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

September 13, 2019 **Agenda Item 4a**

HANDOUT—2019 Legislative Update on Priority Bills

Subject: Bill status updates from the final week of the 2019 state legislative session, with a focus on bills for which MTC and ABAG have taken a position.

Overview: As usual, the last week of session included a flurry of activity, some positive, some disappointing on MTC and ABAG priority bills.

Bills on Governor's Desk
As of this morning, the following bills supported by MTC and/or ABAG have reached the Governor's desk.

AB 784 (Mullin) – Sales Tax Exemption for Zero-Emission Buses
AB 970 (Salas) – Non-Emergency Medical Transportation Grants
AB 1482 (Chiu) – Anti-rent gouging and Just Cause Evictions
AB 1483 (Grayson) – Housing Data: Collection & Reporting
AB 1486 (Ting) – Surplus Lands
AB 1487 (Chiu) – Bay Area Housing Finance Act
SB 5 (Beall) – Affordable Housing and Community Dev. Investment Program
SB 6 (Beall) – Database of Local Land for Residential Development
SB 137 (Dodd) – Federal Transportation Funds: State Exchange Program
SB 277 (Beall) – State/Local Partnership Program (SB 1 Update)
SB 330 (Skinner) – Housing Crisis Act of 2019

Two-Year Bills
Several other bills that were active last week that MTC and/or ABAG supported this year are now two-year bills. Regrettably, this includes SB 664 (Allen), the bill that aimed to achieve a key priority of our 2019 Advocacy Program, namely to clarify current law with respect to handling of personally identifiable information by toll agencies.

There are currently seven cases pending across the state, including two against BATA, that have already cost approximately $10 million in legal expenses statewide. It is this litigation, which we and the other toll agencies in California strongly believe is based on a misreading of current law, that was the reason for pursing a bill to clarify any ambiguity in the statutes in the first place.

This will be a major effort that we plan to take up next year and will follow up with details later this fall on the path forward.

Another disappointment was the placement of AB 429 (Nazarian) on the inactive file, essentially making it a two-year bill. This was the bill that would have required the creation of a statewide inventory of potentially vulnerable buildings in counties with seismic risk. According to the author's office, the Newsom

Administration had some technical concerns with the bill which will hopefully be resolved so that it can be amended and advance next year.

Attached is an update of the final status of bills on which ABAG and MTC took a position this year.

Next Steps
Staff will present a final "legislative scorecard" to the committee in October comparing this year's track record to our 2019 Advocacy Program. Looking ahead, we plan to bring a draft 2020 Advocacy Program for your consideration in November. We welcome your input on next year's priorities.

Alix A. Bockelman

METROPOLITAN TRANSPORTATION COMMISSION

LEGISLATIVE HISTORY
MTC and ABAG Positions
9/13/2019

ABAG

Bill Number	Current Text	Status	Summary	MTC Position	ABAG Position
AB 11 Chiu	Amended 4/11/2019	Assembly 2 year	**Community Redevelopment Law of 2019.** Current law dissolved redevelopment agencies as of February 1, 2012, and designates successor agencies to act as successor entities to the dissolved redevelopment agencies. This bill, the Community Redevelopment Law of 2019, would authorize a city or county, or two or more cities acting jointly, to propose the formation of an affordable housing and infrastructure agency by adoption of a resolution of intention that meets specified requirements, including that the resolution of intention include a passthrough provision and an override passthrough provision, as defined.	Support and Seek Amendments	Support and Seek Amendments
AB 68 Ting	Amended 9/9/2019	Senate Third Reading	**Land use: accessory dwelling units.** The Planning and Zoning Law authorizes a local agency to provide, by ordinance, for the creation of accessory dwelling units in single-family and multifamily residential zones and requires such an ordinance to impose standards on accessory dwelling units, including, among others, lot coverage. Current law also requires such an ordinance to require that the accessory dwelling units to be either attached to, or located within, the living area of the proposed or existing primary dwelling, or detached from the proposed or existing primary dwelling and located on the same lot as the proposed or existing primary dwelling.This bill would delete the provision authorizing the imposition of standards on lot coverage and would prohibit an ordinance from imposing requirements on minimum lot size.	Support	Support
AB 69 Ting	Amended 6/20/2019	Senate Inactive File	**Land use: accessory dwelling units.** Current law requires the Department of Housing and Community Development to propose building standards to the California Building Standards Commission, and to adopt, amend, or repeal rules and regulations governing, among other things, apartment houses and dwellings, as specified. This bill would require the department to propose small home building standards governing accessory dwelling units smaller than 800 square feet, junior accessory dwelling units, and detached dwelling units smaller than 800 square feet, as specified, and to submit the small home building standards to the California Building Standards Commission for adoption on or before January 1, 2021.	Support	Support

