



ALAMEDA
County Transportation
Commission

January 2016
Legislative Update

A presentation to the Alameda County Transportation Commission
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Presentation Overview

- FAST Act – Fixing America’s Surface Transportation
- Overview of Governor’s Budget
- Frazier Bill
- Approval of Final Legislative Program



FAST Act | FIXING AMERICA'S SURFACE TRANSPORTATION ACT

- Five-year, \$305 billion legislation
 - Bill shortened from six to five years to increase overall funding per year
 - \$281 billion Housing Trust Fund; \$24 billion General Fund
- Immediate increase of 5.1 percent for highways and about 10 percent for transit in current year; retroactive to October 2015
- Higher funding created in conference
 - \$12.9 billion higher than house bill – State Transportation Reauthorization and Reform Act
 - \$681million higher than the DRIVE Act
- Focus on highway, transit and innovation



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FAST Act | HIGHWAY AND FREIGHT

- **Highway:** increases in overall highway with new focus on freight – multimodal freight network
 - California expects just under \$20 billion over five years, keeping apportionment program intact
 - National Highway performance: can fund bridges not on NHS; this program was eliminated in MAP 21 = \$10 billion over five years
 - New National Highway Freight Program – California will receive an annual average of \$117 million per year
 - New Freight Discretionary: \$900 million per year
 - Projects must cost \$100 million (\$500 million limit on non-highway multimodal projects)
 - Federal share is 60 percent—need 40 percent match
 - Can use other federal dollars for a not-to-exceed 80 percent match



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FAST Act | HIGHWAY (cont'd)

- **Surface Transportation Block Grant (STBG):** helps fund the One Bay Area Grant (OBAG) program
 - Renames Surface Transportation Program and increases sub allocation from 50 -55 percent by 2020; makes program more flexible, including use for local roads and rural collectors
 - Transportation Alternatives Program (TAP) folded into STBG as a set-aside with specific amount
 - STBG – TAP and STBG – recreational trails set-asides
 - Allows up to 50 percent of TAP set aside to be transferred to STBG
 - Funding:
 - California STBG - \$4.68 billion over 5 years; annual average of \$936 million (up from \$887 million in 2015)
 - Bay Area = STP \$463 million over five years
 - Set-aside = \$377 million over five years; annual average of \$75.5 million; 50 percent sub-allocated to metro areas based on population
 - Bay Area = \$30 million over five years



FAST Act | HIGHWAY (cont'd)

- **CMAQ** – helps fund OBAG
 - Funding:
 - CA - \$2.4 billion over 5 years (annual average of \$481 million)
 - Bay Area: \$371 million over 5 years
- Overall increase in Bay Area of OBAG funds estimated at \$69 million over 5 years

**FAST
ACT**



FAST Act | TRANSIT

- **Transit:** increases in overall transit funding with new grant programs, formula funds flat; based on MTC formula, decline in first year, then moves up in later years
 - CA expects just over \$8 billion over 5 years
 - Bay Area: \$2.6 billion over 5 years
 - New Starts – 21 percent boost in program, changes match from 80-60 percent



FAST Act | TRANSIT (cont'd)

- New Bus and Bus Facility grant program: \$304 million per year (overall at end of 5 years = \$344 million)
 - Includes \$55 million per year set-aside for low and no emission buses and 10 percent rural set-aside
 - Formula funding declines by 7 percent in Bay Area (MTC)
- State of good repair increased significantly: 15 percent over current in 2016 and 24 percent increase by 2020 (\$2.7 billion per year)
- Enhanced Seniors/Disabled – minor increase at 2 percent per year (\$263 million over 5 years – almost \$50 million per year)
 - Creates pilot program for innovative coordinated access and mobility with focus on technology



Congress in 2016

- What to expect in 2016



FAST Next Steps and Alameda CTC Preparation

- Federal rulemaking needs to occur
- State needs to address how it will implement FAST programs
- Alameda CTC participate at the state level on California implementation through SHCC
- Alameda CTC support criteria development working with local elected officials and Department of Transportation administration staff
- Alameda CTC work with partners to develop coordinated strategy for goods movement, transit, technology and senior/disabled programs; get ready for discretionary programs



Overview of Governor's Budget

- Released on January 7, 2016
- For FY2016-17, \$170 billion (\$122 billion General Fund; \$48 billion in special revenue)
 - FY 2015-16 surplus at \$5.2 billion; about \$3.6 billion to Rainy Day Funds (RDF)



Governor's Budget | TRANSPORTATION

Transportation – similar to August proposal (requires two-thirds approval)

- **\$3.6 billion annual program, \$36 billion over 10 years**
 - Road improvement charge: \$65 fee on all vehicles (including hybrids and electrics, a new fee) = **\$2 billion**
 - Stabilize Excise Tax: set at historic 18 cents per gallon, adjusted annually for inflation in FY2017-18 (eliminate gas tax swap) = **\$500 million**
 - Diesel Excise Tax: 11 cents per gallon increase in FY2017-18 = **\$500 million**
 - Cap and Trade: transit capital dedication and complete streets = **\$500 million**
 - Caltrans efficiencies: cost savings reforms = **\$100 million**
 - State-Local Partnership Program (SLPP): matching grants for local transportation tax measures = **\$250 million per year**
 - Loan repayment: accelerate repayments = **\$879 million**



