

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.