

June 23, 2023

The Honorable Gavin Newsom Governor, State of California 1021 O Street, Suite 9000 Sacrament, CA 95814

RE: Support Transit Funding in SB 101 (Skinner)

Dear Governor Newsom:

We write to you to today to urge your support for the Legislature's two-party agreement on the Fiscal Year (FY) 2023-24 budget, captured in SB 101 (Skinner). SB 101 would maintain the full funding commitment for the Transit and Intercity Rail Capital Program (TIRCP) established in the FY 2022-23 budget, provide \$1.1 billion for the new Zero-Emission Transit Capital Grant program, create flexibility in the TIRCP and Zero-Emission Transit Capital Grant program to help address pressing operating deficits at transit agencies statewide, and sets the stage for long-term, structural reform to transit funding and operations in California.

The funding levels provided by SB 101 are necessary to protect transit service over the next several years, as California's transit agencies collectively face a multibillion funding shortfall, while also maintaining capacity to build the transformative capital projects needed to meet our state's future mobility needs. We understand that SB 101 will not address the full operations funding needs of California's transit agencies, but we see the bill as a critical step forward in our efforts save public transit. We also know that without your support for the significant funding levels the Legislature has advanced in SB 101 for transit capital and operations, we will lose the progress the state has made toward our environmental, mobility, public health, and equity objectives; and irreparably harm a system that is central to California's climate leadership and global economic standing. We believe strongly that, at the very least, the funding levels for transit capital and operations included in SB 101 must be maintained in the final budget agreement.

As budget negotiations continue, we also urge you to support the statutory relief measures identified in the two-party agreement, but which are not reflected in SB 101. These statutory relief measures would continue to pause state-level farebox recovery ratio and operating cost per hour requirements, maintain flexibility in the State Transit Assistance – State of Good Repair Program, and expand the same flexibility in the Low Carbon Transit Operations Program. In doing so, these statutory relief measures would provide budget-neutral support to California's transit agencies that further aid their recovery from the pandemic and that build into a much larger and necessary discussion on Transportation Development Act reform. While we have not seen the final accountability measures offered by the Legislature, we urge you to support its focus on requiring transit agencies that exercise flexibility in the capital funds they receive to revisit their service models and implement ridership recovery strategies. In receiving new funding for operations, California's transit agencies are fully prepared to address the accountability concerns expressed by state legislators and abide by new requirements.

Again, we urge you to support at least the funding levels for transit capital and operations included in SB 101. We look forward to continuing to work with you and legislative leaders to address the needs of California's transit agencies.

Sincerely,

Michael Pimentel, Executive Director California Transit Association

Jacklyn Cuddy, Executive Director California Association for Coordinated Transportation

Jeff Shaffer, Chairman California Conference Board of the Amalgamated Transit Union

Shane Gusman, Director California Teamsters Public Affairs Council

Louie Costa, Director California State Legislative Board of Sheet Metal, Air, Rail and Transportation Workers Transportation Division (SMART-TD)

Robert Estrada, Regional Director Inlandboatmen's Union of the Pacific, Marine Division of the International Longshore & Warehouse Union Captain Ezra L. Hunter, Jr., Regional Representative International Organization of Masters, Mates & Pilots U.I.G.-P.M.R. / AFL-CIO

Michael Quigley, Executive Director California Alliance for Jobs

Jon Switalski, Executive Director Rebuild SoCal Partnership

Kiana Valentine, Executive Director Transportation California

Tim McRae, Senior Vice President, Sustainable Growth Silicon Valley Leadership Group

Tracy Hernandez, Chief Executive Officer Los Angeles County Business Federation

Stuart Waldman, President Valley Industry & Commerce Association (VICA) Rena Leddy, President California Downtown Association

Wade Rose, President Advance SF

Cynthia Murray, President and CEO North Bay Leadership Council

Brandon Dawson, Director Sierra Club California

Adrian Martinez, Deputy Managing Attorney Earthjustice

Carolina Martinez, Climate Justice Director Environmental Health Coalition

Bill Higgins, Executive Director California Association of Councils of Government

Stephanie Wiggins, CEO Los Angeles County Metropolitan Transportation Authority

Kome Ajise, Executive Director Southern California Association of Governments

Darrell Johnson, CEO Orange County Transportation Authority

Sharon Cooney, CEO San Diego Metropolitan Transit System

Peter Rodgers, Executive Director San Luis Obispo Council of Governments

David Aguirre, Executive Director Imperial County Transportation Commission Eli Lipmen, Executive Director Move LA

Laura Tolkoff, Director of Transportation Policy, SPUR

Zack Deutsch-Gross, Policy Director TransForm

Ian Griffiths, Policy Director Seamless Bay Area

Colin Parent, CEO and General Counsel Circulate San Diego

Colin Fiske, Executive Director Coalition for Responsible Transportation Priorities

Jonathan Matz, California Senior Policy Manager, Safe Routes Partnership

Kevin C. Shin, Deputy Director California Walks

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Annie Lee, Managing Director of Policy Stop AAPI Hate

Manjusha Kulkarni, Executive Director AAPI Equity Alliance

Cynthia Choi and Vincent Pan, Co-Executive Directors Chinese for Affirmative Action

Brian Hanlon, CEO California YIMBY

Tomiquia Moss, Founder & CEO All Home

cc: The Honorable Toni Atkins, President pro Tempore, California State Senate The Honorable Anthony Rendon, Speaker, California State Assembly The Honorable Nancy Skinner, Chair, Senate Budget Committee The Honorable Phil Ting, Chair, Assembly Budget Committee The Honorable Maria Elena Durazo, Chair, Senate Budget Subcommittee No. 5 The Honorable Josh Becker, Chair, Senate Budget Subcommittee No. 2 The Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3 Toks Omishakin, Secretary, California State Transportation Agency Yana Garcia, Secretary, California Environmental Protection Agency Mark Tollefson, Undersecretary, California State Transportation Agency Chad Edison, Chief Deputy Secretary for Rail and Transit, California State Transportation Agency

James Hacker, Deputy Cabinet Secretary, Office of Governor Gavin Newsom Steve Cliff, Executive Officer, California Air Resources Board