



Memorandum

6.7

1111 Broadway, Suite 800, Oakland, CA 94607 • 510.208.7400 • www.AlamedaCTC.org

DATE: June 18, 2020

TO: Alameda County Transportation Commission

FROM: Tess Lengyel, Executive Director
Carolyn Clevenger, Deputy Executive Director of Planning and Policy

SUBJECT: Federal, state, regional, and local legislative activities update

Recommendation

This item is to provide the Commission with an update on federal, state, regional, and local legislative activities.

Summary

The June 2020 legislative update provides information on federal and state legislative activities. Given the dynamic nature of the state and federal government's responses to the COVID-19 pandemic, additional updates will be provided verbally at the Committee meeting.

Background

The Commission approved the 2020 Legislative Program in January 2020. The purpose of the legislative program is to establish funding, regulatory, and administrative principles to guide Alameda CTC's legislative advocacy.

Each month, staff brings updates to the Commission on legislative issues related to the adopted legislative program, including recommended positions on bills as well as legislative and policy updates. Attachment A is the Alameda CTC adopted legislative platform. State and federal updates from Platinum Advisors and CS Lake are summarized below.

State Update

On May 14th, Governor Gavin Newsom released his May Revision, a markedly different document than was anticipated earlier this year. In January, California had experienced 118 months of consecutive economic growth. Since that time, due primarily to the COVID-19 pandemic, California's unemployment claims have increased by 4.4 million, the unemployment rate for 2020 is forecast at 18%, revenues have declined by a projected \$41 billion, and the State fiscal outlook has gone from

a \$6 billion surplus to a deficit of \$54 billion prior to the governor's May Revision changes.

Governor Newsom described the May Revision this year as a fiscal blueprint to fund our most essential priorities – public health, public safety, and public education and to support workers and businesses. He emphasized repeatedly during the press conference where he presented his updated budget proposal that additional substantial federal assistance is essential.

To close the State's deficit, the May Revision proposes canceling new initiatives, canceling and reducing spending in the 2019 Budget Act, drawing down reserves, borrowing from special funds, and temporarily increasing revenues. It also reflects savings from the Administration's direction to agencies and departments to increase efficiencies.

Transportation: While the economic downturn will impact transportation funding, the May Revision did not include significant changes. Over the next 5 years gasoline excise tax revenue is expected to drop by \$1.8 billion, with \$1.2 billion of the hit being to the current 19-20 and 20-21 fiscal years. This shows the Department of Finance (DOF) is assuming a fairly quick economic rebound. The budget year is also forecasting a drop in diesel sales tax revenue, which will impact transit operating funds. However, other funding sources, such as SB 1 vehicle registration fees, are so far stable.

General Fund: The May Revision includes three shifts from transportation accounts to the general fund for a total of \$184 million. This includes loaning \$22 million from the Local Airport Loan Account to the general fund, transferring \$32 million in unencumbered Traffic Congestion Relief Funds back to the general fund, and transferring \$130 million in interest income to the general fund.

Transit Funds: The May Revision adjusts downward the funds allocated to public transit operators via the State Transit Assistance formula from \$806 million in January to \$528 million in May. However, the Low Carbon Transit Operations Program funds remain \$115 million. LCTOP is currently stable as the funding source for this program are cap and trade auction revenue. The primary source of the drop in STA is the forecast drop in the value of diesel fuel sales.

Cap and Trade Expenditure Plan: Adoption of the cap and trade expenditure plan will not be included in the June 15th budget, but will be deferred until August. The May Revision maintains the January estimate of \$965 million being available for the discretionary expenditure plan. However, the Revision cautions that auction proceeds are uncertain given the current economy. To address this uncertainty the Administration is calling for a pay-as-you-go approach in allocating auction proceeds, and to prioritize funding for specified programs.