AB 147 Burke	Chaptered 4/25/2019	Assembly Chaptered	**Use taxes: collection: retailer engaged in business in this state: marketplace facilitators.** Would specify that, on and after April 1, 2019, a retailer engaged in business in this state includes any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property for delivery in this state by the retailer and all persons related to the retailer that exceed $500,000. The bill would allow the California Department of Tax and Fee Administration to grant relief to certain retailers engaged in business in this state for specified interest or penalties imposed on use tax liabilities due and payable for tax reporting periods beginning April 1, 2019 and ending December 31, 2022.	Support	Support
AB 252 Daly	Chaptered 7/31/2019	Assembly Chaptered	**Department of Transportation: environmental review process: federal program.** Current federal law requires the United States Secretary of Transportation to carry out a surface transportation project delivery program, under which the participating states may assume certain responsibilities for environmental review and clearance of transportation projects that would otherwise be the responsibility of the federal government. Current law, until January 1, 2020, provides that the State of California consents to the jurisdiction of the federal courts with regard to the compliance, discharge, or enforcement of the responsibilities it assumed as a participant in the program. This bill would extend the operation of these provisions indefinitely.	Support	Support
AB 393 Nazarian	Amended 5/29/2019	Senate 2 year	**Building codes: earthquake safety: functional recovery standard.** Would require the California Building Standards Commission, by June 30, 2020, to assemble a functional recovery working group comprised of certain state entities and members of the construction and insurance industries, as specified. The bill would require the working group, by June 30, 2021, to consider whether a "functional recovery" standard is warranted for all or some building occupancy classifications, using specified criteria, and to investigate the practical means of implementing that standard, as specified. The bill would require the working group to advise the appropriate state agencies to propose the building standards, as specified.		Support

AB 429 Nazarian	Amended 8/30/2019	Senate Inactive File	**Seismically vulnerable buildings: inventory.** Current law establishes a program within all cities and all counties and portions thereof located within seismic zone 4, as defined, to identify all potentially hazardous buildings and to establish a mitigation program for these buildings. The mitigation program may include, among other things, the adoption by ordinance of a hazardous buildings program, measures to strengthen buildings, and the application of structural standards necessary to provide for life safety above current code requirements. Current law requires the Alfred E. Alquist Seismic Safety Commission to report annually to the Legislature on the filing of mitigation programs relating to building construction standards from local jurisdictions. This bill would require the commission, by specified deadlines, to identify funding and develop a bidding process for hiring a third-party contractor to create an inventory of potentially vulnerable buildings, as defined.		Support
AB 784 Mullin	Amended 8/30/2019	Assembly Enrollment	**Sales and use taxes: exemption: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.** Current state 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. The Sales and Use Tax Law provides various exemptions from those taxes. This bill would, until January 1, 2024, provide an exemption from those taxes with respect to the sale in this state of, and the storage, use, or other consumption in this state of, specified zero-emission technology transit buses sold to specified public agencies. The bill would provide that this exemption does not apply to specified state sales and use taxes from which the proceeds are deposited into the Local Revenue Fund, the Local Revenue Fund 2011, or the Local Public Safety Fund.	Support	
AB 970 Salas	Enrollment 9/11/2019	Assembly Enrolled	**California Department of Aging: grants: transportation.** Current law establishes certain wellness, injury prevention, and other programs within the California Department Of Aging to serve both older individuals and persons with a disability, as defined. This bill would make grant awards available under the State Air Resources Board's Clean Mobility Options program for disadvantaged communities and low-income communities to eligible applicants, including, but not limited to, area agencies on aging and public transit operators. The grant awards would be used to fund transportation to and from nonemergency medical services for older individuals and persons with a disabilities, for the purpose of reducing greenhouse gas emissions.	Support if Amended	

