies that would benefit	Section 5 of the bill amends MTC’s existing Transit Coordination Authority to strengthen and update it to reflect the goals of the Transformation Action Plan (Section 66516 subdivision (a)).

TOPIC	MTC-Approved Concept (January '24 Action)	SB 1031 (Wiener/Wahab) Provisions (Items following a □ symbol are different from MTC's recommendation)
	<p>from a regional approach upon enactment of enabling legislation.</p> <p>Upon ballot measure's approval, require establishment of ballot measure oversight committee to ensure funds are spent according to statute and ballot measure.</p>	<p>Chapter 3, titled Election Procedures, includes a provision establishing an independent oversight committee to ensure funds are spent according to the statute.</p>
Travel Demand Management Provision	<p>Require, subject to voter approval, that large employers of 50 or more employees in the Bay Area provide a subsidy to their employees to encourage alternatives to single occupancy vehicle (SOV) trips. Required to be a <i>transit</i> subsidy for employers located near transit.</p>	<p>Section 4 of the bill amends MTC and the Air District's existing Commuter Benefit statute to authorize the MTC to include in the transportation revenue measure subject to voter approval a mandatory subsidy for employers of 50 or more to encourage non-single occupant vehicle travel. For employers in proximity to transit (definition TBD) the subsidy is required to be a universal transit pass.</p>
Geographic Area of Tax	<p>Authorize MTC or voter initiative to place on ballot within the nine counties or a subset of the nine counties.</p>	<p>Section 6 of the bill specifies this. (Section 66538.20, subdivision (b))</p>
Citizen Initiative Option	<p>Allow measure to be placed upon the ballot directly by MTC or by a qualified voter initiative (e.g., S.F.'s Measure C, 2018), subject to a simple majority vote.</p>	<p>Section 6 of the bill specifies this (Section 66538.20, subdivision (c)).</p>

TOPIC	MTC-Approved Concept (January '24 Action)	SB 1031 (Wiener/Wahab) Provisions (Items following a <input type="checkbox"/> symbol are different from MTC's recommendation)
	(This approach is consistent with SB 679 (Kamlager, 2022) establishing the Los Angeles County Regional Housing Finance Act.)	<input type="checkbox"/> The language requires that any initiative proposed be consistent with the expenditure provisions of the legislation, resolving a concern that staff and commissioners had raised about risk of an outside organization proposing a ballot measure not consistent with regional priorities.
Timing & Duration of Ballot Measure	Allow on ballot November 2026 or later, subject to no sunset (allowing option to include time limit or not, dependent upon later polling) as determined by MTC or voter initiative.	Section 6 of the bill specifies that the measure will not be placed on the ballot before November 2026. Chapter 3 (Election Procedures), Section 66538.30 subdivision (a). No sunset specified, consistent with Commission direction.
Revenue Options & Amount	Authorize a menu of options subject to voter approval no sooner than 2026. Menu includes a square footage based parcel tax, income tax, payroll tax and sales tax. Also authorize a regional vehicle-miles traveled (VMT) charge subject to prior adoption of a statewide road usage charge and a vehicle registration charge (with higher rates based on vehicle's value) not sooner than	Section 6 of the bill includes the following options: parcel tax, sales tax, payroll tax and vehicle registration surcharge after 2030. <input type="checkbox"/> Items that were not included in the March 18 version of the bill include a regional vehicle miles traveled charge and a regional income tax.

TOPIC	MTC-Approved Concept (January '24 Action)	SB 1031 (Wiener/Wahab) Provisions (Items following a <input type="checkbox"/> symbol are different from MTC's recommendation)
	2030. Draft legislation without cap on tax rates to allow for further negotiation and discussions with the Legislature. Allow repeat ballot measure attempts and successive ballot measures.	
Transit Consolidation Study	Not recommended by Commission	<input type="checkbox"/> Section 3 of the bill includes very detailed provisions related to a transit consolidation “assessment” followed by a “comprehensive plan” to be overseen by the California State Transportation Agency (CalSTA) and conducted by a transportation institute. The assessment is scheduled to be completed by January 1, 2026 while the plan is due one year later, January 1, 2027.

Summary of Regional Network Management Components of SB 1031 (Wiener/Wahab)

April 2, 2024

Background

Given the importance of accelerating Transit Transformation across the region in order to increase ridership, reduce operating deficits and improve overall public opinion about Bay Area public transit – *critical to the success of a future ballot measure that will provide significant resources to help fund public transit* – the Commission’s January 2024 action on the regional measure authorizing legislation specified that the bill should include provisions to strengthen MTC’s role as a Network Manager effective upon enactment. The memo below summarizes SB 1031 Network Management provisions relative to existing law and current MTC practice.

SB 1031 and Linkage to Current Law

Section 5 of SB 1031 seeks to do this by directly stating that MTC “shall be responsible for implementing a seamless transit rider experience across region” and revising an *existing* statute related to MTC’s role with respect to transit coordination. Specifically, Government Code 66516 current requires that MTC:

“shall adopt rules and regulations to promote the coordination of fares and schedules for all public transit systems within its jurisdiction. The commission shall require every system to enter into a joint fare revenue sharing agreement with connecting systems consistent with the commission’s rules and regulations.”

SB 1031 rearranges some of these provisions and expands the list to include all priority items from the Transit Transformation Action Plan:

1. Fares, including fare payment and fare integration
2. Schedules
3. Mapping and wayfinding
4. Real-time transit information
5. Other customer-facing operating policies that would benefit from a regional approach

Goals & Outcomes of Network Management

The bill states the Legislature's intent that the central goal of the "rules and regulations" referenced above shall be "increasing transit ridership by improving the customer experience of riding public transit in the San Francisco Bay area and creating a seamless experience across all public transit agencies providing service in the commission's jurisdiction." Following the spirit of the outcome-focused Transit Transformation Action Plan, the bill further species the outcomes the Legislature intends the Commission to implement and sustain:

- (1) A common fare payment system for public transit agencies in the region.*
- (2) A universal regional transit pass that is valid on all public transit agencies in the region.*
- (3) An integrated transit fare structure with common definitions for adults, youth, seniors, persons with disabilities, and other categories of riders.*
- (4) A common fare transfer policy that strives to eliminate any extra fare for using more than one transit system on a single journey.*
- (5) Integrated mapping, signage, and real-time schedule information that makes transit in the region easy to navigate and convenient for both new and existing riders.*
- (6) Transit services in the region that are equitably planned and integrally managed as a unified, efficient, and reliable network, including interagency transfer policies and coordinating schedules at stops or station areas serving more than one public transit agency.*
- (7) Transit services for older adults, people with disabilities, and those with lower incomes that are coordinated efficiently throughout the region.*
- (8) Resources are invested to provide for the comfort and safety of transit riders.*
- (9) The transit network in the region uses its existing resources more efficiently and secures new, dedicated revenue to meet its capital and operating needs.*

Compliance with Transit Coordination Rules/Fund Conditioning – Current Law & Proposed Changes

Under current law ([Public Utilities Code 99314.7](#)) a Bay Area operator is only eligible for State Transit Assistance funds if it complies with Government Code 66516 – MTC’s transit coordination rules and regulations – which are formalized in Resolution 3866 - MTC’s Transit Coordination Implementation Plan.

MTC through Resolution 3866 additionally conditions Transportation Development Act (TDA) funds and other regional transportation funds on coordination compliance, with a caveat that MTC may only condition the funding “to the extent permitted by statute.” Consistent with the Commission’s direction to strengthen MTC’s existing transit coordination authority, the bill clears up any ambiguity as to the extent of MTC’s fund conditioning authority outlined in Resolution 3866 and aligns the rules and regulations with the policies included in the Transit Transformation Action Plan.

To provide greater clarity about the linkage between MTC’s Transit Coordination “rules and regulations” (Government Code Section 66516) and an operator’s eligibility for STA funding, the bill incorporates a cross reference PUC Code Section 99314.7 as shown in (b) (1) below.

The bill further strengthens operator accountability and MTC Network Management authority by linking compliance with Government Code 66516 to eligibility for TDA funds and SB 1031-authorized regional transportation measure funds. This is an evolution relative to current law that strengthens accountability by conditioning TDA funding on operator compliance with Transit Coordination requirements and extending conditioning to new regional revenue measure funds.

