

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

June 9, 2023

Agenda Item 3b

Assembly Bill 761 (Friedman): Transit Transformation Task Force

Subject:

Establishes a statewide task force to identify transit funding needs to support ridership growth, recommend policies aimed at increasing transit ridership and the customer experience, and recommend new rider-focused state performance metrics.

Background:

Assembly Bill (AB) 761 would require the Secretary of the California State Transportation Agency (CalSTA) convene a Transit Transformation Task Force (Task Force) to identify policies to grow transit ridership and improve the transit experience. The Task Force would be comprised of transit operator representatives, the Department of Transportation (Caltrans), the Controller's office, regional and local governments with jurisdiction over transportation, labor organizations, and other stakeholders including transportation advocacy organizations and academic institutions. CalSTA – in consultation with the Task Force – would be required to prepare and submit to the Legislature a report of findings. The report would include recommendations on the following:

1. Strategies to improve mobility and increase transit ridership, including, but not limited to:
 - a. Service and fare coordination or integration between transit agencies;
 - b. Coordinated scheduling, mapping and wayfinding between transit agencies;
 - c. Ensuring a safe and clean ride for passengers and operators; and
 - d. Enhanced frequency and reliability, including through sharing real-time transit information and transit prioritization on roads.
2. Changes to land use, housing and pricing policies that could improve public transit use.
3. Strategies to address workforce recruitment, retention and development challenges.
4. Replacing California's longstanding Transportation Development Act (TDA) transit performance measures (i.e., fare box recovery ratios) with performance metrics related to transit operations, including usage, cost efficiency of operations and service quality.
5. Identification of the appropriate state department or agency to be responsible for transit system oversight and reporting.

6. New options for state revenues to fund transit operations and capital projects at the scale needed to support ridership growth and address state mandates (e.g., the Innovative Clean Transit (ICT) regulation).
7. The potential of transit-oriented development and value capture of property around transit stations as a source of sustainable revenue for transit operations.

The report would also be required to include a detailed analysis of existing transit usage; transit revenue sources; transit operations and capital costs (including costs to comply with state, federal and local mandates); transit workforce challenges; state and local policies that impact transit service; and an analysis of existing state and local transit performance measures and state departments and agencies that have responsibility over transit (to inform recommendations on items 4 and 5, respectively).

Recommendation:

Support / MTC Commission Approval

Discussion:

A strong public transit system underpins California's ability to deliver an equitable and climate-friendly future. However, pandemic-driven revenue losses are pushing many of the state's largest operators toward near-term transit operations fiscal cliffs. At the same time, pandemic-driven ridership shifts have created an urgent need for transit operators to re-tool to serve the riders of the future. MTC, Bay Area transit operators, and our local, regional and state partners are advocating for a multi-year Transit Recovery Program in this year's State Budget to provide gap funding while transit agencies retool and develop new strategies for long-term financial sustainability. AB 761 would create a statewide approach to developing that path toward long-term sustainability. Notably, the bill builds off and expands upon MTC's Transit Transformation Action Plan, putting the Bay Area in an ideal position to inform this statewide effort. Staff recommends the Commission adopt a "support" position on AB 761.

Known Positions:

See Attachment A

Attachments:

- Attachment A: AB 761 Known Positions



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