

## NAPA VALLEY TRANSPORTATION AUTHORITY Board Agenda Letter

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

#### **RECOMMENDATION**

That the Napa Valley Transportation Authority (NVTA) Board receive the State Legislative update (Attachment 1) and the State Bill Matrix (Attachment 2) prepared by Platinum Advisors.

#### COMMITTEE RECOMMENDATION

None

#### **EXECUTIVE SUMMARY**

Attached is the State legislative update (Attachment 1) and the State Bill Matrix (Attachment 2).

#### PROCEDURAL REQUIREMENTS

- 1. Staff Report
- 2. Public Comments

#### FISCAL IMPACT

Is there a Fiscal Impact? No

#### SUPPORTING DOCUMENTS

Attachments: (1) June 6, 2019 State Legislative Update (Platinum Advisors) (2) June 3, 2019 State Bill Matrix (Platinum Advisors)



June 6, 2019

- TO: Kate Miller, Executive Director Napa Valley Transportation Authority
- FR: Steve Wallauch Platinum Advisors

#### RE: Legislative Update

**Budget Conference Committee**: The Budget Conference Committee has been formed and deliberations started last week. The goal is to complete its work in time to vote on the main budget bill on June 13<sup>th</sup>. The legislature is required to pass a budget by June 15<sup>th</sup> or they forfeit their pay for every day after the 15<sup>th</sup> that a budget is not approved. This deadline only applies to the main budget appropriations bill, which means most of the budget trailer bills and items that require more negotiations will be sent to the Governor later in the month, and in some cases near the end of session. Legislators serving on the Conference Committee include the following:

Senator Holly Mitchell, Chair	Assemblyman Phil Ting, Vice Chair
Senator Jim Nielsen	Assemblyman Kevin McCarty
Senator Richard D. Roth	Assemblyman Chad Mayes
Senator Nancy Skinner	Assemblyman Jay Obernolte
Senator John M.W. Moorlach	Assemblywoman Shirley Weber

**May Revise:** Governor Newsom released his May Revision to the January Budget on May 9<sup>th</sup>. The Revise predicts short-term revenues of \$3.2 billion higher than the January estimates. While the Revise recognizes slower economic growth, it does not predict a recession. However, as illustrated in the Revise even a modest recession could result in a \$40 billion deficit over three years. As for now, the Revise pursuant to statutory requirements utilizes the \$3.2 billion bump by paying down debts and building reserves. The following are a few fiscal highlights:

- This budget marks the first time in over 10 years that all budgetary debts are paid off.
- An additional \$1.2 billion is placed in the Rainy-Day Fund, which brings the reserve to \$16.5 billion in 2019-20 fiscal year. In addition, \$389 million in Prop 98 funds is placed in the School System Stabilization Account as required by Proposition 2.
- Personal income tax revenues are increased by \$1.9 billion due to the strong stock market, and personal income tax withholdings are increased by \$500 million due

to the expected number of initial public offerings (IPOs) for large California companies.

- Corporate tax revenues are also revised upward by \$1.7 billion.
- Sales and use tax revenues are reduced by \$360 million because of an expected reduction in business investments due to lower than anticipated boost from federal tax cuts.

*Transportation:* The Revise does not propose any changes to transportation funding. The Governor's budget continues to rely on the existing funding programs and the SB 1 allocations.

**State Transit Assistance (STA):** The formula allocation to transit operators through the STA formula was reduced in the May Revise by \$50 million from \$1.042 billion to \$991.7 million in 2019-20. This reduction is based on updated forecasting on diesel fuel prices. The January budget used an estimate of \$4.12 per gallon, but first quarter prices were lower. The May Revise adjusts the forecast price of diesel fuel to \$4.03 per gallon. Specifically, STA revenue from diesel fuel taxes are reduced by about \$76 million, but this reduction is partially offset by revenue from cap & trade auction allocated to the Low Carbon Transit Operations Program (LCTOP) increasing by about \$25 million.

*Housing:* The May Revise continues the commitment made in January of providing \$750 million in onetime general fund review to assist local governments in increasing housing production by dedicating \$250 million for technical assistance and \$500 million for infill grants.

#### "Housing and transportation are inextricably linked."

The biggest surprise in the Revise is that the Governor reiterates that the long-term housing production strategy continues to tie the receipt of SB 1 local street and road funds, and potentially other funds, to meeting housing goals. Commencing with the revamped Regional Housing Needs Assessment (RHNA) process in 2023, SB 1 streets and roads fund would be distributed upon compliance with housing element law, zoning, as well as, entitlement that meet the updated housing goals. According to the proposed trailer bill, funds withheld from a city or county that does not comply would be added to allocation to those cities and counties that meet the compliance requirements. This will be a contentious item, as the legislature has shown little support for linking SB 1 funds to meeting housing goals.