These SB 1031 changes read as follows:

(b) Notwithstanding any other law, each public transit agency within the region shall comply with the commission’s rules and regulations adopted pursuant to subdivision (a) as a condition of receiving any of the following funds:

*(1) Any funds allocated pursuant to Sections 99313 and 99314 of the Public Utilities Code, consistent with **Section 99314.7** of the Public Utilities Code. [State Transit Assistance Funds]*

(2) Any funds allocated from a local transportation fund administered pursuant to Article 3 (commencing with Section 99230) of Chapter 4 of Part 11 of Division 10 of the Public Utilities Code, consistent with subdivision (b) of Section 99270.5 of the Public Utilities Code. [Transportation Development Act Funds]

In summary, SB 1031 strengthens MTC's Network Management authority as follows:

- 1) Expands the list of items MTC must include in its Transit Coordination rules as shown above (modified #1, 3-5)
- 2) Makes STA eligibility conditioned on this broader list (notably Resolution 3866 already encompasses more than "fares and schedules")
- 3) Conditions TDA funding on compliance with Government Code 66516 - an expansion of the current conditioning related to compliance with MTC's "Productivity Improvement Program" (Resolution 4630) but already referenced in Resolution 3866.

Draft Transit Consolidation Assessment Amendments to Senate Bill 1031 (Wiener/Wahab)

April 5, 2024

SEC. 3.

Section 13978.9 is added to the Government Code, to read:

13978.9.

(a) For purposes of this section, the following definitions apply:

(1) "Commission" means the Metropolitan Transportation Commission.

(2) "San Francisco Bay area" means the region comprising the commission's jurisdiction, as prescribed by Section 66502.

(3) "Transit agency" has the same meaning as "public transportation operator" as defined in subdivision (b) of Section 99312.2 of the Public Utilities Code.

(4) "Transportation Agency" means the California State Transportation Agency.

(5) "Transportation institute" means either the University of California Institute of Transportation Studies or the Mineta Transportation Institute at San José State University.

(6) "Consolidation" may include reforms to transit agencies that include one or more of the following:

(i) Combining or sharing staff or functionalities of transit agencies while retaining separate governing boards.

(ii) Replacing multiple governing boards with a unified governing board representing a broader jurisdiction.

(iii) Creating an umbrella structure under which existing transit agencies are brought together but still operate as distinct divisions with separate governing boards.

(b) (1) Subject to the initial passage of a measure pursuant to Section 66538.30, the Transportation Agency shall select a consultant, which may include a consultant team that includes a transportation institute, to conduct an assessment of the associated advantages and disadvantages of consolidating all or a subset of the transit agencies that are located within the San Francisco Bay area and shall oversee such assessment. In selecting the consultant, the Transportation Agency shall ensure that the individuals working on the assessment have expertise in the legal, labor relations, governance, financial and operational aspects of public transportation in California.

(2) In developing its assessment, the consultant shall regularly consult with the impacted transit agencies and the commission and be informed by guidance from the state Transit Transformation Task Force established pursuant to Section 13979.3.

(3) The assessment shall evaluate the potential for consolidation or enhanced coordination to meet the following goals: improve rider outcomes, increase transit ridership, increase passenger miles traveled, improve access to transit for low-income residents and those residing in equity priority communities as defined by the commission, and create cost efficiencies.

(4) The assessment shall compare the consolidation options enumerated in subparagraphs i-iii of paragraph (6) of subdivision (a) and evaluate the extent to which each option advances the goals in paragraph (3) as compared to anticipated outcomes from transit coordination underway through the regional network management framework adopted by the commission or potential enhanced transit coordination opportunities.

(5) For each alternative considered, the assessment shall include a review and description of the following impacts, as applicable:

- (i) benefits, including rider-focused improvements;*
- (ii) operating budget impacts;*
- (iii) cost impacts;*
- (iv) costs associated with implementation;*
- (v) governance impacts;*

(vi) challenges and considerations associated with any proposed consolidation under the definition in subparagraph (a)(6)(ii) including consolidation of agencies with different service modes, rolling stock, technologies or other key operational differences across agencies;

(vii) impacts to wages, work conditions, pension, and retirement benefits of workers covered by collective bargaining agreements;

(viii) impacts to workforce totals and employment opportunities; and

(ix) regulatory and legal barriers to any proposed consolidation.

(6) The consultant shall complete the assessment within 24 months of the certification of the revenue measure passage pursuant to Section 66538.30 and subsequent to securing a funding agreement with the Transportation Agency to complete the assessment. Upon completion, the consultant shall submit the assessment to the Legislature in compliance with Section 9795 and to the commission and each of the transit agencies located in the San Francisco Bay area.

(c) Based on the findings of the assessment conducted pursuant to subdivision (b), the Transportation Agency shall develop recommendations to advance the goals in (b)(3) and develop an implementation plan for any recommended actions. The Transportation Agency shall complete the implementation plan within one year of the completed assessment and, upon completion, shall submit the implementation plan to the Legislature in compliance with Section 9795, and to the commission and each of the transit agencies located in the San Francisco Bay area. Nothing in this section authorizes the Transportation Agency to implement any governance changes to transit agencies that may be recommended in the implementation plan.

(d) (1) In undertaking the duties set forth in subdivisions (b) and (c), the Transportation Agency shall consult with impacted stakeholders, including, but not limited to, impacted transit agencies, transit unions, transit riders, the commission and local governments.

(2) If the Transportation Agency selects the University of California Institute of Transportation Studies as the consultant or one of the consultants to complete the assessment, the requirement to complete the assessment shall only apply to the University of California to the extent that the Regents of the University of California, by appropriate resolution, make that requirement applicable.

(e) (1) Upon the passage of a revenue measure as described in Section 66538.30, the Bay Area Transit Consolidation Technical Assistance Fund is hereby established in the State Treasury for the deposit of moneys that can be used for the following purposes:

(A) Paying for the cost of conducting the assessment pursuant to subdivision (b) and preparing the implementation plan pursuant to subdivision (c).

(B) Paying for expenses incurred by the Transportation Agency, the consultant, the commission and transit agencies located in the San Francisco Bay Area related to the assessment and implementation plan described in subdivisions (b) and (c).

(f) Any moneys deposited into the fund shall be available to the Transportation Agency, upon appropriation by the Legislature, for the purposes described in subdivision (b).

(g) Activities described in this section cannot place an unfunded mandate on transit operators, the consultant, the commission or the Transportation Agency and expenses related to conducting the assessment and implementation plan this section must be accounted for through the Bay Area Transit Consolidation Technical Assistance Fund following the passage of a revenue measure pursuant to Section 66538.30.

Proposed Principles and Expenditure Framework for SB 1031 (Wiener/Wahab)

Principles for Expenditure Framework Development

- 1) Fully close the known near-term operating funding gaps. Additionally, ensure funding is available for Transit Transformation improvements.
- 2) Guarantee that each county's residents paying into the measure receive an appropriate level of benefit, regardless of mode choice.
 - a. Seek highest level of guaranteed benefit while also addressing Principle 1 (70%); with option to increase over time. **This does not mean 70% of funds flow directly back to each county as a subvention, but that each county will receive at least that level of investment back in terms of benefit.**
 - b. Achieve modal balance (i.e. ensure sufficient funding is available for Transit Transformation, Safe Streets, and Connectivity).
- 3) Balance certainty for counties and transit operators and deliver the Commission's vision of a world-class, reliable, affordable, efficient and connected Bay Area transportation network.
 - a. Transit Transformation: Each county and/or subregion would be guaranteed a portion of the resources by formula, providing certainty. Additionally, provide minimum guarantee for transit operators (based on ridership) to ensure benefit for *all transit users*, not just users of systems with large operating deficits.
 - b. Safe Streets: "Return to source" formula to the County Transportation Agencies, enabling easy administration for MTC and direct local decision making.
 - c. Connectivity: Multimodal Capital Improvement Program, like many self-help tax measures. MTC develops expenditure plan in partnership with counties, with each county guaranteed a fair share of benefit. MTC issues bonds to jump start investments. Projects required to be in Plan Bay Area 2050+.
 - d. Flexible: Program may fund projects eligible for any of the above expenditures. "County flex" off the top to ensure **minimum guaranteed benefit** by county. Of the remaining funds, MTC must first prioritize mitigating fiscal cliffs; remainder for regional priorities.
- 4) Integrate flexibility to respond to both each county's unique combination of needs and changing circumstances/needs over time.

