



Alameda-Contra Costa Transit District

STAFF REPORT

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Monthly Legislative Report

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider receiving the Monthly Legislative Report.

BACKGROUND/RATIONALE:

Federal Legislation Update

Congress continues to make progress on the Fiscal Year (FY) 2017 annual appropriations bills to fund the federal government starting on October 1, 2016. On May 19, 2016, the full Senate voted 89 – 8 to approve the Transportation, Housing and Urban Development (THUD) appropriations bill, which included a handful of transportation amendments like a requirement that the Department of Transportation issue a final rule within six months of enactment requiring speed limiters on heavy trucks and \$1.1 billion in emergency funding to combat the Zika virus.

On May 17, 2016, the House THUD Subcommittee released and approved its version of the THUD appropriations bill, which proposes to fully fund all Highway Trust Fund supported programs at the same levels authorized under the Fixing America's Surface Transportation (FAST) Act. The House provided more money than the Senate for transit discretionary Capital Improvement Grants, but less money than the Senate for the Transportation Investment Generating Economic Recovery (TIGER) grant program.

State Legislation Update

On May 13, 2016, Governor Jerry Brown released his revised budget for FY 2016 – 2017 with updated revenue projections and changes to his January budget proposal. It reflects a \$1.9 billion decrease in tax revenue for FY 2016 – 2017 and further solidifies the Governor's call for fiscal restraint. The revenue projections behind the Governor's May Revise do call for a lower-than-expected State Transit Assistance program. However, it contains few changes to the funding sources benefitting public transit.

The Senate and Assembly Budget Committees have completed their actions on the changes proposed in the May Revise and closed any open items. Negotiations now head to the Budget Conference Committee. By June 15, the Legislature must send Governor Brown the budget bill for his consideration, with the Budget Act taking effect on July 1.

SB 1051, which Senator Loni Hancock introduced on the District's behalf, was double referred to the Assembly Committees on Transportation and Privacy & Consumer Protection. A hearing is scheduled on June 13, 2016. This bill would authorize AC Transit to enforce parking violations in bus only lanes and stops with automated forward facing cameras.

BUDGETARY/FISCAL IMPACT:

There is no budgetary or fiscal impact associated with this report.

ADVANTAGES/DISADVANTAGES:

This report is provided to inform the Board of monthly legislative activities and to seek its approval to support or oppose legislation affecting AC Transit. This provides clear direction to legislators and other bodies of AC Transit's positions.

ALTERNATIVES ANALYSIS:

This report provides an update of monthly legislative activities. AC Transit could opt to defer from legislative positions and operate without making its positions known, leaving the District vulnerable to unfavorable legislation.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 15-293a: 2016 Federal and State Legislative Advocacy Programs

ATTACHMENTS:

- 1: Federal Update from Van Scoyoc Associates
- 2: State Legislative Report from Platinum Advisors
- 3: State Legislative Bill Matrix
- 4: FY 2016 Federal Advocacy Program
- 5: FY 2016 State Advocacy Program

Approved by: Beverly Greene, Director of Legislative Affairs & Community Relations
Reviewed by: Beverly Greene, Director of Legislative Affairs & Community Relations
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Transportation Update

May 31, 2016

Steven O. Palmer, Vice President
Channon Hanna, Director
David Haines, Manager

This Week

Both the House and Senate are in recess this week.

Last Week

House

Markup: THUD Appropriations. On May 24, the full Appropriations Committee approved the FY 2017 Transportation, Housing and Urban Development bill. The \$58.2 billion appropriations bill was approved by the Subcommittee last week. While several amendments were offered and withdrawn, there were two transportation related amendments voted on at the markup:

- Representative David Price (D-NC), the Subcommittee's Ranking Democrat, proposed striking several policy riders, including three addressing trucking regulations and a prohibition on funding California's high speed rail project. The amendment was defeated on a 19-28 vote.
- Representative Mike Quigley (D-IL) offered an amendment to prevent Chicago O'Hare International Airport from decommissioning runways that would affect noise in neighborhoods near the Airport. The amendment was defeated on a voice vote.

Hearing: Washington Metro. On May 24, the House Subcommittee on Highways and Transit held a hearing to look at the safety issues facing the Washington Metropolitan Area Transit Authority (WMATA). Witnesses included several Members of the Maryland and Virginia congressional delegation, the Acting Federal Transit Administrator, WMATA's General Manager, and a representative from the Metropolitan Washington Council of Governments.