With respect to the \$250 million dedicated to assisting cities and counties with planning and zoning for housing, the May Revise proposes to expand eligible recipients for these funds to include school districts and county offices of education. With teachers being priced out of areas where they work, some school districts have surplus property that could be used for housing. Half of the \$250 million would be allocated by formula to the metropolitan planning organization, which would then sub-allocate the funds to cities, counties, or schools for technical assistance. The remaining \$125 million would be allocated by the Housing and Community Development Department (HCD) to cities and counties for planning and activities related to meeting their Sixth Cycle of the RHNA.

The May Revise makes a major change on how the \$500 million will be used. Previously, these funds would have been used as a reward to cities and counties that meet planning

goals for housing. The May Revise now calls for allocating these funds to the Infill Infrastructure Grant Program. This change was based on reports from local governments that one of the biggest barriers for housing production is the lack infrastructure funding for water, sewer, and sidewalks. This one-time investment along with \$300 million in Prop 3 funds provides a total of \$800 million available through the Infill Investment Grant Program. Under the Infill Investment Grant Program cities, counties, and developers can apply for these funds.

The May Revise also provides funding to staff the Governor's proposal for innovative housing projects. The Revise provides \$2.5 million to HCD and General Services to hire real estate consultants to assist with proposals, site investigation, and evaluating and monitoring projects. In the January budget the Governor directed state agencies to inventory surplus properties where housing development is feasible. The plan is to then invite developers to submit proposals that use creative and streamlined approaches to building housing.

*Cap & Trade:* The Revise takes a big step toward the Legislative Analyst Office's (LAO's) higher auction estimates by revising upward the amount of cap & trade auction revenue that will be available by \$750 million above the January estimate. This is in line with the LAO's estimate and provides an additional \$300 million for discretionary allocations. However, the LAO believes that this new estimate might still be a little low. The LAO estimates that the May 14<sup>th</sup> auction will result in revenues \$150 million higher than the Governor's estimate, with a net result of about \$60 million in additional discretionary revenue. The LAO will update the legislature this week once the May 14 auction results are finalized.

The May Revise proposes spending an additional \$251 million of the \$300 million in assumed revenue. This new spending includes allocating an additional \$92 million for Transformative Climate Communities projects, and an additional \$8 million allocated to workforce training programs. The workforce training funding is increased from \$27 million to \$35 million annually. These funds would be targeted for apprenticeship and pre-apprenticeship construction programs, and funding for the High Road Training Program.

The bulk of the new allocation provides \$130 million for Low Carbon Transportation Programs administered by CARB. This includes a \$50 million increase for Clean Truck, Bus, and Off-Road Freight Equipment programs, and \$65 million to upgrade diesel equipment used in the agricultural sector.

The following chart summarizes the May Revise's changes to the cap & trade discretionary funding programs:

#### 2019-20 Cap and Trade Expenditure Plan

(Dollars in Millions)

Investment Category	Department	Program	Governor's Budget	May Revision	Total
		AB 617 - Community Air Protection	\$200		\$200
	Air Resources Board	AB 617 - Local Air District Implementation (\$50 million total, including other funds)	\$20		\$20
Pollutants		Technical Assistance to Community Groups	\$10		\$10
		Clean Vehicle Rebate Project	\$200		\$200
Low Carbon		Clean Trucks, Buses, & Off-Road Freight Equipment	\$132	\$50	\$182
Transportation	Air Resources Board	Enhanced Fleet Modernization Program & Transportation Equity Projects	\$50	\$15	\$65
		Agricultural Diesel Engine Replacement & Upgrades	\$25	\$65	\$90
Healthy	011 555	Healthy & Resilient Forests	\$165	-	\$165
Forests	CAL FIRE	Prescribed Fire & Fuel Reduction	\$35		\$35
		Healthy Soils	\$18	\$10	\$28
	Department of Food & Agriculture	Methane Reduction	\$25	\$10	\$35
Short-Lived Climate Pollutants	CalRecycle	Waste Diversion	\$25	-	\$25
Council Coastal Integrated Commissio	Strategic Growth Council	Transformative Climate Communities	\$40	\$92	\$132
	Commission &	Coastal Resilience	\$3	-	\$3
Mitigation & Resilience	Community Services & Development	Low-Income Weatherization	\$10	-	\$10
	California Conservation Corps	Energy Corps	\$6	-	\$6
Workforce Training	Workforce Development Board	Preparing Workers for a Carbon-Neutral Economy	\$27	\$8	\$35
Climate and	Strategic Growth Council	Climate Change Research	\$10	-	\$10
Clean Energy Research	California Environmental Protection Agency	Transition to a Carbon-Neutral Economy		\$1.5	\$1.5
	Total		\$1,001	\$252	\$1,253

Source: May Revision 2019-20 Summary

**Subcommittee Actions:** Both the Senate and Assembly Budget Committees adopted cap & trade expenditure plans that assumed higher revenues than the Governor. The discretionary allocations approved by the Senate total \$1.5 billion and the Assembly allocations total \$1.4 billion, compared to the May Revise proposal of \$1.3 billion. The following compares the revenue and expenditure amounts for each.

