

February 13, 2020

Attention: Feb 14 Joint MTC Legislation Committee & ABAG Legislation Committee
Re: Agenda Item #8B, Senate Bill 278 (Beall): Bay Area Transportation Revenue Measure

Honorable MTC Commissioners and ABAG Legislative Committee Members,

Thank you for considering policies that can support a more seamless, integrated transit system. Seamless Bay Area, a sponsor of AB-2057 (Chiu), the Bay Area Seamless Transit Act, strongly supports MTC direction to staff given at the Jan 30-31 MTC Retreat to be “bold and unflinching” in pursuit of policy reforms that support a more seamless transit system, including legislation. Transit riders are eager to see changes that will quickly integrate our transit system, as evidenced by over 1,500 petition signatures on the Seamless Transit Principles (www.seamlesstransitprinciples.org).

Based on two years of research investigating international best practices and dozens of interviews with Bay Area leaders, Seamless Bay Area has identified that a feature of metropolitan regions with high-ridership, integrated transit systems is the existence of a regional “Transit Network Manager” authority (similar to the “Transit Network Planner” referenced in the staff report). A “Network Manager” strategically plans and actively manages a regional network, which may include multiple transit operators, ensuring it is easy-to use and seamless for passengers. This includes overseeing standardized transit fares, branding, maps, and information, schedule coordination, customer experience, and long range capital planning.

More information on what would be required of the Bay Area to create a truly effective Network Manager is described in an October 15, 2019 [blog post](https://medium.com/seamless-bay-area/to-build-a-seamless-transit-system-governance-reforms-must-accompany-new-funding-9ef35f6ea88a) published by Seamless Bay Area (<https://medium.com/seamless-bay-area/to-build-a-seamless-transit-system-governance-reforms-must-accompany-new-funding-9ef35f6ea88a>). As explained in the post, Seamless Bay Area recommends that a temporary *Regional Commission (or Task Force) on Transportation Governance and Funding* be set up, to both determine the governance structure of the Bay Area’s Network Manager, and recommend what other changes to the organization and governance of transit agencies should accompany the establishment of a Network Manager.

By contrast, MTC’s staff report on SB-278, also applicable to AB-2057, recommends MTC advocate for itself to be vested the authority of “Network Planner”. Seamless Bay Area believes MTC, in its current form, is not currently set up to succeed at being a network planner/manager for several reasons:

1. Conflicting accountability of board structures and organizational mandates

Finances have a significant impact on transit agency operations and decision-making. An effective Network Planner/Manager must have the clear authority and legitimacy to set fares regionally and deploy financial resources to optimize the customer experience for all transit riders. Currently the 27 transit agencies and 9 congestion management authorities each have their own separate accountability and board structures, with legally mandated fiduciary responsibility over their finances, and no direct accountability to the MTC or the region. Further, roadway rights-of-way, which impact the quality of bus and light rail service, are controlled by hundreds of different jurisdictions and Caltrans. While many MTC commissioners sit on local transit agency boards and elected city bodies, this does not equate to direct accountability between local agencies and regional goals. These are fundamental conflicts that must be resolved for a regional entity to be effective as a network planner.

Vesting authority in MTC as a network planner/manager without addressing the structure of transit and other governing bodies would set up the region for ongoing conflict and severely or entirely inhibit MTC's ability to integrate transit.

2. MTC current board structure does not position it for success as Network Manager/Planner

The MTC consists almost entirely of locally elected officials in its governing structure. Elected official commissioners represent just a part of the region, and not the region as a whole. Of its four members representing different State departments, three are non-voting. Successful Network Planning / Network Management entities from other regions typically have governing boards that look very different from MTC. They often have governing boards that include relevant professional and transportation expertise, or officials that represent the entire region. Some boards also include locally elected officials, but they are not the majority. As a result, these boards have a better balance representing regional in addition to local interests, as well as relevant expertise.

3. Past adjustments to MTC's mandate to take on Network Planner responsibilities have been ineffective

Related to the former two factors, perhaps the most compelling argument that MTC is not, in its current form, positioned to succeed as network planner is the failure of past adjustments to MTC's mandate. One such adjustment, Resolution 3866, passed in 2010, stated that MTC is "required to adopt rules and regulations to promote the coordination of fares and schedules for all public transit systems within its jurisdiction and to require every system to enter into a joint fare revenue sharing agreement with connecting systems." The resolution even explicitly gave MTC the authority to condition STA funds on compliance. Despite such a clear mandate, MTC has not been able to achieve such coordination. This speaks to the problem of mandating an agency take actions without resolving the overlapping and conflicting agency finances, board structures, and legal mandates.

A goal of any legislation to create a seamless network should be to remove barriers that prevent successful planning and operation of a seamlessly integrated network. Transformational change to our transit system will require out-of-the box thinking and openness to change. Dramatic improvements will not be possible if we constrain ourselves to existing structures, agencies, and ways of doing business.

We strongly support the MTC staff report's recommendation on "Institutional Reforms" and recommend that it be strengthened. **We encourage the Commission to support the concept of a Task Force to determine the most effective structure for a Network Planner/Manager entity to ensure that the system is planned and operated in a coordinated manner; to identify barriers to achieving a coordinated network; and to assess what institutional reforms to existing agencies and laws should be introduced in concert to position the Network Planner/Manager for success.**

MTC's advocacy position should not preclude finding the best governance solutions, and should not insist that it become the Network Planner/Manager as a starting point.

Thank you very much for your consideration,



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