



NAPA VALLEY TRANSPORTATION AUTHORITY Board Agenda Letter

TO: Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
(707) 259-8634 / Email: kmiller@nvta.ca.gov
SUBJECT: State and Federal Legislative Update and State Bill Matrix

RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board receive the State Legislative update prepared by Platinum Advisors (Attachment 1) and approve board position recommendations for bills on the State Bill Matrix (Attachment 2).

COMMITTEE RECOMMENDATION

None

EXECUTIVE SUMMARY

State Update

Attached is the State legislative update (Attachment 1) and the State Bill Matrix (Attachment 2), which includes several new bills introduced since the last report.

Federal Update

The House Transportation and Infrastructure (T&I) Committee is seeking recommendations from all House Members on policy recommendations to include in legislation renewing the Fixing America's Surface Transportation (FAST) Act as well as legislation in the nation's broader infrastructure. Members have until April 30th to submit FAST Act recommendations and May 1st concerning broader infrastructure recommendations.

The United States Department of Transportation (USDOT) issued a \$900 million in Better Utilizing Investments to Leverage Development (BUILD) Notice of Funding in April 2019, Applications are due by July 15, 2019. The Fiscal Year (FY) 2019 BUILD funding requires a 50-50 split between urban and rural grantees. No more than 10% of the funding can be awarded for projects in a single state. The FY 2019 Omnibus Appropriations Bill

makes \$15 million available for planning grants. The primary selection criteria includes Economic Competitiveness; Environmental Sustainability; Innovation and Partnership; Quality of Life; Safety; and State of Good Repair.

The Treasury Department said that the Mass Transit Account of the Highway trust Fund failed its solvency test for FY 2020. Unless Congress passes new legislation to fix this problem the FY 2029-20 transit funding faces may be cut by as much as 12% below the FAST Act levels.

Nicole R. Nason was confirmed as the Administrator of the Federal Highway Administration.

PROCEDURAL REQUIREMENTS

1. Staff Report
2. Public Comments
3. Motion, Second, Discussion and Vote

FISCAL IMPACT

Is there a Fiscal Impact? No

SUPPORTING DOCUMENTS

Attachments: (1) April 29, 2019 State Legislative Update (Platinum Advisors)
(2) May 3, 2019 State Bill Matrix (Platinum Advisors)



April 29, 2019

TO: Kate Miller, Executive Director
Napa Valley Transportation Authority

FR: Steve Wallaugh
Platinum Advisors

RE: Legislative Update

Last week the Capitol was slammed with historic crowds as the legislature faced its first major hearing deadline on April 26th. This was the first of several deadlines in the coming month. Any measure that fails to meet the following deadlines becomes a two-year bill that can be revisited next year.

- April 26 – Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house.
- May 3 – Last day for policy committees to hear and report to the Floor non-fiscal bills introduced in their house.
- May 17 – Last day for fiscal committees to hear and report to the Floor bills introduced in their house.
- May 31 – Last day for bills to be passed out of their house of origin.

Revenue: With recent revenue receipts falling below projections by about \$2 billion, the focus has been on April which is the highest revenue month of the year. State Controller Betty Yee has continued the tradition of posting daily income tax receipts for April. In the 2017-18 fiscal year April income tax revenue reached \$14.2 billion, and the projected target for April 2019 is \$15 billion. As of April 25th, the state has received \$17.9 billion from income tax payments, which exceeds the projected goal by \$2.9 billion. While final numbers will not be available until next week, it appears the revenue shortfall from earlier this year has been erased. To follow the daily tallies check out: https://sco.ca.gov/2019_personal_income_tax_tracker.html

BUDGET

Cap & Trade Expenditure Plan: Both the Senate Subcommittee #2 and the Assembly Subcommittee #3 reviewed the Administration's proposed use of cap & trade auction revenue. Both subcommittees deferred action on this item. It is normal for the Senate and Assembly to hold this item open while both houses and the Administration negotiate

spending priorities. Over the past several years, it is not uncommon for negotiations to stretch well into August.