	Governor	Senate	Assembly
Beginning Balance	\$525	\$525	\$525
Revenue	\$2,463	\$2,815	\$2,815
Auction revenue	2,363	2,715	2,715
Investment income	100	100	100
Expenditures and Transfers	\$2,801	\$3,220	\$3,159
"Off the top" backfills	130	130	130
Continuous appropriations	1,340	1,551	1,551
Discretionary expenditures	1,253	1,461	1,400
Other administrative and implementation costs	78	78	78

The Assembly's budget proposal was unusual in that its expenditure plan allocates lump sums to the different programs. For example, the Assembly would allocate a total of \$660 million to the California Air Resources Board for Low Carbon Transportation programs, but does not specify how much is available for Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), pilot programs or Clean Vehicle Rebates.

The Senate's expenditure plan is similar to the Governor's plan. It provides the same funding for the Clean Truck and Bus Program (\$182 million), and provides an additional \$50 million for Clean Vehicle Rebates (\$250 million). The Senate plan eliminates the \$35 million the Governor proposes for the workforce training programs. The Senate asserts that there is an insufficient nexus between job training and greenhouse gas (GHG) emission reductions. The Assembly plan maintains funding for the Governor's workforce plan, but the Assembly's budget uses \$27 million in Alternative and Renewable Fuel and Vehicle Technology Program funds.

### Legislation:

May 17<sup>th</sup> was the deadline for fiscal bills to be moved out of their respective appropriations committees, and May 31<sup>st</sup> was the house of origin deadline. This is the first chance to cull the herd by quietly holding measures on the suspense file. The Assembly Appropriations Committee took action on 721 bills and the Senate Appropriations Committee reviewed 355 bills on its Suspense File. Once off the Suspense File, most bills were easy approved by their respective houses. The following highlights some of the actions on bills of interest to NVTA.

• <u>SB 50 (Wiener)</u>: At the start of the hearing Senate Appropriations Chair, Senator Portantino, announced that SB 50 was being held in Committee making it a two-year bill. This was a surprise to many, and relief to many others. Senator

Portantino's decision to hold the bill prompted an unusual move by the Senate President Pro Tem Atkins to release a statement. Pro Tem Atkins stated, "I will not circumvent the decision made by the Appropriations Committee Chair on SB 50. Regardless of my own personal feelings about this critical issue, part of my job as the leader of the Senate is to uphold the authority and decisions of committee chairs and take into consideration the views of committee members. To be clear, the bill is not dead, and this is the first year of a two-year session." Senator Wiener has promised to press forward on this measure.

- <u>SB 152 (Beall)</u>: SB 152 was sponsored by MTC and proposed to make significant changes to the relatively new Active Transportation Program (ATP). However, growing opposition from the CTC, bicycle and pedestrian advocates, and Los Angeles County Metropolitan Transportation Authority (LAMTA) resulted in SB 152 being held on the Senate Appropriations Committee's Suspense File, making it a dead bill for this year.
- <u>AB 784 (Mullin)</u>: This bill was approved by the Assembly Appropriations Committee. This bill would exempt medium and heavy duty zero emission transit vehicles from the state's share of the sales tax on zero emission transit vehicles purchased before January 1, 2024. This bill would cost the state about \$1 million annually.



June 3, 2019

# **Existing Positions**

Bills	Subject	Status	Client - Position
AB 11 (Chiu D) Community Redevelopment Law of 2019.	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 regional development agency (RDA) or not. In addition, the bill also allows an RDA to capture the growth on the schools' share (i.e. Educational Revenue Augmentation Fund [ERAF]) of the property tax growth. AB 11 does require any new RDA to be approved by the Strategic Growth Council, which must find that the redevelopment plan furthers greenhouse gas (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.	ASSEMBLY APPR – Held on Suspense Two-Year Bill	WATCH
AB 147 (Burke D) Use taxes: collection: retailer engaged in business in this state.	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	Signed Into Law Chapter #5, Statutes of 2019	SUPPORT

AB 147 ( <u>Burke</u> D) (Cont.)	has a physical presence in the state where the order is delivered. 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 threshold. The local sales tax revenue would be allocated to the local tax districts.		
AB 252 (Daly D) 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 National Environmental Policy Act (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 Safe, Accountable, Flexible, and Efficient Transportation Equity Act-A Legacy for Users (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.	SENATE TRANSP.	SUPPORT
<u>AB 285</u> ( <u>Friedman</u> D) California Transportation Plan.	<ul> <li>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:</li> <li>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.</li> </ul>	SENATE TRANSP.	WATCH

