

2020 STATE LEGISLATIVE PROGRAM

The California Transit Association's 2020 State Legislative Program is an integral part of making our vision a reality, and is part and parcel of our mission to further the interests of public transportation as defined in our Strategic Plan.

Vision Statement

This statement contains our long-range vision for the transit industry and portrays the desired future the Association seeks to achieve. Our Association's vision is to have:

“Fully funded, efficient, and effective public transit systems operating in a balanced transportation network.”

Mission Statement

To attain that vision, we carry out our mission to:

“Support the needs of California’s public transit systems through advocacy and education.”

Advocacy

The goal of the advocacy effort contained in our Strategic Plan is to:

“Influence state and federal decision makers to enact policies and funding solutions supporting, expanding, developing and advancing public transit.”

The objectives of our advocacy effort are aimed at:

- Ensuring that existing transit funds are protected.
- Securing new funds for transit.
- Pursuing laws and regulations supporting transit and defeating those impeding transit's ability to meet the public's mobility needs.
- Using public and private partnerships to successfully influence favorable policy outcomes.
- Enhancing public awareness of transit and its daily positive impact on the lives of all Californians.

2020 STATE LEGISLATIVE PROGRAM – SUMMARY OF NEW / ACTION ITEMS

The following summarizes the highest priority policy goals the California Transit Association will pursue in 2020, including sponsored legislation we will seek.

- **Transportation Development Act (TDA) Reform:** Work with transit agencies, regional partners, Caltrans, legislative committee staff, and other stakeholders to review existing metrics for the qualification and distribution of TDA revenues, with the possibility for legislation in 2020 to update TDA law.
- **Transit Electrification:** Monitor implementation of the Innovative Clean Transit regulation requiring transition to zero emission bus (ZEB) fleets, and work with the Association's ZEB Task Force to identify and pursue strategies to reduce the costs associated with deploying ZEBs.
- **Bus on Shoulder Expansion:** Seek support for, and consider pursuing legislation authorizing, an expansion of the existing, very limited bus on shoulder statutory authorization granted to Monterey-Salinas Transit District and Santa Cruz Metropolitan Transit District by AB 946 (Stone) [Chapter 426, Statutes of 2013].
- **Credit Card Verification:** Seek legislative approval for transit agencies to require credit card authentication at ticketing kiosks.
- **Homelessness:** Work to secure funding for transit systems to help combat homelessness.
- **Cap and Trade Funding:** Pursue additional dedicated funding from the Greenhouse Gas Reduction Fund (GGRF), secure policy changes to the Affordable Housing and Sustainable Communities Program, and ensure continued funding from the GGRF for low- and zero-emission bus deployment.
- **Driver Testing:** Work to improve driver testing, certification and licensing timeframes.

2020 STATE LEGISLATIVE PROGRAM – ALL ACTION ITEMS

The following summarizes all policy goals the California Transit Association will actively pursue in 2020, whether through sponsoring legislation or in supporting the work of other groups. These are a mix of our existing goals and new items added for 2020.

OBJECTIVE 1: Existing transit funds are protected.

A. The Association will continue the work of the Transportation Development Act Reform Task Force, in response to a legislative request to review and suggest potential reforms to the Transportation Development Act (TDA).

In 2018 the Association received a letter jointly-authored by Senate Transportation Committee Chair Jim Beall (D-San Jose) and Assembly Transportation Committee Chair Jim Frazier (D-Antioch), requesting the Association to “spearhead a Transportation Development Act Policy Task Force to fully examine performance measures for our state’s public transportation system and produce a legislative recommendation for any reforms or changes to the current programs.”

In response, the Association convened a multi-agency Task Force in early 2019, which began reviewing existing statutes, agency procedures, and metrics used for determining compliance with and fund allocation under TDA law. The Task Force developed a set of guiding principles, and constituted two subgroups developing different approaches to updating TDA law. This effort could lead to a proposal substantially revising the current statutes and procedures for distributing TDA funding, or, it could lead to a proposal suggesting more modest reforms. While the legislative leaders asked for a proposal by the fall of 2019, the work of the Task Force could continue in to 2020, with possible legislative action in 2020 or thereafter. The final recommendations of the Task Force will be reviewed and acted on by the Executive Committee. In the meantime, the Association may explore legislative solutions ensuring agencies maintain existing revenues while the work of the Task Force moves forward.

B. Protect existing State transit funds, including new SB 1 (Beall and Frazier) [Chapter 5, Statutes of 2017] funding, TDA, PTA, and Cap and Trade revenues for transit, from being eliminated, terminated, shifted or otherwise used for non-transit purposes, without specific repayment terms, and restore or obtain repayment of all previous loans or shifts of transit funds.