Hearing: TSA Airport Screening. On May 25, the Homeland Security Committee held a hearing to examine the Transportation Security Administration's (TSA) plans to deal with the long lines and wait times happening at airport security checkpoints. TSA Administrator Peter Neffenger testified and addressed questions on the allocation of TSA staff resources, new screening technologies, bringing more passengers into the TSA PreCheck program, and security at foreign airports with direct service to the U.S.

Hearing: Local Perspectives on TSA Airport Screening. On May 26, the Transportation Security Subcommittee of the Homeland Security Committee held a hearing to examine how airports have been directly impacted by the long wait times. Witnesses included representatives from the Syracuse Hancock International Airport, Tucson Airport Authority, the City of Chicago's Department of Aviation which

oversees both O'Hare International Airport and Midway Airport, American Airlines and the American Federation of Government Employees, the union that represents TSA's screening workforce.

Senate

Markup: DHS Appropriations. On May 26, the Appropriations Committee approved the FY 2017 Department of Homeland Security (DHS) Appropriations bill which had been approved earlier in the week by the Homeland Security Appropriations Subcommittee. Included in the bill is funding for an additional 1,300 TSA screeners and 50 canine teams at airports nationwide. The bill also directs TSA to make Pre-Check enrollment easier for passengers.

Department of Transportation

DOT: Advisory Committee for Aviation Consumer Protection. On May 27, DOT posted a solicitation of applications and nominations for membership for the Advisory Committee for Aviation Consumer Protection. The membership is required to be composed of a representative from air carriers, airport operators, state or local governments with expertise in consumer protection matters, and nonprofit public interest groups with expertise in consumer protection matters. Nominations are due by June 27, 2016.

FHWA/FTA: Planning Regulation. On May 27, FTA and the Federal Highway Administration jointly issued a final rule which updates the regulations on the development of metropolitan transportation plans and programs for urbanized areas, long-range statewide transportation plans, congestion management process, and revisions related to products developed during the planning process for project management and the environmental review process. This rule reflects statutory changes made by both MAP-21 and the FAST Act. The final rule is effective on June 27, 2016.

FRA: Rail Safety Employee Protection. On May 27, the Federal Railroad Administration (FRA) issued two final rules to better protect railroad employees working on or near railroad tracks. One rule amends the existing Roadway Worker Protection regulation. The second rule, Control of Alcohol and Drug Use, revises FRA's existing alcohol and drug testing regulations and expands the requirements to now cover maintenance of way employees. The second rule fulfills a requirement of the Rail Safety Improvement Act of 2008.

DHS: Airport Wait Times. On May 26, DHS Secretary Jeh Johnson announced that the Department has sent a second reprogramming request to Congress for \$28 million, which would be used to fund an immediate conversion of 2,784 TSOs from part-time to full-time at the top 20 busiest airports. According to DHS, this will enable TSA to screen 82,000 additional passengers per day. In addition, the Secretary announced the number of immediate steps the Department is taking in partnership with airports and airlines to reduce wait times.

Other

GAO: Rail Grant Oversight. On May 26, the Government Accountability Office (GAO) released a report which reviewed the Federal Railroad Administration's (FRA) oversight of the grants funding the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) equipment requirements. In the report, GAO recommended that the Secretary direct FRA to enhance its process for monitoring project performance to include project goals and performance measures that directly link to those goals, and develop and provide written guidance to grantees outlining agency expectations and deliverables.

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June 1, 2016

TO: Director Chris Peeples, President, and
 Members of the Board
 Michael Hursh, General Manager
 Beverly Greene, Director of Legislative Affairs & Community Relations

FR: Steve Wallauch
 Platinum Advisors

RE: LEGISLATIVE UPDATE

Conference Commencement: The Budget Committees in both houses have completed their actions on the changes proposed in the May Revise and closed any open items. Now the negotiations head to the Budget Conference Committee which started its review today. Conference Committee membership for both houses was announced yesterday:

Assemblyman Phil Ting (D-San Francisco), Chair
 Senator Mark Leno (D-San Francisco) (Co-chair)
 Assemblyman Richard Bloom (D-Santa Monica)
 Assemblywoman Lorena Gonzalez (D-San Diego)
 Assemblyman Jay Obernolte (R-Big Bear Lake)
 Assemblywoman Kristin Olsen (R-Modesto)
 Senator Patricia Bates (R-Laguna Niguel)
 Senator Loni Hancock (D-Berkeley)
 Senator Ricardo Lara (D-Bell Gardens)
 Senator Jim Nielsen (R-Gerber)

Negotiations are expected to move quickly, as the final budget is due by midnight June 15. Testimony will not be taken during conference.