Table 1: Framework for Years 1-5: 70 Percent Return to Source with Transit

Transformation funds allocated based on AM boardings

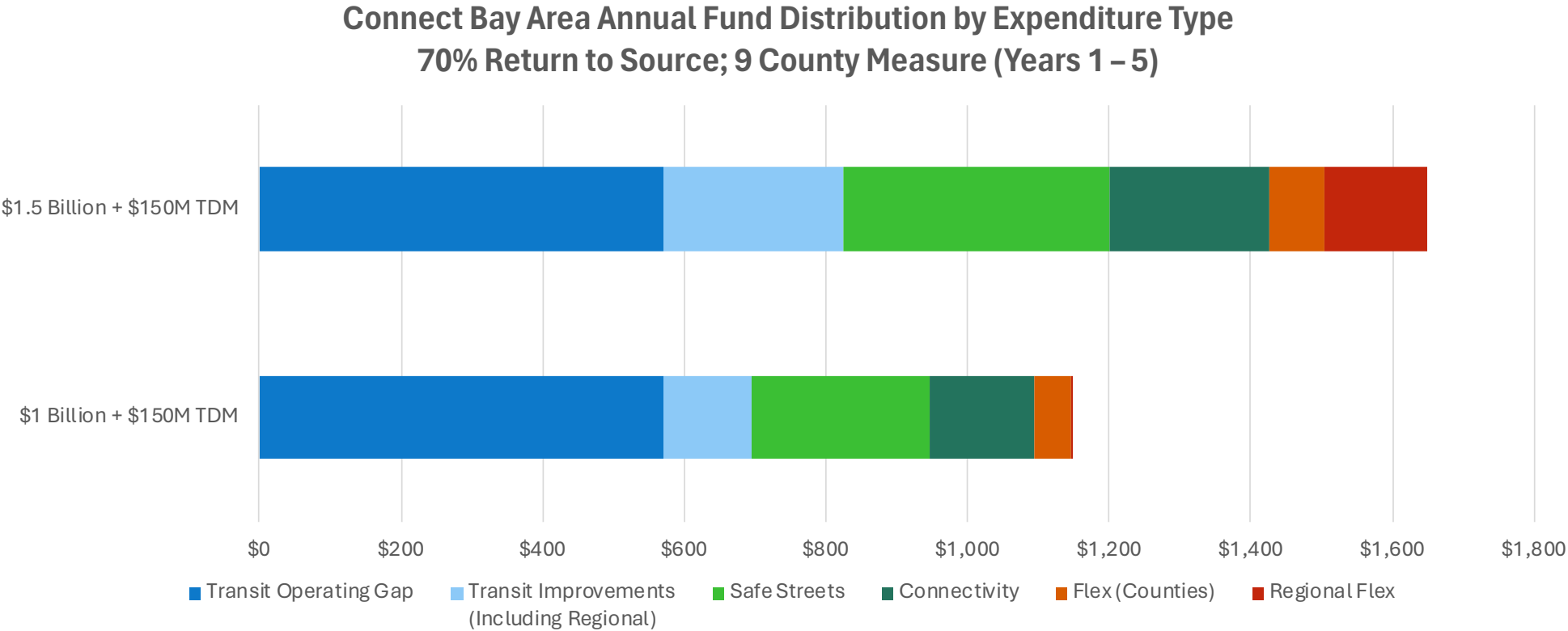
Blank	Scenario 1		Scenario 2	
Special Tax Funding	\$1 Billion		\$1.5 Billion	
Transit	45%	\$450,000,000	45%	\$675,000,000
<i>Transit Formula</i>	40%	<i>\$180,000,000</i>	40%	<i>\$270,000,000</i>
<i>Transit Discretionary</i>	60%	<i>\$270,000,000</i>	60%	<i>\$405,000,000</i>
Safe Streets	25%	\$250,000,000	25%	\$375,000,000
Connectivity	15%	\$150,000,000	15%	\$225,000,000
Flex*	15%	\$150,000,000	15%	\$225,000,000
Transportation Demand Management Transit Subsidy	\$150,000,000		\$150,000,000	
Grand Total	\$1.15 Billion		\$1.65 Billion	
Transit Operating Funding Range**	\$600 Million - \$750 Million		\$825 Million - \$1.1 Billion	
MTC Discretionary Funds for Regional Priorities (Capital & Transit Transformation)	\$4,000,000		\$239,000,000	

* Allocated first to ensure **minimum guaranteed benefit** by county. Of the remaining funds, MTC must first prioritize mitigating fiscal cliffs; remainder for regional priorities.

**Sum of all transit operating-eligible categories - Transit + Flex + Transportation Demand Management Transit Subsidy

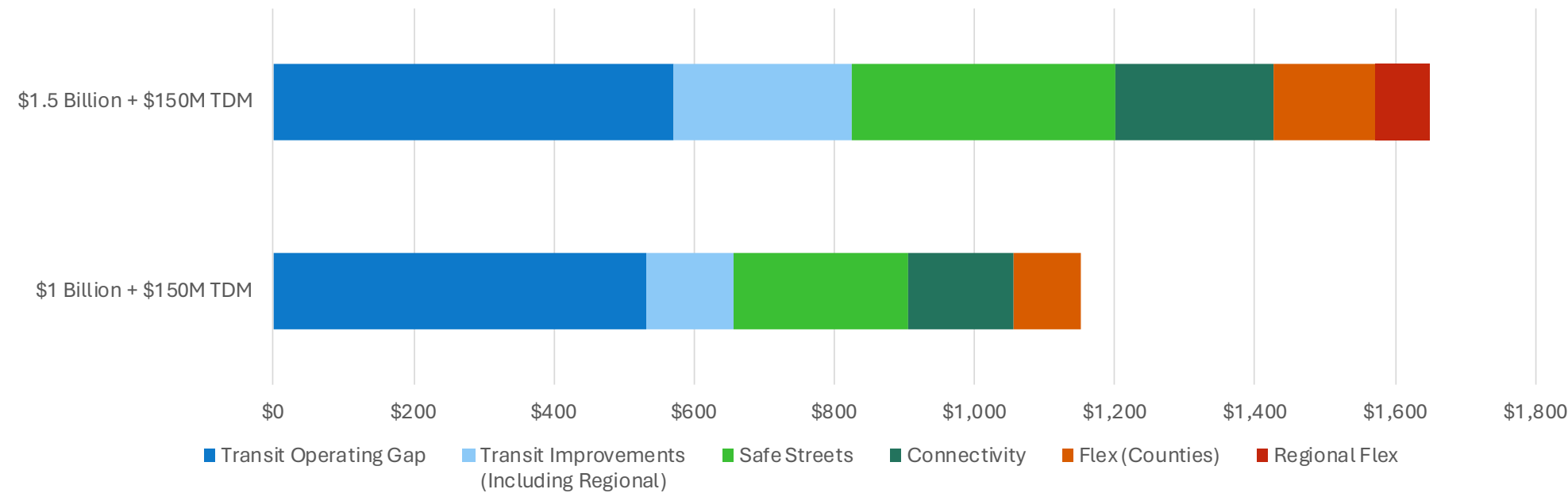
Impact of a Potential 80 Percent County Benefit Scenario in Years 6+

An 80 percent county benefit scenario has the same dollar figures as above for all categories shown above the “Grand Total.” However, under an 80 percent scenario, the amount of Flex funding needed to go to counties (as part of the "return to source" calculation) without a significant transit operating deficits grows, which in turn leaves less regional discretionary funding available to fully close transit operating deficits. Under a \$1 billion special tax scenario, this leaves an outstanding \$40 million transit operating shortfall and zero funding available for discretionary regional priorities. In addition, under a \$1.5 billion scenario, there is \$70 million less available for discretionary regional priorities than would be available under the 70 percent county benefit framework.



Note: All funds shown in 2024 millions of dollars. Chart depicts fiscal year 2027-28 standardized operating shortfalls.