<u>AB 285</u> ( <u>Friedman</u> D) <i>(Cont.)</i>	<ul> <li>A review of the potential impacts and opportunities for coordination of specified transportation grant programs, such as the Low Carbon Transit Operators Program (LCTOP) and the Transit and Intercity Rail Program.</li> <li>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.</li> </ul>		
AB 314 (Bonta D) Public employment: labor relations: release time.	This bill would establish uniform and minimum requirements for the exercise of statutory release time rights relating to public sector labor relations that apply to public employers and their employees subject to the collective bargaining statutes of the state. 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 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.	SENATE RULES	WATCH
AB 659 (Mullin D) Transportation: emerging transportation technologies: California Smart City Challenge Grant Program.	AB 659 requires the California Transportation Commission (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 – Held on Suspense Two-Year Bill	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 of 4,000 square feet.	SENATE RULES	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 approved by the Assembly Appropriations Committee. This bill would 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. 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 sales tax exemption would sunset on January 1, 2024.	SENATE RULES	SUPPORT
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
AB 1568 (McCarty D) General plans: housing element: production report: withholding of transportation funds	AB 1568 was held by the Appropriations Committee and is now a 2-year bill. This bill would, 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.	ASSEMBLY APPR – Held on Suspense Two-Year Bill	OPPOSE

<u>AB 1568</u> ( <u>McCarty</u> D) <i>(Cont.)</i>	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.		
AB 1633 (Grayson D) Regional transportation plans: traffic signal optimization plans.	Assemblyman Grayson has renewed his effort from last year to require Caltrans to coordinate with any city that implements a traffic signal optimization plan. 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.	SENATE TRANSP.	WATCH
ACA 1 (Aguiar- Curry D) Local government financing: affordable housing and public infrastructure: voter approval.	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. This includes improvements to transit and streets and highways. Constitutional amendments are not subject to hearing deadlines, and can be moved at any time.	ASSEMBLY FLOOR	SUPPORT
<u>SB 5</u> ( <u>Beall</u> 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.	ASSEMBLY DESK	WATCH

<u>SB 5</u> ( <u>Beall</u> D) <i>(Cont.)</i>	SB 5 generally promotes the construction of housing and infill development near transit.		
<u>SB 20</u> ( <u>Dodd</u> 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.	ASSEMBLY A & A.R.	WATCH
<u>SB 50</u> ( <u>Wiener</u> D) Planning and zoning: housing development: equitable communities incentive.	SB 50 would require local governments to provide a specified "equitable communities incentive" to developers that construct residential developments in "jobs-rich" and "transit-rich" areas, which may include certain exceptions to specified requirements for zoning, density, parking, height restrictions, and floor area ratios.	SENATE APPR – Held on Suspense Two-Year Bill	WATCH
<b><u>SB 127</u></b> (Wiener D) Transportation funding: active transportation: complete streets	SB 127 (Wiener) was approved by the Senate. 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 bill would focus these complete street investments on urban arterials and where a state highway serves as the main street.	ASSEMBLY DESK	WATCH
<b>SB 137</b> ( <b>Dodd D</b> ) 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 the California State Association of Counties (CSAC), and it is aimed at streamlining project delivery by removing the federal review process associated with using federal funds.	ASSEMBLY DESK	SUPPORT

SB 152 (Beall D) Active Transportation Program.	<ul> <li>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:</li> <li>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 that is administered by the CTC from 50% to 10%.</li> <li>Shift greater administrative control for the regional share to the MPOs.</li> <li>Increase reporting requirements from the MPOs to the CTC.</li> </ul>	SENATE APPR – Held on Suspense Two-Year Bill	SUPPORT
<u>SB 235</u> ( <u>Dodd</u> D) Planning and zoning: housing production report: regional housing need allocation	SB 235 was unanimously approved by the Senate. 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.	ASSEMBLY H. & C.D.	SUPPORT
<u>SB 277</u> ( <u>Beall</u> D) Road Maintenance and Rehabilitation Program: guidelines.	SB 277 was gutted and amended to revise the process for updating the guidelines for the SB 1 funded Local Partnership Program (LPP). 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.	ASSEMBLY TRANSP.	WATCH

<u>SB 336</u> ( <u>Dodd</u> D) Transportation: fully-automated transit vehicles.	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. SB 336 was amended to sunset this requirement on January 1, 2026, and require any transit operator that uses an autonomous vehicle to submit a report to the legislature by March 31, 2025, on the results of that deployment.	ASSEMBLY TRANSP.	SUPPORT
<u>SB 397</u> ( <u>Glazer</u> D) Public transit operators: passengers with pets: evacuation orders.	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. SB 397 may be amended to direct the Office of Emergency Services to develop the guidelines and best practices for this bill.	ASSEMBLY TRANSP	SUPPORT