Suspense: The fate of hundreds of bills placed on with the Senate Appropriations or the Assembly Appropriations Suspense Files was determined last Friday. Any bill that remains on the Suspense File after tomorrow is essentially dead, and many of the bills that were removed have been amended by the Committee to address any cost concerns. The bill matrix outlines the amendments made to bills AC Transit is following.

The Budgets: The purpose of the Budget Conference Committee is to resolve any differences between the Senate and Assembly spending proposals. The budget in both houses largely

adopts the Governor's spending proposal with some key differences around the edges. The Assembly accepted the Governor's revenue estimates included in the May Revise. While the Senate adopted the Governor's number for income and sales tax revenue, the Senate adopted the LAO's forecast for local property tax revenue, which provided the Senate and extra \$385 million. In other areas, the Senate and Assembly adopted very differing expenditure plans for cap & trade auction revenues. On affordable housing both houses adopted the proposal to securitize a portion of Prop 63 mental health funding revenues, but the Assembly added an additional \$650 million for various affordable housing programs.

Governor's Transportation Proposal: Both the Senate and the Assembly rejected, without prejudice, the Governor's transportation funding proposal. This is the funding proposal that would generate \$3.6 billion annually for transportation and transit projects. Both the Senate and Assembly felt that this is an issue that would be better addressed through the transportation special session and not the budget process.

FAST Act: Both the Senate and Assembly Budget Subcommittees took action to approve the Governor's May Revise proposal to allow the CTC allocate up to \$120 million in state and federal funds to match any awards under the FASTLANE program. FASTLANE is a competitive federal program that can fund up to 60% of eligible projects.

However, both Subcommittees rejected the May Revise budget trailer bill language that would have directed the CTC to allocate the state's formula share of National Freight Highway Program funds with 50% to corridor projects selected by local agencies and 50% to projects nominated by Caltrans. Both Subcommittees directed this issue to the normal policy committee process, where Assemblyman Jim Frazier has already introduced AB 2170.

STA Fix: Both the Senate and Assembly budgets include budget trailer bill placeholder language that takes the first step in addressing changes the State Controller's Office made in allocating the revenue portion of State Transit Assistance (STA) funds.

The trailer bill language would put a freeze on how the revenue portion of STA funds is allocated. The language would direct the Controller's Office to allocate the remaining 2015-16 funds and all of the 2016-17 and 2017-18 funds pursuant to the formula used to allocate the STA revenue funds in the 2014-15 fiscal year. This "timeout" would provide time for transit operators to work with the Controller on implementing any needed statutory changes next year.

Cap & Trade: While both the Senate and the Assembly adopted markedly different spending priorities for cap & trade auction revenue, both houses agreed that negotiations will continue and that it is imperative that an agreement will be reached as part of the budget. The spending plans largely incorporate the core spending priorities proposed by the Governor, such as allocating \$500 million to CARB for Low Carbon Transportation program.

While these plans appropriate \$3 billion in cap & trade auction revenue, the biggest wrinkle facing these plans is the paltry results from the most recent auction. The May auction was expected to generate over \$500 million in auction revenue, but it only generated \$10 million. The reason for this dramatic drop is not clearly understood, but many factors likely played a part. In particular, there was a rush to dump credits on the secondary market, which resulted in prices on the secondary market being far cheaper than those credits available at CARB's auction. Regardless of whether this was an anomaly or a trend, the Governor and the Legislature will likely need to reduce the cap & trade revenue projections.

The Assembly's plan redirects \$100 million proposed by the Governor for complete streets projects to the Active Transportation Program, while the Senate deletes \$400 million the Governor proposed for the Transit & Intercity Rail Program, and instead allocates these funds to a new program for transformational climate communities. At the Senate Budget Committee hearing Senators Beall and Allen expressed strong concerns about deleting the funds for transit capital projects, and even the Senate Budget Chairman, Mark Leno, also expressed he would likely not vote for the final expenditure plan if transit funding is not addressed. Below is a chart comparing the expenditure plans:



2016-17 Cap-and-Trade Expenditure Packages

June 2016

(In Millions)