Connect Bay Area Annual Fund Distribution by Expenditure Type
80% Return to Source; 9-County Measure (Year 6 and Onward)



Note: All funds shown in 2024 millions of dollars. Chart depicts fiscal year 2027-28 standardized operating shortfalls.

Summary of Proposed Amendments to SB 1031 (Wiener/Wahab)

#	Topic	Recommendation	Reference
1	Network Management Guardrails	Endorse the proposed amendments to clarify the scope of MTC's strengthened network management authority and alleviate concerns about unfunded mandates.	Handout to be provided at meeting
2	Transit Agency Consolidation Assessment & Study	Endorse the proposed amendments to postpone the assessment until after the election and revise the language to remove the presumption that the assessment will conclude that consolidation is the preferred outcome, among other items.	Attachment C
3	Expenditure Plan Framework	<p>Endorse the Expenditure Plan Framework:</p> <ul style="list-style-type: none"> • 45% Transit (40/60 split return to source formula/regional discretion) • 25% Safe Streets • 15% Flex • 15% Connectivity <p>Framework provides a return to source benefit to each county as follows:</p> <ul style="list-style-type: none"> • 70% Years 1-5 • Option to grow to 80% Years 6+ 	Agenda Item 3b Memo & Attachment D



MARINA FRASER, CHAIR
JEFF GEE, VICE CHAIR
DAVID J. CANEPA
MARIE CHUANG
BROOKS ESSER
RICO E. MEDINA
RAY MUELLER
JOSH POWELL
PETER RATTO

APRIL CHAN
GENERAL MANAGER/CEO

April 08, 2024

The Honorable Dave Cortese
Chair, Senate Transportation Committee
State Capitol, Room 405
Sacramento, CA 95814

The Honorable Steve Glazer
Chair, Senate Revenue and Taxation Committee
State Capitol, Room 407
Sacramento, CA 95814

RE: San Mateo County Transit District Letter of Concern Regarding SB 1031

Dear Chairs Cortese and Glazer:

On April 3, the San Mateo County Transit District (SamTrans) Board of Directors (Board) took an **Oppose-Unless Amended position** on Senate Bill 1031 (Wiener and Wahab). We appreciate the authors' focus on the need to enable new transportation funding for the nine-county Bay Area, particularly to support public transit in the wake of shifting commute patterns following the Covid-19 pandemic. However, in its current form, SB 1031 goes well beyond revenue generation.

SamTrans is San Mateo County's mobility manager; owner and operator of the SamTrans fixed-route bus system, Redi-Wheels and RediCoast paratransit systems, and RidePlus microtransit; managing agency of the Peninsula Corridor Joint Powers Board (Caltrain); managing agency of the San Mateo County Transportation Authority, and co-managing agency of the San Mateo County Express Lanes Joint Powers Authority.

SamTrans' bus service carries the lowest-income riders in the Bay Area, per MTC's Transit Passenger Survey (2014-2019). According to the onboard 2021 SamTrans' Triennial Customer Survey, the average income of SamTrans' riders is \$46,506. When household size is accounted for, 91% of SamTrans' riders qualify as low-income and 64% are extremely low income (earning less than two times the Federal Poverty Limit). In addition, 74% of SamTrans' riders do not have access to a car and 19% speak little to no English. For the

Page 2 of 5

most part, SamTrans' passengers are not regional transit riders. Only 12% of SamTrans riders transfer to Caltrain, Muni, VTA or BART.

San Mateo County is a "self-help" county, with two SamTrans sales taxes and a separate San Mateo County Transportation Authority sales tax. San Mateo County also is one of three county participants in the Caltrain sales tax. One of San Mateo County's half-cent sales taxes will sunset in less than 10 years, and our best chance to ensure continuity of funding support would be going back to the voters to get an extension in 2028 as further discussed below.

SamTrans participates in all MTC-led and operator co-led regional transit initiatives, and has been working in good faith with fellow Bay Area transit operators and MTC to establish and make good use of the new Regional Network Manager Council (RNM Council), including the effort to develop clear accountability measures for all transit operators.

Below, we detail SamTrans' significant concerns with the scope and language of SB 1031:

1. Arbitrary Directive to Consolidate

SamTrans and other transit agencies have been working closely with MTC on developing mechanisms for improved transit agency coordination and resource-sharing. Based on SamTrans' extensive experience as an operating and managing agency for multiple transit and transportation agencies and functions, SamTrans' leaders know well the costs and benefits of regional transportation management, as well as the challenges associated with efforts to study and then change how agencies work together. We believe a study on consolidation – or even more limited regional coordination – must be well thought-out, with sufficient staff and financial resources to support its timely delivery and utility. However, SB 1031 requires a full consolidation study on an extremely tight timeframe, with no cost estimate or source of funds, and a pre-determined outcome.

SamTrans maintains that any study contemplated in SB 1031 should focus on how we can better provide mobility within and throughout the region, without presuming from the start that consolidation of agencies has merit over all other options. Having said that, we would note that SB 1031 lacks any structure for implementing a potential regional consolidation, or funding sources to support consolidation implementation. We support removing the consolidation elements of SB 1031.

2. No Assurance or Plan for Fair Funding Distribution

SB 1031 proposes a range of mechanisms to fund transportation in the Bay Area. No matter which option is ultimately selected, significant funding would be generated in San Mateo County with no assurance that a significant amount of funding be designated for the benefit of San Mateo County and its residents. Currently, SB 1031 assumes new revenues of \$1-1.5 billion annually, with \$750M set aside for transit operations, and focuses these funds on agencies with the highest number of riders and greatest impending

Page 3 of 5

funding needs. Based on ridership and anticipated “fiscal cliffs” in peer agencies’ financial models, we anticipate a significant majority of these funds will go to BART (which serves a very small portion of San Mateo County), SF MUNI (which connects with SamTrans) and other agencies operating entirely outside of San Mateo County.

This fund distribution approach penalizes San Mateo County and similarly-situated communities. SamTrans’ constituents have taxed themselves multiple times to fund transportation. In addition, we have streamlined SamTrans service, cutting wasteful and inefficient routes, and focused on the needs of our riders requiring public transit the most, resulting in adult ridership at over 100% of pre-pandemic levels. With the help of our voter-approved funds and remarkable transit ridership recovery, SamTrans’ operating budget is balanced. That said, SamTrans will face operational cost increases with the transition to zero emission technology, which current revenues will not fully support.

In addition, continued and improved public transit requires substantial capital investment. From delivering innovative service and customer-focused amenities, to transitioning to zero emission technology, to protecting our bus bases against rising sea levels, and maintaining a basic state of good repair, SamTrans’ capital needs are extraordinary, and present a funding gap of hundreds of millions of dollars.

Fair geographic distribution of financial resources must be prioritized to ensure San Mateo and other counties are not taxed to fund benefits that will never come back to them. Funding distribution should be fair from the start, and also regularly reassessed as transit services and financial needs change.

3. New Election Risk

As drafted, SB 1031 would grant MTC broad authority to place a tax measure on the ballot in the nine Bay Area counties, or in a subset of them, with no restrictions on the number of times it can go to the ballot, when, or if certain polling thresholds must be met first.

This flexibility for MTC puts local tax measures at risk. For example, San Mateo County Transportation Authority’s current Measure A will expire at the end of 2033. The 2028 election may be the best option for seeking voter approval to continue Measure A, which could be extremely difficult to achieve if there is a regional measure on the ballot at the same time. We cannot risk \$100M+ per year in local funding in favor of a regional measure that may only scarcely be available to our communities.

SamTrans has asked much of the local electorate and our riders in the past and has been fortunate to earn voters’ confidence. It would be enormously detrimental for San Mateo County to lose future voter support for local transportation funding measures as a result of SB 1031.

These concerns are very real in San Mateo and in other local counties and must be taken seriously. We ask that you find a way to preserve and protect our ability to self-fund, such

Page 4 of 5

as by allowing counties to opt out of a regional measure, by limiting the reach of a new regional measure to only those communities represented by the BART Board of Directors (assuming the bulk of regional measure revenues will be spent in that area), or by restricting MTC from going to the ballot in a county where a local transportation measure also is being sought at the same election.