These hearings provide the only opportunity for numerous interest groups to make a public pitch for how these funds should be spent, and over an hour was spent hearing these pleas. However, the main topic of discussion by the subcommittees was how much auction revenue will be available. The Governor's budget assumes a total of \$2.1 billion in auction revenue will be available in 2019-20, combined with unspent revenue in the current fiscal year will provide \$2.4 billion for the various programs. The \$2.1 billion amount assumes that all 2019-20 allowances will be sold at the minimum auction price.

The LAO forecast is higher. The LAO estimates that over the current fiscal year and 2019-20, auction revenue will exceed the Administration's estimate by \$800 million. While the LAO cautions the Legislature regarding the uncertainty of auction returns, the Legislature plans to use the LAO's forecast when developing its expenditure plan priorities. This means more money will be available for the numerous budget requests.

Work Force Training: The Governor's budget proposes allocating \$27 million cap & trade auction revenue in 2019-20, and about \$25 million per year for the following four fiscal years for workforce training programs. These funds would be administered by the California Workforce Development Board for various pre-apprenticeship programs. This includes \$10 million annually for the next five years for the High Road Training Partnership (H RTP), which includes providing a total of 2,000 pre-apprenticeship slots for non-construction industries that have been affected by the state's effort to reduce GHG emissions. One of the sectors targeted by the Administration is public transit's transition to zero emission vehicles. H RTP would provide funding for apprenticeships that train bus service technicians to become electric bus mechanics.

This funding proposal was recently discussed by the Senate Budget Subcommittee #2, which is chaired by Senator Bob Wieckowski. While Senator Wieckowski did not oppose the goal of these workforce training programs, he did express legitimate concerns about using cap & trade auction revenue for this purpose. Even though state courts have opined that the cap & trade program enacted under AB 32 is not a tax or a fee, the Legislative Counsel has issued an opinion that the use of the AB 32 auction proceeds must still provide a nexus to the reduction of GHG emissions. Senate Sub 2 and the Legislative Analyst's Office has questioned whether there is a sufficient nexus to workforce training programs because there is not direct link the GHG emission reductions. However, when the legislature approved AB 398 to extend the cap & trade program to 2030 with a 2/3 majority the cap & trade auction revenue became tax revenue, and the nexus requirement is removed. Unfortunately, Legislative Counsel's opinion is that AB 398 does not take effect until the 2020-21 fiscal year, at which time the nexus requirements are removed.

While the Senate Sub 2 staff proposed rejecting the use of cap & trade funds for this program, Senator Wieckowski moved to simply keep this item open while negotiations continue.

Transportation: Both Senate Sub 2 and Assembly Sub 3 reviewed the relatively few transportation related budget items. Both the Senate and Assembly approved the budget amount of \$2 billion in Road Maintenance and Rehabilitation Account funds to Caltrans for state and local SB 1 programs. In addition, SB 1 funds will reach nearly \$5 billion in 2019-20 and will be spent as follows:

Road Maintenance and Accountability Act Funding			
(Dollars in Millions)			
Program		2018-19	2019-20
Local Allocations	Local Streets and Roads	\$1,152	\$1,225
	Transit and Intercity Rail Capital Program	\$330	\$337
	State Transit Assistance	\$413	\$457
	Local Partnership Program	\$200	\$200
	Active Transportation Program	\$100	\$100
	STIP (Regional Share)	\$0	\$20
	Commuter Rail and Intercity Rail	\$44	\$50
	Local Planning Grants	\$25	\$25
Total:		\$2,264	\$2,414
State Allocations	SHOPP/Maintenance	\$1,209	\$1,222
	Bridges and Culverts	\$400	\$400
	Commuter Corridors	\$250	\$250
	Trade Corridor Enhancement	\$307	\$307
	Department of Parks and Recreation*	\$79	\$79
	Freeway Service Patrol	\$25	\$25
	Department of Food and Agriculture*	\$26	\$26
	STIP (Interregional Share)	\$0	\$7
	Transportation-related CSU and UC Research	\$7	\$7
	Transportation Workforce Development Board	\$10	\$5
Total:		\$2,314	\$2,328

Project Initiation Documents: Both the Senate and Assembly Subcommittee held open the proposed funding for project initiation documents (PID). The budget proposes \$85.7 million in State Highway Account and SB 1 funds for 407 positions and 45 contract positions. Both houses kept this item open in order to provide more time to review staffing needs, which is usually updated after the release of the May Revise. This is also an item that annually stirs the debate on the appropriate amount of contract versus in house staff.