	Governor	Senate	Assembly
Continuous Appropriations*	\$1,200	\$1,200	\$1,200
High speed rail	500	500	500
Affordable housing and sustainable communities	400	400	400
Transit and intercity rail capital	200	200	200
State transit assistance	100	100	100
Transportation	\$1,025	\$520	\$1,050
Low carbon vehicles	460	460	485
Transit and intercity rail capital	400	—	400
Low carbon road or active transportation program	100	—	100
Biofuel production subsidies	40	40	40
Biofuel facilities capital support	25	20	25
Carbon Sequestration	\$280	\$235	\$280
Healthy forests	150	25	150
Wetland and watershed restoration	60	60	60
Urban forestry	30	30	30
Green infrastructure	20	100	20
Carbon sequestration in soils	20	20	20
Energy Efficiency and Renewable Energy	\$200	\$230	\$170
Low-income energy efficiency and solar	75	75	45
UC and CSU energy efficiency	60	60	60
Energy efficiency for state buildings	30	30	30
I-Bank energy financing program	20	50	20
Conservation Corps energy efficiency	15	15	15

(Continued)



June 1, 2016

Table 1: Board Action Positions

Bills	Subject	Status	Client - Position
AB 516 (Mullin D) Vehicles: temporary license plates	<p>This bill was placed on the Inactive File in order to provide additional time to address concerns expressed by the CHP on whether the temporary plates are readable by photo scanners, as well as work with the Administration on the authority for car dealers to impose a fee to issue these temporary plates.</p> <p>AB 516 would require the DMV to develop a system that issues a temporary license plate that would be installed when a vehicle is sold. The purpose of the bill is to improve the ability to identify vehicles and eliminate any reason for a vehicle to be driven without a plate.</p>	SENATE INACTIVE FILE – Two-Year Bill	SUPPORT
AB 1591 (Frazier D) Transportation funding.	<p>AB 1591 which would generate nearly \$8 billion annually for transportation investments. This proposal shares many elements with Senator Beall's proposal, and the other funding proposals released last year.</p> <p>The recommended position is to support AB 1591 and seek amendments that would split the allocation of cap & trade funds equally between the Low Carbon Transit Program (LCTOP) and the Transit & Intercity Rail Capital Program (TIRCP). The bill currently calls for increasing the share of cap & trade funds for the LCTIP from 10% to 20%. The amendment would increase the share of funds to LCTOP from 5% to 10%, and increase the share to TIRCP from 10% to 15%.</p> <p>The bill includes the following funding elements:</p> <ul style="list-style-type: none"> • \$3.3 billion annually by increasing the gasoline excise by 22.5 cents. This new base rate would be adjusted for inflation. 5% of these funds would be set aside for a State and Local Partnership Program for counties currently without a local transportation sales tax program. The remaining would be placed in the Road Maintenance and Rehabilitation Account, where the funds would be split equally with 50% allocated to state highway maintenance projects and 50% allocated to 	ASSEMBLY TRANS	Support & Seek Amendment

	<p>cities and counties for street and road maintenance projects.</p> <ul style="list-style-type: none"> • \$840 million annually by increasing the diesel fuel excise tax by 30 cents, and indexing it for inflation. This revenue would be dedicated the Trade Corridor Investment Fund. • \$1.24 billion by increasing vehicles registration fees by \$38. These funds would be deposited in the Road Maintenance and Rehabilitation Account. • \$16 million by imposing an annual surcharge of \$165 on all zero emission vehicles. These funds would be deposited in the Road Maintenance and Rehabilitation Account. • Return nearly \$1 billion in truck weight fees annually to the State Highway Account. This halts the use of truck weight fees for transportation bond debt payments. • Repay over two years \$879 million in outstanding loans made from various transportation accounts to the general fund. This one time revenue would be allocated to cities and counties for road improvement projects. • Increase the share of cap & trade auction revenue appropriated to the Transit & Intercity Rail Program from 10% to 20%. This would increase this Program from \$200 million annually to \$400 million annually. • Annually appropriate 20% of cap & trade auction revenue, about \$400 million per year, to the Trade Corridor Investment Fund. This new program would use cap & trade revenue to improve the state’s freight corridors. 		
<p>AB 1746 (Stone, Mark D) Transit buses</p>	<p>AB 1746 was unanimously approved by the Assembly on a vote of 76-0.</p> <p>AB 1746 adds AC Transit, the Central Contra Costa Transit Authority, the Livermore Amador Valley Transit Authority, the North County Transit District, the San Diego Association of Governments, the San Diego Metropolitan Transit System, the Santa Clara Valley Transportation Authority, and the Los Angeles Metropolitan Transit Authority to an existing program that allows buses to operate on the shoulder of a state highway upon approval of Caltrans and the CHP.</p>	<p>SENATE T & H</p>	<p>Support</p>