4. Proposed Accountability Tools and Governance Changes for MTC Go Too Far

Finally, we understand the need for accountability on the part of agencies receiving financial support through new regional sources, and for MTC to be equipped with the proper tools to provide regional oversight. However, SamTrans believes MTC's efforts should reflect the RNM process agreed to by local agencies and allow that process to evolve. The "governance" goals outlined in SB 1031 go significantly further than what local agencies agreed to, and the bill also grants MTC expanded authority to withhold historical state transit funds if MTC direction for achieving the bills goals is not followed.

For example, SB 1031 would expand MTC's authority to withhold State Transportation Assistance (STA) and Local Transportation Funds (LTF) in response to local agency actions such as changing branding at bus stops or adjusting fare prices. STA and LTF provide essential operational funding that agencies rely on, currently in the amount of about \$50 million annually for SamTrans. SamTrans believes MTC should not be given the authority to withhold existing State-generated transit operations funding, especially as there are other ways to ensure accountability, including placing restrictions on MTC discretionary funding and any new moneys coming from the Regional Transportation Measure.

In addition, any expansion of MTC's role must still ensure adequate consideration of the needs of local transit operators. We believe one option is to codify the RNM Council, which is made up of large operator and small operator representatives. This approach would guarantee that leaders who provide service, and who understand the intricacies of running transit systems of varying types and sizes, are always part of the conversation at MTC. It also would allow operators to hold each other accountable in achieving shared goals.

Furthermore, with any proposed expansions of MTC's role, there is a risk of new unfunded mandates from MTC. This would need to be mitigated through either an off-setting revenue source or off-ramps for situations when transit operators truly cannot afford to meet new requirements. In this vein, operators should maintain control over their own fares, within voluntary agreements on fare coordination.

In closing, preserving and protecting SamTrans' ability to deliver local services remain our top priority. We must stress that the concerns raised above are major issues for our agency. However, we remain committed to the RNM work that is already underway and to the continued collaboration on future amendments to SB 1031. Our Board will certainly revisit this bill as the language is modified and could change its position in the future.

Page 5 of 5

We thank you for your time and consideration of our concerns. Please do not hesitate to reach out to our Government and Community Affairs Director, Jessica Epstein, at EpsteinJ@samtrans.com for further discussion.

Sincerely,



Marina Fraser
Chair, SamTrans Board of Directors



April Chan
General Manager/CEO, SamTrans

Cc: San Mateo County Transit District Board of Directors
San Mateo County Transit District State Legislative Delegation
Alfredo Pedroza, Chair, Metropolitan Transportation Commission
Andrew Fremier, Executive Director, Metropolitan Transportation Commission
The Honorable Scott Wiener, California State Senate
The Honorable Aisha Wahab, California State Senate

From: [Roland Lebrun](#)
To: [MTC-ABAG Info](#)
Subject: April 12 MTC/ABAG Legislation Committee Item 3b SB 1031
Date: Thursday, April 11, 2024 4:47:56 PM

External Email

Dear MTC and ABAG Commissioners,

Please consider the following preliminary comments on this draft piece of legislation:

Funding measure:

The only legislation required at this stage is enabling legislation designating MTC as the entity responsible for putting a Measure on the November 2026 (or later) ballot. Please note that such a ballot measure is unlikely to pass until MTC can demonstrate substantial network coordination improvements resulting from the passage on SB 1031.

Equitable Return to Source

The voters of the 9 Bay Area Counties have approved 3 Regional Measures (RM1, RM2 & RM3) so far with hundreds of millions of bridge toll revenues being rerouted to counties contributing little to none of these revenues. Should these entities continue to insist on “return to source” (or pull out of a potential future Tax Measure altogether), MTC should consider implementing a retroactive “return to source” by reallocating past and future toll revenues back to the ZIP codes where the tolled vehicles were registered. This “return to source” would be implemented by clawing back Federal and State revenue allocations under MTC’s jurisdiction.

Network Coordination

While I appreciate CalSTA’s plan to spend tens of millions of dollars on one or more studies by consultants and/or Transportation Institutes, I urge Commissioners to consider directing MTC staff to analyze how London’s TfL (https://en.wikipedia.org/wiki/Transport_for_London) coordinates timetables and transfers between the London Underground (London’s equivalent of BART), buses (operated by 10 private bus operators), thousands of trains (operated by private companies under concession agreements) in and out of London every day as well as freeways, ferries, light rail, cable cars, taxicabs, congestion management, bicycles and walking **with a \$15B annual budget including a 47% farebox revenue:**

<https://tfl.gov.uk/corporate/about-tfl/how-we-work/our-role?intcmp=2670#on-this-page-1>

<https://tfl.gov.uk/corporate/about-tfl/how-we-work/how-we-are-governed>

<https://tfl.gov.uk/corporate/about-tfl/how-we-work/how-we-are-funded>

Network Branding

Please consider the following:

https://en.wikipedia.org/wiki/Transport_for_London#/media/File:Transport_for_London_-_Roundels.svg

Network Consolidation

As can be seen from the above London example, **operator consolidation would be counter-productive and should be dropped from further consideration**, but the Commission should consider supporting legislation that would **consolidate all CMA staffs** under MTC’s umbrella while retaining existing Boards responsible for the oversight of local tax measures. This would consolidate all regional and local planning staffs under one roof and enable the transition from consultants to

public sector career engineers working on a diverse portfolio of projects across the Bay Area,
including megaprojects.

MTC “Guardrails”

“Guardrails” designed to achieve consensus should not be cast in stone and should be left open to tightening, relaxing and/or removal through follow-up legislation. “Guardrails” mandating the status quo should not be considered by the legislature.

Respectfully submitted for your consideration

Roland Lebrun



RE: SB 1031 - SUPPORT IF AMENDED

Dear Senator Wiener, Senator Wahab,

Cc: Bay Area Caucus, MTC Commissioners and staff,

As organizations committed to environmental sustainability and equitable transportation, **we strongly support a transportation revenue measure authorized by SB 1031 (Wiener, Wahab) that delivers needed funding for our region's transit system, roadway repair, safer streets and active transportation to advance climate and equity throughout the Bay Area.** Significant new operating funding is required to prevent severe service cuts and enhance overall service quality. As our global climate crisis continues, we know that a thriving transit system, safer streets and active transportation networks are imperative to meet the Bay Area and California's goals for equity, climate, safety and economic prosperity.

In order to advance these goals and fund needed transit and safe streets investments, **we call on the legislature to prohibit new highway widening projects in measure authorizing legislation.** New lanes saddle us with future maintenance costs, disrupt communities, undercut transit, and take us further away from our climate goals. There are many other state and federal sources for roadway improvements, but very few to sustain and expand public transit operations.

Every dollar we spend on new highways is one less dollar for public transit and safer streets. At present, there is a \$24 billion shortfall¹ in state of good repair and complete streets funding for the region's roads, where traffic fatalities have increased almost 50% in the past decade.²

There is also a large and urgent need for transit operations funding in the Bay Area. Upwards of \$750 million is needed annually simply to maintain existing service levels for transit in the Bay Area, and much more is needed to increase pre-pandemic levels of service and support investments in customer-focused initiatives to advance safety, cleanliness and connectivity. We urge enabling legislation that targets transformative levels of transit investment.