The Association will advocate for maintenance of transit funding in the FY 2020-21 State Budget at existing levels. The Association will partner with local government, the environmental community, and other interested transportation stakeholders, among others, and form coalitions advocating for protection of transit funding. This includes supporting efforts to protect SB 1 funding and opposing any effort(s) to repeal, divert, or place conditions on recently enacted SB 1 funding. The Association will also closely monitor the implementation of the various SB 1 programs impacting transit and seek legislative fixes should any issues arise.

C. Preserve the relative share of Cap and Trade revenues for public transit established in 2014 legislation and explore flexibility with regard to the use of existing Cap and Trade revenues.

The Association will work to protect the existing long-term Cap and Trade revenue allocated to transit in SB 862 (Committee on Budget and Fiscal Review) [Chapter 36, Statutes of 2014] through the Low-Carbon Transit Operations Program (5 percent) and the Transit and Intercity Rail Capital Program (10 percent), work with agencies to ensure more funding from the Affordable Housing and Sustainable Communities Program (20 percent) is set aside for transportation projects and support continued appropriations of Cap and Trade funds to the Low Carbon Transportation program to be used for transit. Should changes be made to the overall expenditure plan for continuously appropriated Cap and Trade revenues, the Association will work to ensure an equal, if not greater amount of revenue is dedicated to transit.

D. Engage in discussions with the Administration and California State Transportation Agency on implementation of the Governor’s executive order to address climate change through transportation investments.

Executive Order N-19-19 directs the California State Transportation Agency (CalSTA) to invest its annual portfolio of \$5 billion toward construction, operations and maintenance to help reverse the trend of increased fuel consumption and reduce greenhouse gas emissions associated with the transportation sector. CalSTA, in consultation with the Department of Finance, is also directed to align transportation spending, programming and mitigation with the state’s climate goals.

The Association will monitor preliminary implementation efforts and engage in policy discussions to ensure state funds, specifically SB 1 funds, continue to be used for transportation purposes.

OBJECTIVE 2: New transit funds are secured.

A. Advocate for additional, more flexible state transit funding from the Cap and Trade program.

The Association will maintain the primary goal to double the funding percentage for both the LCTOP and the TIRCP. However, as a fallback position during negotiations, the Association would instead propose only doubling the LCTOP, bringing this program on par with the TIRCP (each would receive 10 percent of Cap and Trade revenues). Also, if during next year’s process it appears the Legislature has an aversion to further continuous appropriations, we would explore a one-time appropriation of funds to either program.

Additionally, with regard to the continuously appropriated programs, the Association will explore legislation to amend the AHSCP to direct more funding to transit.

The Association will also work to grow and seek dedicated funding for the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project and programs that support zero-emission bus infrastructure buildout.

B. Support new local government funding options to support transit and infrastructure near transit.

The Association supports new local funding tools enabling local governments to maintain and expand transit service and promote infrastructure, including affordable housing, near public transit. These tools could come in the form of changes to Infrastructure Financing District law, CEQA incentives for development closer to transit stations, lower voter-thresholds and sub-regional initiatives for local sales tax measures, authority for transit agencies to develop projects on their own property, and the inclusion of transit-oriented development projects in new housing programs.

C. Seek resources to assist transit agencies manage homelessness.

The Association will continue to work with the Legislature and the Administration to secure funding for transit systems to help combat homelessness and in doing so, collaborate with other local stakeholder groups, like the League of California Cities and the California State Association of Counties, whose members have been the traditional recipients of homelessness funding in year’s past.

D. Advocate for resources to help transit agencies recruit, retain, and train employees.

OBJECTIVE 3: Laws and regulations supporting transit are enacted and those impeding transit’s ability to meet the public’s mobility needs are defeated.

A. Identify and pursue strategies to reduce the cost of compliance with the Innovative Clean Transit regulation.

In December 2018, the California Air Resources Board (ARB) adopted the Innovative Clean Transit

regulation. The regulation requires transit agencies to begin to purchase zero-emission buses (ZEBs) as soon as 2023, with the goal of transitioning all transit buses in California to zero-emission technology by 2040. While the regulation is well-intentioned, early adopters of ZEBs have found that the costs associated with purchasing ZEBs, building the infrastructure necessary to deploy them, and procuring electricity are high and, in the absence of new funding, may undermine our members' ability to provide robust transit service.

The Association will continue to educate the Legislature, ARB, the Public Utilities Commission (PUC) and the California Energy Commission on the real-world costs and experiences of transit agencies deploying ZEBs. More specifically, the Association will continue to work with its ZEB Task Force to identify and pursue legislative, budgetary and regulatory strategies to reduce the costs the associated with deploying ZEBs and complying with the regulation.