	This was initially a pilot program that authorized Monterey-Salinas Transit District and the Santa Cruz Metropolitan Transit District to utilize shoulders along heavily congested highways.		
AB 2090 (Alejo D) Low Carbon Transit Operations Program.	<p>AB 2090 would amend the Low Carbon Transit Operations Program (LCTOP) to allow a transit operator to expend its share of LCTOP funds to operate existing transit service if the governing board of the transit operator declares a fiscal emergency and makes specified findings.</p> <p>An operator could not ask for this use of LCTOP funds for more than 3 consecutive years, and the operator must declare a fiscal emergency for each year LCTOP funds will be used for existing operations.</p>	ASSEMBLY FLOOR	SUPPORT
AB 2094 (Obernolte R) Transportation: Greenhouse Gas Reduction Fund: state and local transportation funds	<p>In short, AB 2094 would swap existing transit revenue with cap & trade auction revenue, and then dedicate the transit revenue to roadway repairs.</p> <p>As amended, AB 2094 would continuously appropriate \$1 billion of cap & trade auction revenue to the local transportation fund within the Retail Sales Tax Fund. The local transportation fund is the ¼ cent sales tax revenue that is dedicated primarily to fund public transit service, which was enacted as part Transit Development Act. In addition, AB 2094 would then transfer \$1 billion from the local transportation and split these funds equally between state highway projects and local streets and roads.</p>	ASSEMBLY TRANS DEAD-Failed Deadline	Oppose
AB 2415 (Edwardo Garcia D) Clean Truck, Bus and Off-Road Vehicle and Equipment Technology Program	<p>AB 2415 is the reintroduction of AB 857 from last year that the AC Transit Board opposed.</p> <p>The legislature passed and the Governor signed SB 1204, which placed in statute the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program. This program essentially codifies CARB's existing programs aimed at funding projects that lead to the commercialization of zero emission trucks and buses. SB 1204 also directs until January 1, 2018, 20% of the funds annually to truck projects.</p> <p>AB 2415 would increase the amount of funds dedicated to truck projects. From January 2, 2018 to January 1, 2023. The bill would require CARB to direct at least 50% of cap & trade revenue dedicated to this program toward low emission natural gas trucks.</p>	ASSEMBLY APPR – Held of Suspense File -- DEAD	Oppose

	AB 857 would significantly increase the truck set-aside, which would limit CARB's ability to fund zero emission bus projects.		
ACA 4 (Frazier D) Local government transportation projects: special taxes: voter approval.	ACA 4 would amend the Constitution to lower approval threshold to impose a special sales tax that provides funding for local transportation project to 55%. Local transportation projects are defined to include the funding needs for local streets and roads, state highways and freeways, and public transit systems. ACA 4 does not lower the voter threshold for parcel taxes.	ASSEMBLY APPR – Suspense File	SUPPORT
ABX1 7 (Nazarian D) Public transit: funding.	ABX 7 would increase the share of cap & trade funds dedicated to transit. The bill would increase the amount allocated to the Low Carbon Transit Operations Program from 5% to 10%, and increase the amount allocated to the Transit & Intercity Rail Capital Program from 10% to 20%.	ASSEMBLY PRINT	SUPPORT
ABX1 8 (Chiu D) Diesel sales and use tax.	Starting on July 1, 2016, ABX 8 would impose a sales tax on diesel fuel sales of 5.25%. This revenue would be deposited into the Public Transportation Account and allocated to operators through the State Transit Assistance formula. The bill would also sunset the existing 1.75% gas tax swap add-on sales tax imposed on diesel fuel sales on July 1, 2016. Thus replacing the existing 1.75% rate with the 5.25% rate.	ASSEMBLY PRINT	SUPPORT
SB 824 (Beall D) Low Carbon Transit Operations Program	SB 824 would amend the Low Carbon Transit Operations Program (LCTOP) to essentially allow an operator to bank its share of these funds as well as clarifies the use of these funds. The bill was amended by the Appropriations Committee to delete the ability for operators to pool their funds. Specifically, SB 824 would allow a recipient to do the following: <ul style="list-style-type: none"> • Use these funds for new or expanded service in the first year of operation and in any subsequent year if the operator can demonstrate GHG reductions. • Accumulate and utilize its funding share at a later date, but the operator must specify how long it intends to save the money and how it intends to spend the accumulated funds. • Loan or transfer its funding share to 	SENATE FLOOR	Support