Active Transportation Program: Senate and Assembly Subcommittees also held an informational hearing on the LAO's review of the Active Transportation Program (ATP). Overall the ATP is performing as expected with 75% being awarded to infrastructure projects, and 88% of the projects benefiting a disadvantaged community. The LAO found that in the first funding cycle the project size was fairly small at an average of \$1.3 million, but the project size is starting to grow in subsequent cycles. The LAO does recommend the legislature to consider the following changes:

- Require the collection of better data and benefits.
- Consider whether the statewide component should focus on larger, more transformative projects.
- Provide additional flexibility to metropolitan planning organizations (MPO) to select projects that are the highest priority for the region.

While no changes are currently being proposed, committee staff in both the Senate and Assembly point to the LAO's recommendation to provide MPOs greater flexibility. Staff point to the possibility for the statewide component to focus on transformative projects and give the MPO's the flexibility to fund small projects that are consistent with regional priorities. If this change is made, staff encourages consideration of allocating a greater percentage of funds to the MPO program.

LEGISLATION

Wayfair: Governor Newsom has signed into law AB 147 (Burke & McGuire). This bill would enact changes to implement the South Dakota v. Wayfair decision. Under Wayfair, the U.S. Supreme Court found that online retailers are required to collect and remit sales tax regardless of whether the online retailer has a physical presence in the state where the order is delivered.

AB 147 would propose a \$500,000 statewide threshold. State and local sales taxes would both be collected once an online retailer reaches a statewide total of \$500,000 in sales. This bill would also require sales tax to be collected on all sales made through an intermediary, such as eBay or Amazon. Under AB 147 an entity that sells items through "marketplace facilitator," such as eBay, the marketplace facilitator is required to collect and remit the tax on all sales regardless of the threshold.

Housing: Last week saw major changes to one of the more controversial housing bills, SB 50 (Wiener). When the bill was heard by the Senate Committee on Governance & Finance, which is chaired by Senator Mike McGuire, it was significantly amended to address concerns raised by Senator McGuire. While still a controversial proposal, Senator McGuire agreed to become a co-author on SB 50, and committed to holding his housing proposal, SB 4, in the Senate Committee on Governance & Finance. The amendments fold into SB 50 some of the provisions in SB 4. SB 4 is now a two-year bill. SB 50 was approved on a 6-1 vote, with the only "no" vote being cast by Senator Robert Hertzberg from Van Nuys.

As introduced SB 50 would override local zoning and grant developers incentives to build multi-family housing near transit and job centers. The bill requires a local government to grant an “equitable communities incentive,” which reduces specified local zoning standards, such as height, density, and parking requirements, in “jobs-rich” and “transit rich areas,” as defined, when a development proponent meets specified requirements. While the amendments taken in Governance & Finance are not in print, yet, the changes to SB 50 include the following:

- Creation of a fourplex is by right statewide if located in residential area on vacant land, as well as conversion of existing structures with specified limits. These projects must abide by local regulations on setbacks and size.
- Exempt from SB 50 very high fire hazard severity zones, and coastal zones in cities with a population of less than 50,000. SB 50 would apply to infill parcels in a coastal zone regardless of jurisdiction size.
- In counties with population of less than 600,000 a modified equitable communities incentive would apply in cities with a population greater than 50,000 for projects located within a ½ mile of a rail or ferry station that grants a density waiver with a minimum of 30 units per acre in urban areas and 20 units per acre in suburban areas, as well as height limits being extending by one story above existing limits. There would be no parking minimum within ¼ mile of a rail station in cities with a population over 100,000, and .5 parking spaces per unit elsewhere. It would not apply to bus corridors in these counties.
- In counties with a population over 600,000, SB 50 zoning would apply to bus, rail, ferry and jobs rich areas. Except SB 50 would not apply to historic districts legislatively adopted prior to 2010.
- Definition of a high-quality bus corridor is amended to apply to corridors with peak headways of 10 minutes or less, it was previously 15 minutes, and clarifying the headway time applies to each line going in each direction. In addition, the bus service must have met this headway standard for the past 5 years.