AB 1142 Friedman	Amended 8/12/2019	Senate 2 year	**Regional transportation plans: transportation network companies.** Current law requires a regional transportation plan to include a policy element, an action element, a financial element, and, if the transportation planning agency is also a metropolitan planning organization, a sustainable communities strategy. Under current law, the policy element describes the transportation issues in the region, identifies and quantifies regional needs, and describes the desired short-range and long-range transportation goals, as well as pragmatic objective and policy statements. Current law authorizes the policy element of transportation planning agencies with populations that exceed 200,000 persons to quantify a set of specified indicators. This bill would authorize the inclusion of an additional indicator regarding measures of policies to increase use of existing transit.	Support	
AB 1481 Grayson	Amended 5/20/2019	Assembly 2 year	**Tenancy termination: just cause.** Would, with certain exceptions, prohibit a lessor of residential property from terminating the lease without just cause, as defined, stated in the written notice to terminate.	Support	Support
AB 1482 Chiu	Enrollment 9/11/2019	Assembly Enrollment	**Tenant Protection Act of 2019: tenancy: rent caps.** Would, with certain exceptions, prohibit an owner, as defined, of residential real property from terminating a tenancy without just cause, as defined, which the bill would require to be stated in the written notice to terminate tenancy when the tenant has continuously and lawfully occupied the residential real property for 12 months, except as provided. The bill would require, for certain just cause terminations that are curable, that the owner give a notice of violation and an opportunity to cure the violation prior to issuing the notice of termination. The bill, if the violation is not cured within the time period set forth in the notice, would authorize a 3-day notice to quit without an opportunity to cure to be served to terminate the tenancy. The bill would require, for no-fault just cause terminations, as specified, that the owner, at the owner's option, either assist certain tenants to relocate, regardless of the tenant's income, by providing a direct payment of one month's rent to the tenant, as specified, or waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due. This bill contains other related provisions and other existing laws.	Support	Support

AB 1483 Grayson	Enrollment 9/12/2019	Assembly Enrollment	**Housing data: collection and reporting.** This bill would require a city, county, or special district to maintain on its internet website, as applicable, a current schedule of fees, exactions, and affordability requirements imposed by thecity, county, or special district, including any dependent special district, applicable to a proposed housing development project, all zoning ordinances and development standards, and annual fee reports or annual financial reports, as specified. The bill would require a city, county, or special district to provide on its internet website an archive of impact fee nexus studies, cost of service studies, or equivalent, as specified. By requiring a city or county to include this information on its internet website, the bill would impose a state-mandated local program.	Support and Seek Amendments	Support and Seek Amendments
AB 1485 Wicks	Amended 9/6/2019	Assembly Desk	**Housing development: streamlining.** The Planning and Zoning Law requires that a development be subject to a requirement mandating a minimum percentage of below market rate housing based on one of 3 specified conditions. This bill would modify that condition to authorize a development that is located within the San Francisco Bay area, as defined, to instead dedicate 20% of the total number of units to housing affordable to households making at or below 120% of the area median income with the average income of the units at or below 100% of the area median income, except as provided.	Support	Support
AB 1486 Ting	Enrollment 9/12/2019	Assembly Enrollment	**Surplus land.** Current law prescribes requirements for the disposal of surplus land by a local agency. Current law defines "local agency" for these purposes as every city, county, city and county, and district, including school districts of any kind or class, empowered to acquire and hold real property. This bill would expand the definition of "local agency" to include sewer, water, utility, and local and regional park districts, joint powers authorities, successor agencies to former redevelopment agencies, housing authorities, and other political subdivisions of this state and any instrumentality thereof that is empowered to acquire and hold real property, thereby requiring these entities to comply with these requirements for the disposal of surplus land. The bill would specify that the term "district" includes all districts within the state, and that this change is declaratory of existing law.	Support	Support

AB 1487 Chiu	Enrollment 9/12/2019	Assembly Enrollment	**San Francisco Bay area: housing development: financing.** Current law provides for the establishment of various special districts that may support and finance housing development, including affordable housing special beneficiary districts that are authorized to promote affordable housing development with certain property tax revenues that a city or county would otherwise be entitled to receive. This bill, the San Francisco Bay Area Regional Housing Finance Act, would establish the Bay Area Housing Finance Authority (hereafter the authority) and would state that the authority's purpose is 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.	Support if Amended	Support if Amended
ACA 1 Aguiar-Curry	Amended 3/18/2019	Assembly Third Reading	**Local government financing: affordable housing and public infrastructure: voter approval.** The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements.	Support	Support
SB 5 Beall	Enrollment 9/11/2019	Senate Enrollment	**Affordable Housing and Community Development Investment Program.** Would establish in state government the Affordable Housing and Community Development Investment Program, which would be administered by the Affordable Housing and Community Development Investment Committee. The bill would authorize a city, county, city and county, joint powers agency, enhanced infrastructure financing district, affordable housing authority, community revitalization and investment authority, transit village development district, or a combination of those entities, to apply to the Affordable Housing and Community Development Investment Committee to participate in the program and would authorize the committee to approve or deny plans for projects meeting specific criteria. The bill would also authorize certain local agencies to establish an affordable housing and community development investment agency and authorize an agency to apply for funding under the program and issue bonds, as provided, to carry out a project under the program.This bill contains other related provisions and other existing laws.	Support	Support