	<p>another operator.</p> <ul style="list-style-type: none"> Reassign any savings allocated to an operator for one project to another eligible project. <p>SB 824 would also expand the audits conducted under the Transportation Development Act to include verification of recipient of LCTOP funds and the appropriate expenditure of the LCTOP funds. In addition, SB 824 would allow an operator to apply to Caltrans for a "letter of no prejudice" that would allow an operator to proceed with an eligible project using its own funds and then use LCTOP funds to reimburse the operator.</p>		
<p>SB 998 (Wieckowski D) Vehicles: mass transit guideways</p>	<p>SB 998 clarifies existing law to prohibit a person from driving, parking, stopping, or leaving a vehicle on a public mass transit guideway, such as a dedicated BRT lane. This clarification is needed because existing law does not specifically prohibit a vehicle from stopping in a dedicated bus only lane.</p>	ASSEMBLY TRANS	<p>Support</p> <p>Co-Sponsor with Santa Clara VTA</p>
<p>SB 1051 (Hancock D) Parking enforcement; video image evidence</p>	<p>SB 1051 was unanimously approved by the Senate. It now moves to the Assembly where it will be heard by the Assembly Committee on Transportation.</p> <p>SB 1051 was introduced by Senator Loni Hancock on behalf of AC Transit. As amended in the Senate Judiciary Committee, SB 1051 authorize AC Transit to enact pilot program testing the use of forward facing video cameras on its buses to issue citations for any vehicle stopped or parked in a bus only lane or at a bus stop. This pilot program authority would sunset in 5 years and a report would be due at the end of the 4th year.</p>	ASSEMBLY DESK	Sponsor
<p>SB 1128 (Glazer D) Commute benefit policies.</p>	<p>SB 1128 was unanimously approved by the Senate. This bill would delete the sunset date on MTC's and the Bay Area Air Quality District's authority to adopt a commute benefit ordinance. This authority is scheduled to sunset on January 1, 2017.</p> <p>Current law authorizes MTC and the Air District to jointly adopt a commute benefit ordinance that requires covered employers operating within the Bay Area with a specified number of covered employees to offer those employees certain commute benefits through a pilot program.</p>	ASSEMBLY TRANS	Support

<p>SBX1 1 (Beall D) Transportation funding.</p>	<p>This bill remains in the Senate Committee on Appropriations. SBX1 1 is the Senate Democrats' transportation funding proposal that would generate up to \$6.5 billion annually in new revenue. The funds would primarily be used to fund state highway and local and street and road maintenance needs.</p> <p>The bill was recently amended to double the share of cap & trade funds dedicated to transit. The amendments also add several policy provisions on CEQA, Transportation Inspector General, and creation of a mitigation bank.</p>	<p>SENATE APPR</p>	<p>SUPPORT & SEEK AMENDMENTS</p>
<p>SBX1 2 (Huff R) Greenhouse Gas Reduction Fund.</p>	<p>SBX 2 is part of the Senate Republican Caucuses proposal to direct cap & trade auction revenue to transportation projects. It is estimated that this would direct \$1.9 billion to transportation projects.</p> <p>SBX 2 would direct all auction proceeds that are derived from including transportation fuels in the cap & trade program shall be appropriated by the Legislature for transportation infrastructure, including public streets and highways, but not high speed rail.</p>	<p>SENATE T. & I.D. – Failed Passage</p>	<p>OPPOSE</p>
<p>SBX1 7 (Allen D) Diesel sales and use tax.</p>	<p>Identical to ABX 8, SBX 7 would replace the existing 1.75% diesel fuel sales tax that was imposed as part of the gas tax swap with a 5.25% sales tax rate.</p> <p>Starting on July 1, 2016, SBX 7 would impose a sales tax on diesel fuel sales of 5.25%, and sunset the existing 1.75% sales tax rate imposed on diesel fuel sales. This revenue would be deposited into the Public Transportation Account and allocated to operators through the State Transit Assistance formula</p>	<p>SENATE APPR</p>	<p>SUPPORT</p>
<p>SBX1 8 (Hill D) Public transit: funding.</p>	<p>SBX 8 is identical to ABX 7.</p> <p>SBX 8 would the amount allocated to the Low Carbon Transit Operations Program from 5% to 10%, and increase the amount allocated to the Transit & Intercity Rail Capital Program from 10% to 20%.</p>	<p>SENATE APPR</p>	<p>SUPPORT</p>