This measure represents a generational investment in our transportation system and will set a precedent for how transportation dollars are spent throughout California. **Passing authorizing legislation this year that allows highway expansion jeopardizes climate, equity and economic prosperity in the Bay Area.** In addition to prioritizing transit, safer streets and preventing highway widening, the legislature can help the Bay Area deliver a successful transportation revenue measure by **authorizing progressive revenue sources that poll better and do not place undue burden on those least able to pay.**

We look forward to working with you to pass the best transportation measure possible,

Sincerely,

¹ [Plan Bay Area Project List](#)

² [MTC Vital Signs](#)

Zack Deutsch-Gross
Policy Director, TransForm

Irene Kao
Executive Director, Courage California

Tarrell Kullaway
Executive Director, Marin County Bicycle
Coalition

Carter Lavin
Co-Director, Transbay Coalition

Kristina Pappas
President, San Francisco League of
Conservation Voters

Clarrissa Cabansagan
Executive Director, Silicon Valley Bicycle
Coalition

Jack Kurzweil
Wellstone Democratic Renewal Club

Robin Pam
Executive Director, Kid Safe SF

Stan Jones
Secretary-Treasurer, TWU Local 320

Dylan Fabris
Community & Policy Manager, San
Francisco Transit Riders

Christopher White
Interim Executive Director, San Francisco
Bicycle Coalition

Hana Creger
Associate Director of Climate Equity, The
Greenlining Institute

Betsy Megas
Santa Clara Community Advocates

Michael Gliksohn, Treasurer
Richmond Progressive Alliance

Jared Sanchez,
Policy Director, CalBike

Tom Radulovich
Senior Policy Fellow, Livable City

Laura Cohen, Western Region Director
Rails to Trails Conservancy

Jean Tepperman
Sunflower Alliance

Jodie Medeiros
Walk San Francisco on behalf of San
Francisco Bay Area Families for Safe
Streets

Adriana Rizzo
Californians for Electric Rail

Kevin C. Shin
Co-Executive Director, California Walks

Leah Redwood
Extinction Rebellion SFBay

Jeffrey Levin
Senior Director of Policy, East Bay Housing
Organizations

James Kuszmaul
Volunteer Lead, South Bay YIMBY

Aaron Burnett
Director of Policy and Civic Engagement,
Canal Alliance

Lucky Maxwell
Transportation Program Coordinator,
Center for Independent Living Berkeley

Sofia Rafikova
Coalition for Clean Air

Jordan Grimes
Resilience Manager, Greenbelt Alliance

Laurel Paget-Seekins
Public Advocates

Ian Griffiths
Policy Director, Seamless Bay Area

Bob Allen

Policy & Advocacy Campaign Director,
Urban Habitat

Justin Hu-Nguyen
Co-Executive Director of Mobility Justice,
Bike East Bay

Jack Lucero Fleck
350 Bay Area Transportation team

Matthew Baker
Policy Director, Planning and Conservation
League

Rafa Sonnenfeld
Policy Director, YIMBY Action

Jamie Pew
Policy Advisor, NextGen California

Adina Levin
Executive Director, Friends of Caltrain

Christine Cordero
Co-Director, Asian Pacific Environmental
Network

George Spies
Co-Founder, Traffic Safety Rapid Response

Woody Hastings
Phase Out Polluting Fuels Program
Manager, The Climate Center

David Blake
East Bay Gray Panthers, Board Member

Meea Kang,
Council of Infill Builders, Board Member

Melissa Romero
California Environmental Voters, Deputy
Legislative Director

Brian Hanlon
CEO, California YIMBY

David Lewis
Executive Director, Save The Bay



April 1, 2024

Senator Dave Cortese, Chair, and Members
Senate Transportation Committee
State Capitol, Room 405
Sacramento, CA 95814

Re: SB 1031 (Wiener, Wahab) – **SUPPORT IF AMENDED**

Chair Cortese and Members:

The Voices for Public Transportation coalition has worked since 2017 to bring a regional transit funding measure to the ballot. We celebrate the introduction of bill language that will raise a dedicated source of desperately-needed transit operating funding, with the explicit goal of “Protecting and enhancing transit service” in the Bay Area. (Sec. 1, (d)(1))

Voices for Public Transportation is a coalition of over 40 community, rider, labor and policy groups in the Bay Area. We came together in 2017 to develop a vision and principles for a regional measure for public transit in the Bay Area that puts transit workers and riders at the center. When former Sen. Jim Beall introduced spot language in SB 278 just before the COVID pandemic struck, we conducted a professional field poll which determined that Bay Area voters were significantly more supportive of a means-based income tax than of a sales tax. In June 2022, after prolonged advocacy by the Voices coalition, the nine-county Bay Area Metropolitan Transportation Commission (MTC) agreed to bring forward a bill to authorize a Bay Area ballot measure for public transit. The express purpose was to address the transit operating “fiscal cliff.” MTC also voted to pursue “bridge” operating funding in the Legislature, to carry the region over until a measure could be authorized and placed on the ballot. Last year, the Legislature responded when the Voices coalition joined with MTC and other transportation agencies to ask it to bridge that funding gap through 2026.

Now we are in phase 2 of that plan – the long-term solution to the region’s transit operating crisis.

SB 1031 is well-aligned with our coalition’s priorities in several important respects. At the same time, we appreciate Senator Wiener’s invitation to “perfect” the bill, and in that spirit offer several amendments that we believe are important to achieving its goals.

The Voices Coalition supports the primary intent and believes the strengths of SB 1031 as introduced include the following:

- Focus on sustaining and improving transit service with **operating funding**, and advancement of transit transformation through customer and service improvements, with a minimum set-aside of \$750 million a year.

April 1, 2024

Page 2

- Support for **safe, complete streets**, walking and biking, roadway state of good repair, and climate resilience.
- Inclusion of some **progressive revenue** mechanisms such as payroll tax, parcel tax and vehicle registration surcharge.
- Authorization for MTC to bring **multiple successive measures** to the voters.
- Study with intent to **achieve outcomes and benefits to transit riders** that may result from transit agency consolidation or coordination.

To ensure the bill achieves its primary purpose to fully fund transit operations and does not burden those least able to pay, the Voices Coalition recommends the following amendments to SB 1031:

- Set aside a **minimum of \$750 million or 70 percent of revenues, whichever is greater**, in annual operating spending in the first ballot measure and **protect that minimum from payment obligations on capital bonds**.
- Set a goal for **transit service levels that exceed and enhance pre-pandemic levels**, and for **improved quality of paratransit service**.
- Limit roadway expenditures to state of good repair and safe and complete streets only.
- Include **additional progressive revenue mechanisms**, such as a means-based income tax, a corporate tax, and a per-square-foot parcel tax with a higher rate for non-residential property, and limit the use of the sales tax.

Conclusion

Transit service levels were inadequate before the pandemic, and face a looming fiscal cliff when federal emergency operating funds, and 2023 state budget funds, run out. It is imperative to our transportation, climate, and equity goals that a measure come before the voters in 2026. Authorizing legislation amended as proposed above will raise the operating funding needed to sustain and increase transit service levels, and frontline transit jobs. We urge your support of the bill with the inclusion of these amendments.

Please feel free to contact Jeanie Ward-Waller (jeanie@fearlessadvocacy.com, 401-241-8559) or Andrés Ramos (aramos@publicadvocates.org, 916-271-0428) with any questions.

Very truly yours,

Richard Marcantonio & Laurel Paget-Seekins (Public Advocates), Zack Deutsch-Gross & Abibat Rahman-Davies (TransForm), Dylan Fabris & Peter Straus (San Francisco Transit Riders)

Members of the Voices coalition Coordinating Committee

Connect Bay Area Act: SB 1031 (Wiener/Wahab) Proposed Amendments



**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joint MTC ABAG Legislation Committee

April 12, 2024

MTC's Core Objectives in Sponsoring Connect Bay Area Act



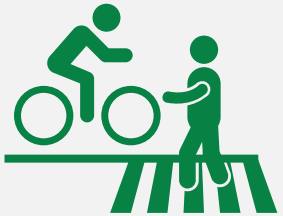
Sustain and Improve Transit

Address transit operating fiscal cliff and improve transit across region.



Rider-Focused Improvements

To accelerate the *Bay Area Transit Transformation Action Plan* implementation, strengthen MTC's network management authority in the enabling legislation.



Improve Mobility for All Users (Fund a Balanced Measure)

Include funding for roadway improvements for all users, including local road repairs, active transportation improvements (Safe Streets) and mobility improvements (Connectivity) as well as climate resilience. Achieve geographic balance.