B. Pursue regulatory solutions to reducing the cost of electricity procured by transit agencies.

As transit agencies scale up their deployment of battery-electric buses, they are finding that the cost of electricity as a fuel far exceeds the cost of CNG and, at times, diesel. For example, the two California transit agencies that have operated the most electric bus miles in the country reported to the California Transit Association that the cost of fuel per mile for their operations are 40 percent to 2 times higher for electric buses than CNG- and diesel-powered equivalents, respectively. These findings were validated by a fuel cost report from Energy and Environmental Economics (E3), commissioned by the Association. The report asserted that, on average, the cost of electricity as a fuel is greater than the cost of CNG on a per revenue mile basis, but less than diesel. These findings are significant, because roughly 60 percent of California's transit fleet operates on CNG.

To address the high cost of electricity as a fuel, the Association will continue to work with its ZEB Task Force to monitor the various rate cases before the PUC and will engage the PUC, as appropriate, to ensure that adopted rate designs reduce the cost of operating battery-electric buses.

C. Define and seek as appropriate an expansion of the existing, very limited bus on shoulder statutory authorization.

AB 946 (Stone) [Chapter 426, Statutes of 2013] authorized Monterey-Salinas Transit District (MST) and Santa Cruz Metropolitan Transit District (METRO), in consultation with the Department of Transportation (Caltrans) and the California Highway Patrol (CHP), to designate the shoulders of certain highways and freeways as transit bus-only corridors (commonly referred to as BOS programs). In 2016, the Santa Clara Valley Transportation Authority sponsored AB 1746 (Stone), which sought to expand on the authorization previously provided to MST and METRO to allow itself and numerous other agencies to use the shoulders of certain state highways as transit-bus only traffic corridors.

The Association will seek support for, and consider pursuing legislation authorizing, the expansion of Bus on Shoulder statewide.

D. Seek legislative approval for transit agencies to require credit card authentication at ticketing kiosks.

In order to protect against the fraudulent use of credit cards at transit properties and the loss of revenue, the Association will work to introduce legislation to allow transit agencies accepting credit cards at un-staffed ticketing kiosks to require the zip code authentication of the credit card owner.

E. Work to improve driver testing, certification and licensing processes.

The Association will continue to engage the Department of Motor Vehicles and other relevant state entities on driver testing, certification and licensing, and pursue legislation, if appropriate, in order to improve the time it takes to deploy new bus operators.

F. Support transportation efforts to improve enforcement and driver safety.

The Association will continue to explore new ideas and support member agencies as they work to improve the enforcement of violations on transit systems or those that may impact transit service. The Association will also support efforts to better protect transit vehicle operators.

G. Support state policies that encourage development near transit.

The Association supports state policy objectives that enable local governments to maintain and expand transit service and promote infrastructure, including affordable housing, near public transit.

H. Monitor state implementation of pension reform laws.

The Association will closely monitor state and federal actions regarding the 2013 Public Employees' Pension Reform Act (PEPRA)/ 13(c) issue and continue to remain actively involved with all levels of government on this issue to mitigate any negative impacts to transit systems or support efforts which advantage transit systems. The Association will also support Association members in their efforts to clarify PEPRA as it applies to employees covered under Section 13(c) of the Federal Transit Act.

I. Support efforts to implement the Fixing America's Surface Transportation (FAST) Act in California and assist the Federal Legislative Committee in securing a surface transportation reauthorization bill with the best outcomes for transit.

The Association will continue to participate in state legislative and regulatory efforts to ensure appropriate implementation of the FAST Act at the state level and assist the Federal Legislative Committee in its effort to secure a surface transportation reauthorization bill that advantages public transit to the maximum extent.

J. The Association will work with legislative leadership, the Governor and other groups to advocate that any reforms to the CEQA process advantage public transit projects, including bicycle, pedestrian, and TOD projects, and will monitor closely the implementation of SB 743 (Steinberg) [Chapter 386, Statutes of 2013].

K. The Association will support the state's rail modernization efforts, including continued development of the high-speed rail project in its efforts to help the state achieve a successful multi-modal transportation system for the future, predicated on certain factors outlined in previous legislative programs and in the Association's letter to the High-Speed Rail Authority dated December 31, 2013.

OBJECTIVE 4: Public and private partnerships are used to successfully influence favorable policy outcomes.

The Association will work to build new, mutually beneficial relationships between the Association, its members, and public & private partners, as well as enhance existing relationships that have helped support the Association's goals in the past.

OBJECTIVE 5: Enhanced public awareness of transit and its daily positive impact on the lives of all Californians.

The Association will provide to decision-makers and partner organizations available polling data and other information that indicates increased public support for transit compared to previous years, and, work to increase the number of *iTransit* program followers and to engage them on important policy issues.