Table 2: Board Watch Positions

Bills	Subject	Status	Client - Position
<p>AB 1595 (Campos D) Employment: human trafficking</p>	<p>AB 1595 was unanimously approved by the Assembly Committee on Labor. This bill would require a public or private employer that provides</p>	<p>ASSEMBLY APPR – Held of Suspense File -- DEAD</p>	<p>Watch</p>

training: mass transportation employers.	mass transportation services to train its employees to recognize the signs of human trafficking and how to report those signs to law enforcement. The bill requires the Department of Justice to develop the guidelines for the training program. By January 1, 2018, this training program shall be incorporated into the training process for all new employees, and all existing employees must complete the training by January 1, 2018.		
AB 1641 (Allen, Travis R) Shuttle services: loading and unloading of passengers. ABX1 25 (Allen, Travis R) Shuttle services: loading and unloading of passengers.	AB 1641 and ABX 25 are identical bills that are similar to AB 61, which the Board adopted a watch position on last year. AB 1641 and ABX 25 would allow a local government to permit private shuttle bus provider to use public transit stops if an agreement is reached between the public transit operator and the private shuttle operator.	ASSEMBLY TRANS. – March 14, 2016	Watch
AB 2222 (Holden D) Transit passes.	As introduced AB 2222 would create a new program that would continuously appropriate \$50 million annually from the Greenhouse Gas Reduction Fund for a Transit Pass Program. The Assembly Appropriations Committee amended AB 2222 to remove the appropriation of cap & trade funds and limits the use of the funds to provide free or reduced price transit passes to low income student. While the funding is contingent on a future appropriation, the bill continues to direct Caltrans to work with the Air Board on developing guidelines for this program. In addition, the funds would be allocated pursuant to the STA formula, but it would provide that each operator would receive at least \$20,000.	ASSEMBLY FLOOR	Watch
ABX1 24 (Levine D) Bay Area Transportation Commission: election of	ABX1 24 would re-designate MTC the Bay Area Transportation Commission, whose board would be comprised of directly elected representatives. The bill would establish the election of commissioners with districts consisting of 750,000 residents. However, districts that include a toll bridge within the district	ASSEMBLY PRINT	WATCH

commissioners.	boundaries shall elect two commissioners from that district. The bill would also merge BATA into the new Bay Area Transportation Commission.		
SBX1 6 (Runner R) Greenhouse Gas Reduction Fund: transportation expenditures.	SBX 6 makes two significant changes. First, it would delete the continuous appropriation of 25% of cap & trade funds to the High Speed Rail Authority. Second, after the allocations are made to the Low Carbon Transit Operations Program, Transit & Intercity Rail Program, and the Affordable Housing & Sustainable Communities Program, the remaining 65% would be continuously appropriated to the CTC. The CTC would allocate the funds to high-priority transportation projects with 40% to state highway projects, 40% to local street and road projects, and 20% to transit.	SENATE T. & I.D. Failed Passage	WATCH



2016 Federal Advocacy Program

Funding

- FY 2016 Grant Opportunities- Secure federal funds for key capital projects and support funding for 2016 Project Priorities for:
 - Within the Small Starts Program and other programs
 - AC Transit's Intelligent Transportation and Communication System upgrades
 - Bus lifting equipment program
 - Rehabilitation of aging facilities
 - Zero Emission Bus Programs
- Advocate for supplemental funding through the Federal Transit Administration to offset rising operating costs without jeopardizing total funding available for capital projects.
- Support funding for the Transbay Terminal.
- Support/seek additional funding for essential services including, but not limited to services for access to work, school or medical facilities.
- Support efforts to rescind the planned across-the-board cuts to all federal programs, called "Sequestration," as enacted under the Budget Control Act of 2011.
- Support federal funds for the purchase of zero emission buses.
- Support funding initiatives that maintain the fiscal integrity of the District and that all unfunded federal mandates are funded, including Safety Management Systems (SMS).
- Support funding initiatives that enable the District to maintain buses and bus facilities in a state of good repair.

Transportation Authorization Principles

- Support efforts to increase the gas tax or to increase other revenues to replenish and sustain long-term growth of the Highway Trust Fund/Mass Transit Account.
- Support transportation authorization reform that emphasizes greater funding levels to urban mass transit systems, and oppose efforts to reduce spending on transit formula programs, and support stronger performance criteria.

- Support FTA and Congressional efforts to make State of Good Repair for transit bus systems a strategic priority and include more funding.
- Support increased funding for Small Starts programs and broad funding eligibility in federal transit programs, including Small Starts programs.
- Seek revisions to the Metropolitan Planning Organization (MPO) grandfather clause that supports the direct representation of transit properties on MPOs.
- Support legislation through the federal highway and transportation authorization for safety requirements based on agency size and transportation mode.