Synchronicity: Assemblyman Grayson has renewed his effort from last year to require Caltrans to coordinate with any city that implements a traffic signal optimization plan. This is a personal issue for the Assemblyman, who introduced a similar measure last year after experiencing several delays on a local street due to lack signal light coordination. Specifically, AB 1633 would authorize any city within MTC region to develop and implement a traffic signal optimization plan intended to reduce greenhouse gas (GHG) emissions and particulate emissions and to reduce travel times. The bill would also require signals that are operated by Caltrans to be adjusted and operated consistent with a city’s plan. This bill is similar to AB 2851 (Grayson) from last year.

AB 2851 originally proposed a funding program for cities to develop these synchronization plans, but the funding was deleted from the bill. Assemblyman Grayson ultimately gutted and amended AB 2851 for another purpose. AB 1633 has been unanimously approved

by the Assembly Committee on Transportation and the Assembly Committee on Appropriations. It is currently pending on the Assembly Floor consent file.

Complete Streets: SB 127 (Wiener) was approved by the Senate Committee on Transportation, with significant amendments. This bill aims to update existing laws relating to the programming of funds in the State Highway Operation and Protection Program (SHOPP) to require the state to consider and invest in bicycle, pedestrian, and transit facilities when programming SHOPP projects. The amendments to SB 127 are not in print yet, and the author continues to negotiate with Caltrans on some provisions.

The bill is supported by a wide range of bicycle, pedestrian, and clean air advocates, as well as the Alameda County Transportation Commission, the Transportation Agency for Monterey County, and the City & County of San Francisco. However, the California Association of Councils of Governments and Orange County Transportation Authority currently oppose this bill. It is unclear if the pending amendments would address their concerns.

As anticipated to be amended, language prohibiting the use of SHOPP funds for auxiliary lanes or other capacity enhancing projects will be removed, and language prohibiting the use of vehicle delay as a performance measure will also be removed. The bill will also be amended to maintain the existing investment priorities in state law for SHOPP investments, with added emphasis that safety improvements shall improve the safety of vulnerable road users.

The crux of the bill is new language requiring all SHOPP investments made on state highways that are considered “main streets” to address complete streets needs, such as sidewalks, bike lanes, and bus stops. Beginning with the 2022 SHOPP, Caltrans shall include in their project development teams representation from local transportation agencies, bicycle and pedestrian groups, disadvantage communities, and any group impacted by the proposed project. SB 127 also provides Caltrans a process to exempt a project from the complete street requirements if there is a lack of need or local support. Sb 127 exempts all freeways or other roadways where bicycles and pedestrians are prohibited.

California Transportation Plan: AB 285 (Friedman) requires Caltrans to address in future updates to the California Transportation Plan how the state will achieve its greenhouse gas emissions reductions goals consistent with SB 32 (Pavley), and to review and develop recommendations for improvements of various grant programs to meet long-term emission reduction goals. This bill has been approved by the Assembly Transportation Committee and the Assembly Natural Resources Committee, and is currently pending in the Assembly Appropriations Committee. In particular, the bill requires Caltrans to include in the CTP the following:

- An overview of all sustainable communities and an assessment of how implementation of these strategies will influence the configuration of the statewide integrated multimodal transportation system.
- A review of the potential impacts and opportunities for coordination of specified transportation grant programs, such as the Low Carbon Transit Operators Program and the Transit and Intercity Rail Program.
- A forecast of the impacts of advanced and emerging technologies, including shared, autonomous, connected, and electric transportation options, over a 20-year horizon on infrastructure, access, and transportation systems.