SB 6 Beall	Enrollment 9/11/2019	Senate Enrollment	**Residential development: available land.** Would require the Department of Housing and Community Development to furnish the Department of General Services with a list of local lands suitable and available for residential development as identified by a local government as part of the housing element of its general plan. The bill would require the Department of General Services to create a database of that information and information regarding state lands determined or declared excess and to make this database available and searchable by the public by means of a link on its internet website.	Support	Support
SB 13 Wieckowski	Amended 9/6/2019	Assembly Third Reading	**Accessory dwelling units.** Would authorize the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling residential use. The bill would also revise the requirements for an accessory dwelling unit by providing that the accessory dwelling unit may be attached to, or located within, an attached garage, storage area, or other structure, and that it does not exceed a specified amount of total floor area.	Support if Amended	Support if Amended
SB 137 Dodd	Enrolled 9/12/2019	Senate Enrollment	**Federal transportation funds: state exchange programs.** Current law requires that all moneys in the State Highway Account in the State Transportation Fund derived from federal sources or from appropriations to other state agencies, or deposited in the account by local agencies or by others, to be continuously appropriated to, and available for expenditure by, the Department of Transportation for the purposes for which the money was made available, including, among other purposes, transportation improvements. This bill would authorize the Department of Transportation to allow the above-described federal transportation funds that are allocated as local assistance to be exchanged for nonfederal State Highway Account funds appropriated to the department on a dollar-for-dollar basis for federal local assistance funds received by a city, county, or city and county, as specified. The bill would require, among other things, the total amount of federal funds exchanged to not exceed $100,000,000 during each federal fiscal year.	Support	Support

SB 152 Beall	Amended 4/25/2019	Senate 2 year	**Active Transportation Program.** Current law establishes the Active Transportation Program in the Department of Transportation for the purpose of encouraging increased use of active modes of transportation, such as biking and walking. Existing law requires specified funds for the program to be appropriated to the department in the annual Budget Act and allocated to eligible projects by the California Transportation Commission. This bill would require that 60% of available funds be awarded to projects selected by metropolitan planning organizations (MPO) in urban areas with populations greater than 200,000, with the available funds distributed to each MPO based on its relative share of the population, 15% to fund projects in small urban and rural regions, and 25% to projects competitively awarded by the commission on a statewide basis.	Support (Sponsor)	Support
SB 277 Beall	Enrollment 9/11/2019	Senate Enrollment	**Road Maintenance and Rehabilitation Program: Local Partnership Program.** Current law continuously appropriates $200,000,000 annually from the Road Maintenance and Rehabilitation Account for allocation by the California Transportation Commission for a program commonly known as the Local Partnership Program to local or regional transportation agencies that have sought and received voter approval of taxes or that have imposed certain fees, which taxes or fees are dedicated solely for road maintenance and rehabilitation and other transportation improvement projects. Current law requires the commission, in cooperation with the Department of Transportation, transportation planning agencies, county transportation commissions, and other local agencies, to develop guidelines for the allocation of those moneys. This bill would require the commission to annually deposit 85% of these funds into the Local Partnership Formula Subaccount, which the bill would create, and 15% of these funds into the Small Counties and Uniform Developer Fees Competitive Subaccount, which the bill would create.	Support	
SB 330 Skinner	Enrolled 9/11/2019	Senate Enrollment	**Housing Crisis Act of 2019.** The The Housing Accountability Act requires a local agency that proposes to disapprove a housing development project that complies with applicable, objective general plan and zoning standards and criteria that were in effect at the time the application was deemed to be complete, or to approve it on the condition that it be developed at a lower density, to base its decision upon written findings supported by substantial evidence on the record that specified conditions exist, and places the burden of proof on the local agency to that effect. The act requires a court to impose a fine on a local agency under certain circumstances and requires that the fine be at least $10,000 per housing unit in the housing development project on the date the application was deemed complete. This bill would, until January 1, 2025, specify that an application is deemed complete for these purposes if a preliminary application was submitted, as specified.	Support	

SB 664 Allen	Amended 9/10/2019	Assembly P. & C.P.	**Electronic toll and transit fare collection systems.** Current law requires the Department of Transportation, in cooperation with the Golden Gate Bridge, Highway and Transportation District and all known entities planning to implement a toll facility, to develop and adopt functional specifications and standards for an automatic vehicle identification system, in compliance with specified objectives, including that a vehicle owner shall not be required to purchase or install more than one device to use on all toll facilities, and generally requires any automatic vehicle identification system purchased or installed after January 1, 1991, to comply with those specifications and standards. Current law authorizes operators of toll facilities on federal-aid highways engaged in an interoperability program to provide only specified information regarding a vehicle's use of the toll facility. This bill would expand the above-described objective so that a user of a toll facility shall also not be required to purchase or install more than one device to use on all toll facilities.	Support	