Federal Update

Senators Bill Cassidy (R-LA) and Bob Menendez (D-NJ) introduced bipartisan legislation to aid state and local governments (S. 3752). The State and Municipal Assistance for Recovery and Transition (SMART) Act would provide \$500 billion in emergency funding to every state, county and community in the country, prioritizing assistance to the areas with the greatest need. This bill is seen as an alternative to the HEROES Act funding for state and local governments as it has gained bipartisan support in the House and Senate, unlike the HEROES Act.

Staff continues to monitor potential infrastructure-related stimulus efforts. Any updates will be provided at the meeting.

Fiscal Impact: There is no fiscal impact. This is an information item only.

Attachment:

- A. Alameda CTC 2020 Legislative Program

This page intentionally left blank



2020 Alameda County Transportation Commission Legislative Program

The legislative program herein supports Alameda CTC's transportation vision below adopted for the 2020 Countywide Transportation Plan:

6.7A

1111 Broadway, Suite 800, Oakland, CA 94607
510.208.7400
www.AlamedaCTC.org

"Alameda County residents, businesses and visitors will be served by a premier transportation system that supports a vibrant and livable Alameda County through a connected and integrated multimodal transportation system promoting sustainability, access, transit operations, public health and economic opportunities. Our vision recognizes the need to maintain and operate our existing transportation infrastructure and services while developing new investments that are targeted, effective, financially sound and supported by appropriate land uses. Mobility in Alameda County will be guided by transparent decision-making and measurable performance indicators. Our transportation system will be:

- **Accessible, Affordable and Equitable** – Improve and expand connected multimodal choices that are available for people of all abilities, affordable to all income levels and equitable.
- **Safe, Healthy and Sustainable** – Create safe facilities to walk, bike and access public transportation to promote healthy outcomes and support strategies that reduce adverse impacts of pollutants and greenhouse gas emissions by reducing reliance on single-occupant vehicles.
- **High Quality and Modern Infrastructure** – Upgrade infrastructure such that the system is of a high quality, is well-maintained, resilient and maximizes the benefits of new technologies for the public.
- **Economic Vitality** – Support the growth of Alameda County's economy and vibrancy of local communities through an integrated, reliable, efficient, cost-effective and high-capacity transportation system."

Issue	Priority	Strategy Concepts
Transportation Funding	Increase transportation funding	<ul style="list-style-type: none"> • Oppose efforts to repeal transportation revenues streams enacted through SB1. • Support efforts that protect against transportation funding diversions. • Support efforts to lower the two-thirds voter threshold for voter-approved transportation measures. • Support the implementation of more stable and equitable long-term funding sources for transportation. • Ensure fair share of sales tax allocations from new laws and regulations • Seek, acquire, accept and implement grants to advance project and program delivery.
	Protect and enhance voter-approved funding	<ul style="list-style-type: none"> • Support legislation and increased funding from new and/or flexible funding sources to Alameda County for operating, maintaining, restoring, and improving transportation infrastructure and operations. • Support increases in federal, state, and regional funding to expedite delivery of Alameda CTC projects and programs, including funding to expand the Affordable Student Transit Pass program. • Support efforts that give priority funding to voter-approved measures and oppose those that negatively affect the ability to implement voter-approved measures. • Support efforts that streamline financing and delivery of transportation projects and programs. • Support rewarding Self-Help Counties and states that provide significant transportation funding into transportation systems. • Support statewide principles for federal surface transportation reauthorization and/or infrastructure bills that expand funding and delivery opportunities for Alameda County.
Project Delivery and Operations	Advance innovative project delivery	<ul style="list-style-type: none"> • Support environmental streamlining and expedited project delivery, including contracting flexibility and innovative project delivery methods.
	Ensure cost-effective project delivery	<ul style="list-style-type: none"> • Support efforts that reduce project and program implementation costs. • Support funding and policies to implement transportation projects that create jobs and economic growth, including for apprenticeships and workforce training programs.
	Protect the efficiency of managed lanes	<ul style="list-style-type: none"> • Support HOV/managed lane policies that protect toll operators' management of lane operations and performance, toll rate setting and toll revenue reinvestments, deployment of new technologies and improved enforcement. • Support high-occupancy vehicle (HOV)/express lane expansion in Alameda County and the Bay Area, and efforts that promote effective and efficient lane implementation and operations. • Oppose legislation that degrades HOV lanes that could lead to congestion and decreased efficiency.
	Reduce barriers to the implementation of transportation and land use investments	<ul style="list-style-type: none"> • Support legislation that increases flexibility and reduces barriers for infrastructure improvements that support the linkage between transportation, housing and jobs.