Regional Transportation Plans: AB 1142 (Friedman) was unanimously approved by the Assembly Transportation Committee and is currently on the Assembly Floor Consent Calendar. This bill would require a metropolitan planning organization with a population over 200,000 to include additional performance indicators in the regional transportation plan (RTP). The performance indicators that AB 1142 would add to the RTP include the following:

- Performance indicators to measure travel by Transportation Network Companies (TNC)s,
- Performance indicators for policies to increase the use of existing transit, including but not limited to frequency of public transit, parking facilities near existing public transit, micro-transit options to supplement existing public transit; and storage of active transportation equipment.

Streets & Roads Fund: AB 1568 (McCarty) has been significantly amended. As introduced this bill would have withheld SB 1 local streets and roads funds from a city or county that is found to be out of compliance with existing housing element laws. As amended, the bill would no longer withhold local streets and roads funds. As currently drafted, if on or before January 1, 2025 a city or county is found to be out of compliance with existing housing element requirements then that city or county would be prohibited from applying for state grants. This prohibition would not apply to grants protected under Article 19 of the Constitution, which covers most transportation funds, or if the grant would assist the city or county in complying with housing element laws. As amended, AB 1568 was approved by Assembly Housing Committee.



May 3, 2019

Bills	Subject	Status	Client - Position
AB 1568 (McCarty D) General plans: housing element: production report: withholding of transportation funds	<p><i>AB 1568 was significantly amended on April 11th. As amended, the NVT A may want to consider if the changes would remove its opposition.</i></p> <p>As amended, the bill would no longer withhold local streets and roads funds. As currently drafted, if on or before January 1, 2025 a city or county is found to be out of compliance with existing housing element requirements then that city or county would be prohibited from applying for state grants. This prohibition would not apply to grants protected under Article 19 of the Constitution, which covers most transportation funds, or if the grant would assist the city or county in complying with housing element laws.</p> <p>As introduced this bill would have withheld SB 1 local streets and roads funds from a city or county that is found to be out of compliance with existing housing element laws.</p>	ASSEMBLY APPR	CURRENT POSITION: OPPOSE
AB 1633 (Grayson D) Regional transportation plans: traffic signal optimization plans.	<p>Assemblyman Grayson has renewed his effort from last year to require Caltrans to coordinate with any city that implements a traffic signal optimization plan.</p> <p>Specifically, AB 1633 would authorize any city within the MTC region to develop and implement a traffic signal optimization plan intended to reduce greenhouse gas (GHG) emissions and particulate emissions and to reduce travel times. The bill would also require signals that are operated by Caltrans to be adjusted and operated consistent with a city's plan.</p>	ASSEMBLY FLOOR – Consent File	RECOMMENDED POSITION: WATCH

Existing Positions

Bills	Subject	Status	Client - Position
AB 11 (Chiu D) Community Redevelopment Law of 2019.	<p>AB 11 would enact the Community Redevelopment Act of 2019 and allow local governments to form a housing and infrastructure agency that would focus on affordable housing and infrastructure investments. The bill requires a seat on the governing board for each affected taxing entity, and it allows an affected taxing entity to elect to contribute to the RDA or not. In addition, the bill also allows an RDA to capture the growth on the schools' share (i.e. ERAF) of the property tax growth.</p> <p>AB 11 does require any new RDA to be approved by the Strategic Growth Council, which must find that the redevelopment plan furthers GHG reduction goals and the fiscal impact to the state for backfilling the lost ERAF growth does not exceed a yet to be specified amount. The new RDA could finance housing, transit, transit priority projects, interchanges, bridges, parks and port infrastructure, to name a few. The projects do need to be located within the redevelopment area, but must have a nexus to the project area.</p>	ASSEMBLY APPR	WATCH
AB 147 (Burke D) Use taxes: collection: retailer engaged in business in this state.	<p>AB 147 was signed into law, and took effect immediately. This bill enacts changes to implement the South Dakota v. Wayfair decision. Under Wayfair, the U.S. Supreme Court found that online retailers are required to collect and remit sales tax regardless of whether the online retailer has a physical presence in the state where the order is delivered.</p> <p>AB 147 imposes a \$500,000 statewide threshold. State and local sales taxes would both be collected once a statewide total of \$500,000 in sales is reached. This bill would also require sales tax to be collected on all sales made through an intermediary, such as eBay or Amazon. Under AB 147 an entity that sales items through "marketplace facilitator," such as eBay, the marketplace facilitator is required to collect and remit the tax on all sales regardless of the</p>	Signed Into Law Chapter #5, Statutes of 2019	SUPPORT