Comparison of Commission-Approved Framework and SB 1031 (Wiener/Wahab)

Topic	Included in Commission's January Bill Framework	In SB 1031	Comments
Goals of Measure, Expenditure Priorities, Geographic Area of Tax	√	√	
Funding Distribution	Deferred pending further engagement	√	Bill includes more detail than approved by Commission, setting \$750M Transit Transformation Floor
Transit Consolidation Study & Plan		√	Commission preference to focus on Transit Coordination
Strengthen MTC Role in Network Management	√	√	
TDM Mandate	√	√	
Revenue Options	√	√	Bill removes two options from menu (income tax and vehicle miles traveled charge)

Bay Area Transit is a Network – Its Impacts Extend Beyond Individual Systems

\$20 Billion+ in Major Capital Transit Projects Underway

- BART Silicon Valley, Phase 2 - \$12.8 billion
- The Portal/Downtown Rail Extension – \$8.3 billion
- Valley Link - \$2 billion
- Caltrain electrification \$2.4 billion

Leveraging \$11 Billion in Federal Funds

- Projects poised to secure approximately **\$11 billion** in federal funds in next two years.
- Ridership important component of securing Full Funding Grant Agreements



What We've Heard from Voters, Stakeholders and Legislators

- Averting transit fiscal cliff is fundamental
- Transit reforms and accountability are needed
- Residents paying into a tax must see benefit – “return to source” is a key concern for local stakeholders and legislators
- The region has diverse mobility needs; to be successful, a future regional measure must invest in a modally balanced set of investments



Proposed Expenditure Categories



Transit Transformation

Formula + discretionary program to sustain and/or expand transit service levels and accelerate rider-focused Transformation Action Plan improvements and fund zero-emission transit transition. Ensure riders throughout Bay Area receive benefit, regardless of if system rider uses is experiencing deficit.



Safe Streets

Subvention program to County Transportation Agencies to support safety, equity and climate goals, including through including through bike/ped infrastructure investments, safe routes to transit, resilience, pothole repairs and other safety improvements on local roads.



Connectivity

Multimodal Capital Improvement Program to be developed by MTC in partnership with county transportation agencies, with each county guaranteed a share in proportion to their contributions towards the tax over a specified time frame. Projects required to be in Plan Bay Area 2050+ and successor plans.



Flexible

A combined county + regional program that can be spent on eligible expenditures in the other three categories. First priority, funded “off the top” is ensuring **each county receives a minimum benefit of 70 percent of the total tax proceeds**. Next priority is addressing outstanding transit operating shortfalls; Remaining funds, if any, are available to MTC for investment in regional priorities.

Connectivity and Flex Funding Categories

- The **Connectivity** Program is envisioned as a **multi-modal capital** program that would be available to fund county priorities that are included in Plan Bay Area 2050+ and successor plans.
- **Flex Funding (both County Flex and Regional Flex)** could be used for any project that is eligible in the Connectivity, Transit Transformation and Safe Streets categories.



Proposed Connect Bay Area Expenditure Framework

Expenditure Category	\$1.5 B Scenario	\$1 B Scenario
45% - Transit Transformation	\$675 M	\$450 M
40% - Transit Formula	\$270 M	\$180 M
60% - Discretionary	\$405 M	\$270 M
25% - Safe Streets	\$375 M	\$250 M
15% - Connectivity	\$225 M	\$150 M
15% - Flex	\$225 M	\$150 M
TDM Mandate (Transit portion)	\$150 M	\$150 M
TOTAL	\$1.65B	\$1.15B

- Minimum 70 percent “return to source” or “county benefit” for the first five years with option to grow in Year 6 and beyond.
- County benefit is derived from total a county receives from formula portion of Transit Transformation, Safe Streets and Connectivity, **plus** potential funding to address transit operating deficits from operators serving that county, and if not sufficient to reach 70%, additional **Flex funds**.
- Amendments should **accommodate** this framework but may be advisable to retain further flexibility.

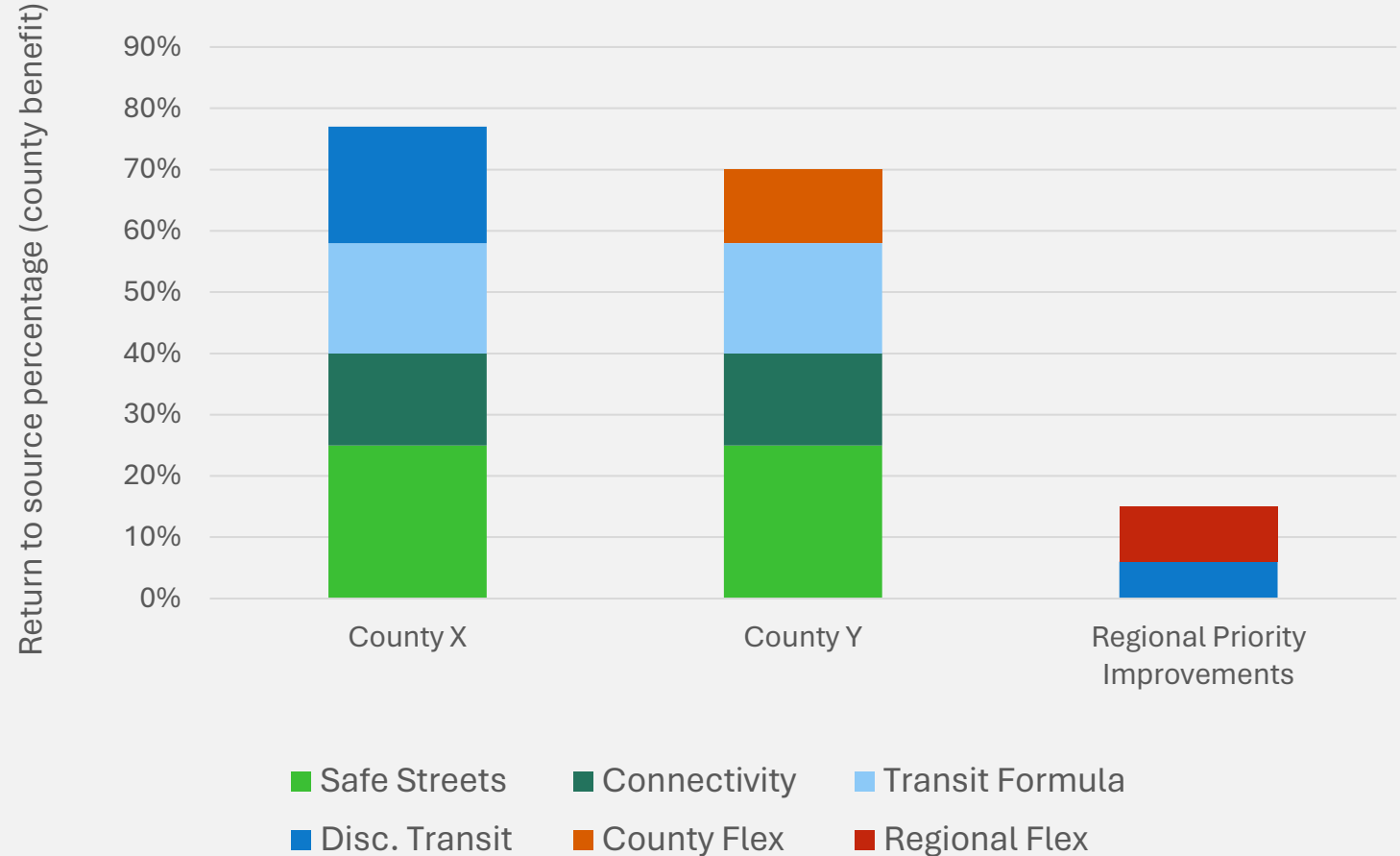
Formula, Flex & Discretionary Funding Example

Step 1 – Safe Streets, Connectivity and Transit Formula “off the top.”

Step 2 – Discretionary transit to address operating gaps & meet operator minimums. Remaining Transit Transformation for regional priorities.