Other Advocacy

- Advocate for transit-supportive legislation that mitigates climate change and/or calls for environmental stewardship and related funding.
- Support funding and coordination between Health and Human Service (HHS) agencies and other transportation agencies to provide services to HHS clients.
- Support modal parity in the commute tax benefits.
- Support legislation that relieves the fiscal burden of mandatory regulations.
- Support legislation that encourages Single Payer health insurance.
- Advocate for American with Disabilities Act improvements
- Monitor actions regarding the pension reform law (PEPRA).



2016 State Advocacy Program

Funding

- Support efforts to implement future transportation authorizations that at least maintain funding level for mass transit projects and programs for bus operators in the Bay Area.
- Support the development and implementation of an expenditure plan for AB 32 cap and trade revenue that provides an equitable investment in mass transit capital improvements, operations, and infill/transit oriented development (TOD).
- Actively participate in the California Air Resources Board's (CARB) Advanced Clean Transit regulatory process.
- Support efforts that create new sources of operating funds with equitable distribution to reflect urban transit needs.
- Support efforts to sustain existing transit revenues, including the State Transit Assistance (STA) program to offset the decrease in diesel fuel consumption.
- Support efforts that would exempt public transit providers from state sales tax.
- Support local ability to increase fees and gas taxes to be used for local mass transit purposes.
- Support legislation and programs that would provide funding to offset the costs of climate change initiatives, clean air and clean fuels and implementation of AC Transit's Climate Action Plan.
- Support congestion pricing strategies and legislation that provide an equitable multi-modal distribution of generated revenues.
- Support legislative or administrative action to remove State barriers so that Medicaid transportation funds can be used for public transit services, including ADA paratransit services.
- Support funding and coordination between Health and Human Service (HHS) agencies and other transportation agencies to provide services to HHS clients.
- Support efforts to provide funding for essential services including, but not limited to, services for access to work, school or medical facilities.

- Support funding initiatives that maintain the fiscal integrity of the District and that all mandates that require funding are sufficiently funded by mandating agency.

Equipment and Operations

- Support legislation or administrative action that would direct Caltrans to establish and maintain HOV and HOT lanes on state highway routes and to improve existing lane management to maximize throughput.
- Support incentives to provide bus contra flow lanes on the San Francisco-Oakland Bay Bridge to/from the Transbay Terminal.
- Support legislation to exempt public transit vehicles from state and local truck route ordinances.
- Support legislation or administrative action that would direct Caltrans to permit permanent use of freeway shoulders by public transit buses.

Transit Incentives

- Support legislation to provide incentives for employees and employers to use public transportation to commute to work, including tax credits for purchasing transit passes.
- Support Clean Air Initiatives that encourage increased public transit use.
- Support incentives that would give auto insurance credits to heavy transit users.
- Support legislation to provide incentives for local governments and developers to incorporate transit passes into the cost of housing.

Environment and Transit Supportive Land Use

- Advocate for transit-supportive legislation that addresses climate change, healthy communities and environments.
- Foster transit supportive land use initiatives that require coordination with transit providers in the initial stages of local planning or project development that impacts transit, including density level decisions or TODs; and advocate for the required use of:
 - Transit streets agreements, and
 - Complete streets plans in which local transportation plans anticipate use of all modes.
- Support improvement to the California Environmental Protection Agency's (Cal/EPA) screening process to better reflect the disadvantage communities of the East Bay.

Policy Interests

- Support simple majority vote for local transportation ballot tax initiatives.
- Support legislation to allow District to ban persons for specified offenses from entering district property, including buses.
- Seek revisions to the Metropolitan Planning Organization (MPO) grandfather clause that supports the direct representation of transit properties on MPOs.
- Support legislation for STA formula reform that includes federal operating funding as eligible revenue.
- Support efforts that maintain existing Workers' Compensation regulation.
- Consider efforts to reform tort general damages.
- Monitor actions regarding the pension reform law (PEPRA).
- Support legislation that requires jurisdictions to install Transit Signal Priority equipment in order to receive money for traffic signal upgrades.
- Support efforts to authorize AC Transit to enforce parking and moving violations in bus-only lanes and bus stops through forward-facing cameras and contracted county law enforcement departments.
- Seek to clarify treatment of independent transit agency retirement systems.
- Support legislation that reduces liability for common carriers.