	threshold. The local sales tax revenue would be allocated to the local tax districts.		
<u>AB 252</u> <u>(Daly D)</u> Department of Transportation: environmental review process: federal program.	AB 252 would repeal the sunset date on current law that delegates to Caltrans the authority for NEPA decision making. The existing NEPA Assignment Program authority would sunset on January 1, 2020. This program started as part of a pilot program under federal SAFETEA-LU legislation and has been extended twice so far. AB 252 would make it a permanent program. The NEPA Assignment Program has streamlined the environmental process for both state and local transportation projects without compromising compliance with environmental laws and regulations.	ASSEMBLY APPR.	SUPPORT
<u>AB 285</u> <u>(Friedman D)</u> California Transportation Plan.	<p>AB 285 updates requirements of the California Transportation Plan (CTP) to reflect the state's recent environmental legislation. In particular, the bill requires Caltrans to include in the CTP the following:</p> <ul style="list-style-type: none"> • An overview of all sustainable communities and an assessment of how implementation of these strategies will influence the configuration of the statewide integrated multimodal transportation system. • A review of the potential impacts and opportunities for coordination of specified transportation grant programs, such as the Low Carbon Transit Operators Program and the Transit and Intercity Rail Program. • A forecast of the impacts of advanced and emerging technologies, including shared, autonomous, connected, and electric transportation options, over a 20-year horizon on infrastructure, access, and transportation systems. 	ASSEMBLY APPR. – SUSPENSE FILE	WATCH
<u>AB 314</u> <u>(Bonta D)</u> Public employment: labor relations: release time.	This bill would consolidate and uniformly apply existing laws to grant reasonable time-off with compensation for public employees for activities related to employee-employer relations. Existing law on release time does not cover public transit employees, but AB 314 would expand these release time provisions to include public transit employees. The bill would require a public employer to grant	ASSEMBLY APPR – SUSPENSE FILE	WATCH

	reasonable time off for employee representatives to testify at hearings before the personnel boards, participate in labor/management committees, investigate grievances, or participate at new employee orientations.		
AB 659 (Mullin D) Transportation: emerging transportation technologies: California Smart City Challenge Grant Program.	AB 659 requires the CTC to form a working group, consisting of local governments and transportation entities that would develop the guidelines and selection criteria for the Smart City Challenge Grants. The bill envisions funding projects that use intelligent transportation systems and applications that would reduce congestion, enhance mobility, safety, and spurring innovation. The bill does not currently identify or appropriate funds for this program.	ASSEMBLY APPR – Suspense File	WATCH
AB 752 (Gabriel D) Public transit: transit centers: lactation rooms.	AB 752 was substantially amended to clarify its application to multimodal transit facilities. As amended the bill would require multimodal transit stations, as specified, that commence operations or a renovation on or after January 1, 2021, to include a lactation room. The recent amendments define a multimodal transit station to be a rail station that supports the operation of intercity rail operations and serves as a transfer point for bus, light rail, or commuter rail service. In addition, the bill limits this requirement to rail station that have an enclosed lobby with a minimum square footage that has not been specified yet.	ASSEMBLY APPR	WATCH
AB 784 (Mullin D) Sales and use taxes: exemption: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit bus vehicles.	AB 784 was gutted and amended to include a proposal to exempt medium and heavy duty zero emission transit vehicles from the state's sales tax. Locally imposed sales taxes would still apply, as well as specified statewide taxes. Testimony was taken in the Assembly Committee on Revenue & Taxation on April 22, but the bill was held in committee. The Committee has since set AB 784 for a vote on May 6. Specifically, AB 784 would exempt from the state sales tax any zero-emission technology medium or heavy-duty transit bus vehicle that is eligible for a rebate from the Hybrid and Zero Emission Truck and Bus Voucher Incentive Program (HVIP). This	ASSEMBLY REV. & TAX – Held In Committee	SUPPORT

