

STATE CAPITOL
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California State Senate

SENATOR
DAVE CORTESE
FIFTEENTH SENATE DISTRICT



March 17, 2023

The Honorable Nancy Skinner
Chair, Senate Budget Committee
1021 O Street, Suite 8630
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Assembly Budget Committee
1021 O Street, Suite 8230
Sacramento, CA 95814

The Honorable Maria Elena Durazo
Chair, Senate Budget Subcommittee #5
1021 O Street, Suite 7530
Sacramento, CA 95814

The Honorable Steve Bennett
Chair, Assembly Budget Subcommittee #3
1021 O Street, Suite 4710
Sacramento, CA 95814

Re: Transit Funding in the FY 2023-2024 State Budget.

Dear Chairs Skinner, Ting, Durazo and Bennett,

We, the undersigned, write in support of continued investment in transit – both transit capital and transit operations. Transportation remains one of the largest contributors to GHG emissions in California, therefore the state needs to remain committed to both capital investments and increasing transit operations funding.

First and foremost, we must keep the promise made last year and restore the \$2 billion in Transit and Intercity Rail Capital Program funds for capital projects to be cut as part of Governor Newsom's January Budget proposal for FY 2023-2024. Funding for transportation capital projects must remain a top priority as a key to the state's climate goals and a strategy to modernize the state's economy and expand economic opportunity for all Californians. Transportation infrastructure projects can demonstrate significant return on the state's investment, leveraging state and local funds to draw huge federal investments through the Infrastructure Investment and Jobs Act. VTA's BART Extension, Silicon Valley is one such example where the state, regional and local contributions are poised to secure \$4.6 billion in

federal funds. In Southern California, both the extension of Gold Line and funding to advance the West Santa Ana Branch Line are dependent on these key resources. We urge you to maintain General Fund transit funding for FY 2023-24 at levels equal to the amounts enacted FY 2022-23 state budget, decline any budget action to cut transit funding and maintain these dollars for capital needs.

Current state funding sources for transit operations are increasingly insufficient and in some cases the policies that accompany these sources are outdated and complicate the overall funding picture. We support maintaining flexibility in existing funding sources such as Transportation Development Act (TDA) – and specifically ask that the suspension of farebox revenue requirements remain in place as we continue to recover from the pandemic and grow ridership overall. Additionally, we call on our colleagues to double the continuously allocated Greenhouse Gas Reduction Fund contributions to Low Carbon Transit Operations Program and allow for the continued flexibility in the program.

We recognize the budget challenges facing California but urge you to consider budget strategies that look to previously unallocated funds for transit capital and operations needs. Cap-and-trade funding not continuously allocated to existing programs or other sources could fund temporary relief for short-term transit operating shortfalls for agencies facing short-term fiscal cliffs and increased and ongoing state support to increase transit service levels across the state. We should avoid diverting other transportation funding, such as highway or transit capital funds, to operations and instead commit to increasing transit operations funding.

Now is not the time to scale back on our state’s commitment to the transportation sector. We thank you for your consideration of this request and urge you to restore these funds. Please contact Sunshine Borelli at Sunshine.Borelli@sen.ca.gov if we can answer any questions or concerns.

Sincerely,



Dave Cortese
State Senate, District 15



Bill Dodd
State Senate, District 3



Josh Newman
State Senate, District 29



Henry Stern
State Senate, District 27