Issue	Priority	Strategy Concepts
Multimodal Transportation, Land Use and Safety	Expand multimodal systems, shared mobility and safety	<ul style="list-style-type: none"> • Support local flexibility and decision-making regarding land-uses for transit oriented development (TOD) and priority development areas (PDAs). • Support funding opportunities for TOD and PDA implementation, including transportation corridor investments that link PDAs. • Support policies that provide increased flexibility for transportation service delivery through programs that address the needs of commuters, youth, seniors, people with disabilities and low-incomes, and do not create unfunded mandates. • Support policies that enable shared mobility innovations while protecting the public interest, including allowing shared and detailed data (such as data from transportation network companies and app based carpooling companies) that could be used for transportation and land use planning and operational purposes. • Support investments in active transportation, including for improved safety and Vision Zero strategies. • Support investments in transportation for transit-dependent communities that provide enhanced access to goods, services, jobs and education; and address parking placard abuse. • Support parity in pre-tax fringe benefits for public transit, carpooling, and vanpooling and other modes with parking. • Support legislation to modernize the Congestion Management Program, supporting the linkage between transportation, housing, and multi-modal performance monitoring. • Support efforts to increase transit priority throughout the transportation system, such as on freeway corridors and bridges serving the county.
Climate Change and Technology	Support climate change legislation and technologies to reduce greenhouse gas (GHG) emissions	<ul style="list-style-type: none"> • Support funding for infrastructure, operations, and programs to relieve congestion, improve air quality, reduce emissions, expand resiliency and support economic development, including transitioning to zero emissions transit fleets and trucks. • Support rewarding Self-Help Counties with cap-and-trade funds for projects and programs that are partially locally funded and reduce GHG emissions. • Support emerging technologies such as alternative fuels and fueling technology to reduce GHG emissions. • Support legislation and policies to facilitate deployment of connected and autonomous vehicles in Alameda County, including data sharing that will enable long-term planning. • Support the expansion of zero emissions vehicle charging stations. • Support efforts that ensure Alameda County jurisdictions are eligible for state funding related to the definition of disadvantaged communities used in state screening tools.
Rail Improvements	Expand goods movement and passenger rail funding and policy development	<ul style="list-style-type: none"> • Support a multimodal goods movement system and passenger rail services that enhance the economy, local communities, and the environment. • Support policies that enhance Bay Area goods movement and passenger rail planning, funding, delivery and advocacy. • Support legislation and efforts that improve the efficiency and connectivity of the goods movement system, including passenger rail connectivity. • Ensure that Alameda County goods movement needs and passenger rail needs are included in and prioritized in regional, state and federal goods movement planning and funding processes. • Support rewarding Self-Help Counties that directly fund goods movement and passenger rail infrastructure and programs. • Leverage local funds to the maximum extent possible to implement goods movement and passenger rail investments in Alameda County through grants and partnerships with regional, state and federal agencies.
Partnerships	Expand partnerships at the local, regional, state and federal levels	<ul style="list-style-type: none"> • Support efforts that encourage regional and mega-regional cooperation and coordination to develop, promote, and fund solutions to regional and interregional transportation problems and support governmental efficiencies and cost savings. • Partner to increase transportation funding for Alameda CTC's multiple projects and programs and to support local jobs.

Issue	Priority	Strategy Concepts
		<ul style="list-style-type: none">• Support efforts to maintain and expand local-, women-, minority- and small-business participation in competing for contracts.

This page intentionally left blank