	sales tax exemption would sunset on January 1, 2024.		
AB 847 (Grayson D) Transportation finance: priorities: housing.	As introduced, AB 847 would create a funding incentive for cities and counties to produce housing by reallocating non-Article 19 transportation funds and provide bonuses for certain funding programs. However, the bill was gutted and amended to now create a new competitive grant program. This bill does not provide a funding source, but it directs the Department of Housing and Community Development to create a grant program that would offset up to 100% of any local transportation impact fees imposed on housing project that includes at least 20% affordable units.	ASSEMBLY H & C. D. – Two-Year Bill	WATCH
AB 1350 (Gonzalez D) Youth Transit Pass Pilot Program.	AB 1350 would create the Youth Transit Pass Pilot Program. This bill is similar to prior efforts to create a funding program to provide free transit passes to persons under 25 years old. AB 1350 does not include an appropriation, but points to a future appropriation of greenhouse gas reduction funds. The bill directs Caltrans to create the program that would allocate grants to eligible entities. The grants would be capped at \$5 million and be no smaller than \$20,000. This bill might be a little premature. UCLA is currently undertaking a study to examine and summarize the various types of student transit pass programs in California. As you may recall, former Governor Brown vetoed a similar bill because of the need for additional information on existing programs. The UCLA study is not expected to be completed until the end of this year.	ASSEMBLY TRANS. – Two-Year Bill	WATCH
AB 1402 (Petrie-Norris D) Active Transportation Program.	AB 1402 was not heard in the Assembly Committee on Transportation and is now a two-year bill. This bill would revise the allocation process for Active Transportation Funds. AB 1402 is substantively similar to the changes made to the ATP in SB 152 (Beall), but the bills are structured a little differently.	ASSEMBLY TRANS. – Two-Year Bill	SUPPORT
ACA 1 (Aguiar-Curry D) Local government	This constitutional amendment would lower the voter threshold for property tax increases, parcel taxes and sales taxes to 55% if the funds are used for affordable housing and infrastructure projects.	ASSEMBLY APPR – Suspense File	SUPPORT

financing: affordable housing and public infrastructure: voter approval.	This includes improvements to transit and streets and highways.		
SB 5 (Beall D) Local-State Sustainable Investment Incentive Program.	SB 5 would allow an Enhanced Infrastructure Finance District (EIFD) authority to divert a portion of the ERAF property tax share to the IFD – not just the incremental growth, but the base share of ERAF. SB 5 would require any IFD that wants to capture the ERAF share to apply to the Sustainable Investment Incentive Committee, which SB 5 creates. The bill would limit the amount of ERAF tax revenue the Committee can approve to \$200 million each year, with the annual impact not to exceed \$1 billion. These limits are increased in future years. SB 5 generally promotes the construction of housing and infill development near transit.	SENATE APPR – SUSPENSE FILE	WATCH
SB 20 (Dodd D) Surplus state property: Napa County Regional Park and Open Space District.	SB 20 extends the sunset date, which expired on January 1, 2015, to January 1, 2026, for the state to sell the area known as the Skyline Wilderness Park (Skyline Park) in the County of Napa. The bill also revises the current authorization for the state to sell the Skyline Park to also include the Napa County Regional Park and Open Space District in addition to the County of Napa.	SENATE APPR. – SUSPENSE FILE	WATCH
SB 50 (Wiener D) Planning and zoning: housing development: equitable communities incentive.	SB 50 was substantively amended in the Senate Governance & Finance Committee. As introduced SB 50 would override local zoning and grant developers incentives to build multi-family housing near transit and job centers. The bill requires a local government to grant an “equitable communities incentive,” which reduces specified local zoning standards, such as height, density, and parking requirements, in “jobs-rich” and “transit rich areas,” as defined, when a development proponent meets specified requirements. As amended the definition of a high-quality bus corridor must peak headways of 10 minutes in both	SENATE APPR	WATCH