Governor's Budget | TRANSPORTATION

Transportation – similar to August proposal (requires two-thirds approval)

- **FY2016-17 (assuming approval)**
 - **Local streets and roads: \$342 million** to cities and counties (same formula), plus \$148 million for loan repayment
 - **Low Carbon Road Program: \$100 million**, Caltrans implementation to provide grants for active transportation and carbon reducing
 - **Transit and intercity rail capital: \$409 million** (including \$9 million from loan repay); total = **\$600 million per year**
 - **State Highway: \$515 million** (including \$5 million loan repay) to Caltrans
 - **Trade Corridors Improvement Fund (TCIF): \$211 million** (including \$11 million loan repay) for major trade corridors



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Governor's Budget | CAP AND TRADE

- **\$3.1 billion for FY2016-17** (\$1 billion FY2015-16; \$2 billion FY2016-17)
 - Transportation and land use: over 75 percent of overall
 - Continuous appropriations: high speed rail, low carbon transit, transit intercity rail, Affordable Housing and Sustainable Communities = **\$1.2 billion**
 - 50 percent reduction in petrol use: transit and intercity rail, low carbon road, low carbon transportation and fuels, biofuels = **\$1.02 billion**

			Dollars in millions
Investment Category	Department	Program	Amount
Continuous Appropriation	High-Speed Rail Authority	High-Speed Rail Project	\$500
	State Transit Assistance	Low Carbon Transit Operations	\$100
	Transportation Agency	Transit and Intercity Rail Capital Program	\$200
	Strategic Growth Council	Affordable Housing and Sustainable Communities Program	\$400
50 Percent Reduction in Petroleum Use	Transportation Agency	Transit and Intercity Rail Capital Program	\$400
	Caltrans	Low Carbon Road Program	\$100
	Air Resources Board	Low Carbon Transportation & Fuels	\$500
	Energy Commission	Biofuel Facility Investments	\$25
Local Climate Action	Strategic Growth Council	Transformational Climate Communities	\$100



Graphic Source: Governor's Budget Summary, 2016-17 Cap and Trade Expenditure Plan, page 95

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Governor's Budget | CAP AND TRADE (cont'd)

Dollars in millions

Short-Lived Climate Pollutants	Air Resources Board	Black Carbon Woodsmoke	\$40
		Refrigerants	\$20
	Cal Recycle	Waste Diversion	\$100
	Department of Food and Agriculture	Climate Smart Agriculture - Healthy Soils and Dairy Digesters	\$55
Safeguarding California/ Water Action Plan	Departments of Food and Agriculture & Water Resources	Water and Energy Efficiency	\$30
	Energy Commission	Drought Executive Order - Water and Energy Technology Program & Appliance Rebates	\$60
	Department of Fish and Wildlife	Wetlands and Watershed Restoration/CalEcoRestore	\$60
Safeguarding California/ Carbon Sequestration	CAL FIRE	Healthy Forests	\$150
		Urban Forestry	\$30
	Natural Resources Agency	Urban Greening	\$20
Energy Efficiency/ Renewable Energy	Department of General Services	Energy Efficiency for Public Buildings	\$30
	I Bank	California Lending for Energy and Environmental Needs Center	\$20
	Conservation Corps	Energy Corps	\$15
	Department of Community Services and Development	Energy Efficiency Upgrades/ Weatherization	\$75
	University of California/ California State University	Renewable Energy and Energy Efficiency Projects	\$60
	Total		



Graphic Source: Governor's Budget Summary, 2016-17 Cap and Trade Expenditure Plan, page 95

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Overview of Frazier Bill | AB 1591

- Released on January 5, 2016
- \$7 billion per year transportation (requires two-thirds approval)
- Focus on trade and roads/highways
 - Stabilize excise tax: set at historic 18 cents per gallon, adjust every three years for consumer price index (eliminate gas tax swap) = **\$500 million**
 - Diesel excise tax: 30 cents per gallon = **\$840 million per year**
 - Vehicle Registration Fee: increase by \$38 per year direct to roads, maintenance and rehabilitation = **\$1.254 billion**



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Overview of Frazier Bill | AB 1591

- Electric vehicle **surcharge of \$65**: delay to second year ownership to allow financial incentive to remain in effect = **\$16 million** to roads, maintenance and rehabilitation
- Cap and Trade
 - TCIF: 20 percent cap and trade = **\$400 million per year**
 - Transit and intercity rail: 10 percent cap and trade = **\$200 million per year**
- SLPP: Five percent for measures passed after 2016
- Truck weight fees: restore to State Highway Account = **\$1 billion per year**
- Loan repayment: accelerate repayments = **\$879 million**



Comparison Between Proposals

- **Governor**: \$3.6 billion per year – new funding
- **Frazier**: \$7 billion per year – new funding
- **Beall**: \$5 billion per year – new funding
- **Republicans**: redirects existing funding



Alameda CTC's Legislative Program

- Request approval of final 2016 Legislative program
- Six categories:
 - Transportation Funding
 - Project Delivery
 - Multi-modal Transportation and Land Use
 - Climate Change
 - Goods Movement
 - Partnerships



Recommendation

Approve Alameda CTC's 2016 Final Legislative Program.