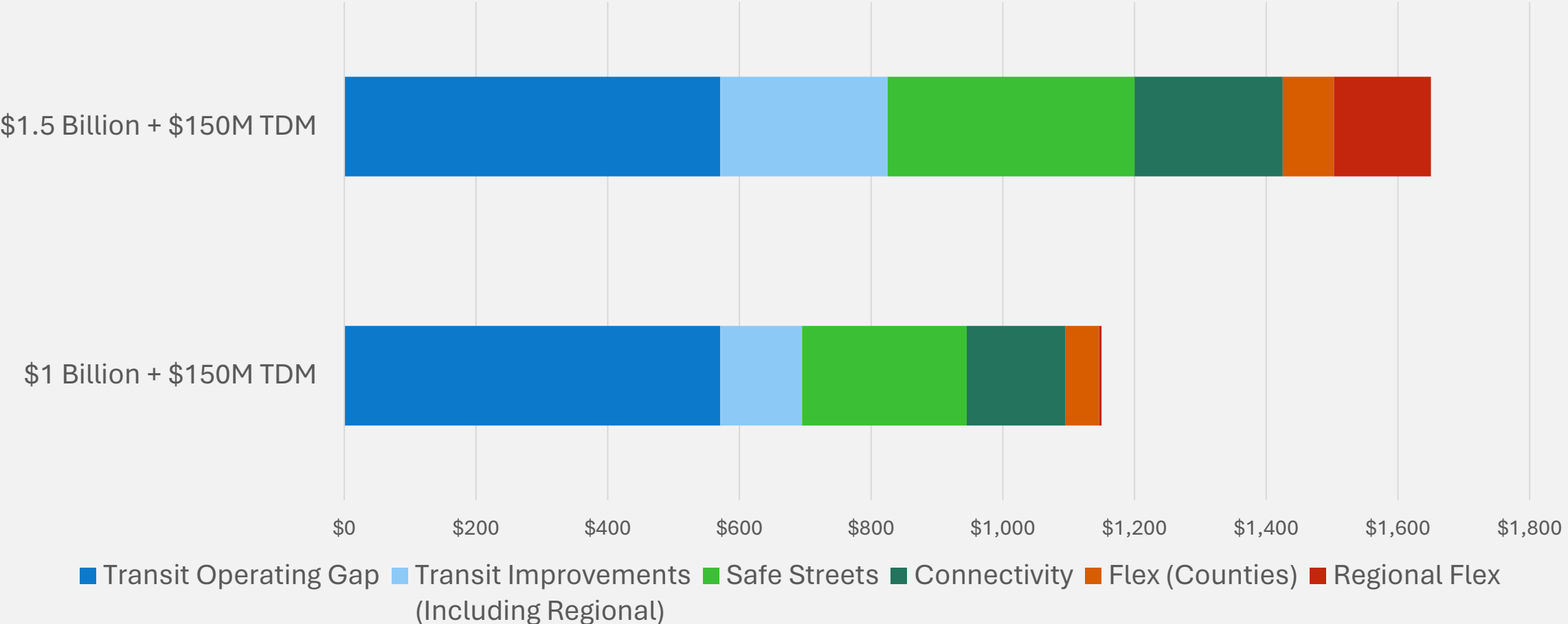
Step 3 – Flex funds meet return to source minimums, if needed. Remaining flex for regional priorities.

Example Connect Bay Area Fund Distribution & Benefit at \$1.5B Scenario



Note: Share shown for Regional Priority Improvements represents its share of total annual funding.

Comparing \$1B vs. \$1.5B Scenarios



Transit Funding & Regional Discretionary Funding Levels Under \$1 B and \$1.5 B Scenarios

Measure Scenarios	\$1.5 billion	\$1.0 billion
	Annual Funding Available (\$ in millions)	Annual Funding Available (\$ in millions)
Transit Funding Range	\$825 - 1,100	\$600-\$750
Transit Transformation Regional Discretionary	\$92	\$0
Flex Regional Discretionary	\$147	\$4

Proposed Consolidation Study Amendments

- Developed collaboratively with transit operators
- Clarify language to make clear intent is not a merger of **all** agencies
- Define “consolidation” to include “shared services” type models as well as governance consolidation.
- Push assessment due date to 24 months after election.
 - **Rationale:** Operators need to focus on delivering improvements to the customer through the network management efforts underway. Assessment happening before election could slow down critical progress as resources are diverted to assessment.
 - **Fall back option:** Assessment due September 31, 2026 (Instead of January 1, 2026)
- Set “Implementation Plan” due date one year **after** assessment, consistent with current language.

Proposed Amendments to Network Management Authority in Response to Operator Concerns

- On March 7, operators communicated concerns about SB 1031's Network Management provisions diluting their control over
 - Operating budgets and fare policies
 - Funding sources
 - Bargaining
 - Individual logos/brands
 - Schedule and service planning
- Amendments are proposed to strike a balance between strengthening Network Management oversight and accountability and operators' concerns and aim to:
 - Provide guardrails on scope of MTC network management authority and "maintenance of effort" (MOE) provisions in bill related to an operator's obligation to sustain existing transit operating funding.

Upcoming Bill Deadlines

Date	Committee/Floor Deadline
April 23	Senate Transportation Committee
April 24	Senate Revenue & Taxation Committee
May 17	Senate Appropriations Committee Deadline
May 24	Senate Floor Deadline

Summary of Staff Recommendation

- Endorse Connect Bay Area Expenditure Framework (Attachment D)
 - **For discussion:** Consider pros and cons of including a more flexible range in the amendments versus specified percentages.
- Endorse consolidation study amendments (Attachment C)
- Endorse network management guardrail amendments (Handout)
- ▶ Direct staff to work with Senator Wiener and Senator Wahab on amendments to incorporate these elements into the legislation

Proposed “Guardrails” to Add to SB 1031 (Wiener/Wahab)

Summary of concerns raised in March 7, 2024 Operator Letter

- Control over operating budgets and fare policies
- Control over their funding sources
- Control over bargaining
- Control over individual logos/brands
- Control over schedule and service planning

Draft language proposed to be added to Government Code 66516

Nothing in this section authorizes the commission to do the following:

- 1) Restrict a transit agency’s access to funds not allocated by the commission.
- 2) Require a one-time or ongoing expenditure or policy that a transit agency has found would require it to take an action that the agency determines to be unacceptable with respect to its impact on transit service, staffing, maintenance, or other specified operational or state of good repair consideration. In advance of making a finding about the impact of a proposed expenditure or policy pursuant to this paragraph, a transit agency shall conduct an assessment that takes into consideration all funding anticipated to be available to the transit agency in the next fiscal year, including, but not limited to, any discretionary funding that the commission has identified to help offset the cost of the proposed expenditure or policy, any growth in fare revenue anticipated as a result of the expenditure or policy as well as potential adjustments to fares or fare policies the operator could make to increase revenue. The agency shall develop the assessment in consultation with staff from the commission and shall present it to the commission at a public meeting in advance of adopting a finding pursuant to this paragraph. At the request of the commission, a transit agency may be required to update its assessment and make a subsequent finding in future fiscal years.
- 3) Require an agency to implement policies or programs that would impede or interfere with its ability to comply with any legal obligations in existing transit labor contracts.
- 4) Restrict the use of an agency’s logo outside the scope of the commission’s regional mapping and wayfinding standards.

- 5) Require that a transit agency modify the schedule or route of a specific local route that the transit agency does not identify as primarily serving regional transit service.

Maintenance of Effort

Amend current Chapter 4: Expenditures, Section 66538.40 as follows

- (f) (1) **Maintenance of Effort.** A public transit agency shall maintain its existing commitment of local funds under its control and formula-based regional, state, and federal funding contributions for transit operations to transit operations in order to be eligible for an allocation of funds approved by the voters pursuant to Chapter 3 (commencing with Section 66538.30). The expected level of funding, which shall be referred to as the maintenance of effort, will be calculated using the operator's average discretionary operating expenditures for the preceding three fiscal years, two years in arrears as reported to the State Controller in its annual Transit Operator Financial Transactions Report pursuant to Section 99243 of the Public Utilities Code. In order to be eligible for funding pursuant to this section, a public transit agency shall verify to the commission that it shall not supplant any sources of its operating revenue under its control or allocated by the commission that were used for transit operations in the preceding three fiscal years as reported to the Controller in the most recent fiscal year pursuant to Section 99243 of the Public Utilities Code before the election approving the revenues imposed pursuant to Chapter 2 (commencing with Section 66538.20).
- (2) Notwithstanding paragraph (1), a transit agency may reduce the amount of funding contributed towards ~~their~~ its operating budget in proportion to any reduction in operating costs or reduction in operating revenue based on as a result of factors outside the control of the transit agency, including, but not limited to the expiration of a voter-approved revenue source or the determination based on a statistically valid poll that an expiring ballot measure lacks sufficient support to warrant placement on the ballot.
- (3) A transit agency may request the commission grant an exception to this requirement for the purpose of transferring operating funds to state of good repair needs for assets owned and operated by the transit agency or compliance with a state or federal law or regulation.