	directions. A lower development requirement is imposed in counties with a population under 600,000. The provisions in the bill are exempt in fire hazard zones, flood plains, historic districts, and in coastal zone cities with 50,000 or fewer residents.		
<u>SB 127</u> <u>(Wiener D)</u> Transportation funding: active transportation: complete streets	SB 127 (Wiener) was approved by the Senate Committee on Transportation, with significant amendments. This bill aims to update existing laws relating to the programing of funds in the State Highway Operation and Protection Program (SHOPP) to require the state to consider and invest in bicycle, pedestrian, and transit facilities when programing SHOPP projects. The amendments to SB 127 are not in print yet, and the author continues to negotiate with Caltrans on some provisions.	SENATE APPR	WATCH
<u>SB 137</u> <u>(Dodd D)</u> Federal transportation funds: state exchange programs.	SB 137 would allow any city or county to swap federal transportation funds for state funds. The current exchange program is limited to regional transportation planning agencies with a population below 200,000. This measure is sponsored by CSAC, and it is aimed at streamlining project delivery by removing the federal review process associated with using federal funds.	SENATE APPR – Suspense File	SUPPORT
<u>SB 152</u> <u>(Beall D)</u> Active Transportation Program.	SB 152 was approved by the Senate Committee on Transportation, and is now pending before the Senate Committee on Appropriations. This bill would implement some of the findings made by the Legislative Analyst’s Office (LAO) regarding the administration of the Active Transportation Program (ATP). The goal is to streamline the administrative process for awarding ATP funds. The bill includes the following changes: <ul style="list-style-type: none"> Modified the distribution formula to increase from 40% to 75% that is allocated to metropolitan planning organizations (MPO), increase the rural county share from 10% to 15%, and reduce the statewide pot 	SENATE APPR	SUPPORT

	<p>that is administered by the CTC from 50% to 10%.</p> <ul style="list-style-type: none"> • Shift greater administrative control for the regional share to the MPOs. • Increase reporting requirements from the MPOs to the CTC. 		
<u>SB 235</u> (Dodd D) Planning and zoning: housing production report: regional housing need allocation	<p>SB 235 was unanimously approved by the Senate, and awaiting referral to a policy committee in the Assembly.</p> <p>This bill allows the City of Napa and County of Napa to reach an agreement under which the county would be allowed to count certain housing units built within the city toward the county's regional housing needs assessment (RHNA) requirement. The Napa Pipe project is the genesis for this bill.</p>	ASSEMBLY DESK	SUPPORT
<u>SB 277</u> (Beall D) Road Maintenance and Rehabilitation Program: guidelines.	<p>SB 277 was gutted and amended to revise the process for updating the guidelines for the SB 1 funded Local Partnership Program (LPP).</p> <p>Pursuant to SB 277, the CTC shall biennially update the LPP guidelines by January 1st of each even numbered year. The CTC must release a draft of the proposed update at least six months before January 1st, provide a 90-day comment period, and hold at least two public hearings.</p>	SENATE APPR	WATCH
<u>SB 336</u> (Dodd D) Transportation: fully-automated transit vehicles.	<p>SB 336 aims to address safety and customer service issues by requiring at least one public transit employee to be present on any fully-automated transit vehicle. The public transit employee shall be trained in passenger safety, communications, emergency preparedness, and assisting the disabled and elderly.</p>	SENATE FLOOR	SUPPORT
<u>SB 397</u> (Glazer D) Public transit operators: passengers with pets: evacuation orders.	<p>SB 397 would require a public transit operator when moving people from an evacuation area to allow passengers to board with their pets. The bill also requires transit operators to develop best practices for allowing pets on public transit vehicles serving evacuation areas. The bill limits pets to cats or dogs.</p>	SENATE APPR	SUPPORT