



DATE: January 23, 2020

TO: Transportation Authority of Marin Board of Commissioners

FROM: Anne Richman, Executive Director *Anne Richman*
David Chan, Programming and Legislation Manager

SUBJECT: Adopt the 2020 Legislative Platform (Action), Agenda Item No. 8

RECOMMENDATION

The TAM Board reviews and adopts the draft 2020 Legislative Platform, shown in Attachment A.

On January 13, 2020, the Funding, Programs & Legislation (FPL) Executive Committee reviewed and recommended the approval of the 2020 Legislative Platform.

BACKGROUND

At the beginning of each year, staff recommends and the TAM Board adopts a Legislative Platform in guiding policy decisions and communicating TAM's goals and the County's transportation needs to the Legislature and other agencies, such as Metropolitan Transportation Commission (MTC) and the Self-Help County Coalition (SHCC).

Staff and Khouri Consulting, TAM's legislative consulting team, use the platform to guide communications on critical legislation that impacts how TAM achieves its goals and funding needs during the year. Staff and Khouri Consulting will bring recommendations on pending legislation to the TAM Board for review during the year.

To further its interests, TAM has historically worked in concert with other agencies and associations, and in support of its member jurisdictions, in supporting legislation, and will continue this practice. It should be noted that TAM's past legislative advocacies and successes have usually been accomplished by working with the North Bay Counties Coalition (NBCC), Bay Area County Transportation Agencies (BACTA), SHCC, Regional Transportation Planning Agencies (RTPA), and MTC.

DISCUSSION

The draft 2020 Legislation Platform (Attachment A) captures some of the ongoing policy elements that TAM has adopted from prior years' platforms, particularly the platform from 2019. MTC and the County of Marin's Draft 2020 Legislation Platforms were also reviewed to avoid unwarranted contradictory proposals. Attachment B is a redlined version of Attachment A that shows changes, additions, or deletions from last year's platform.

Compared to prior years, 2019 was relatively quiet for transportation legislation and 2020 is expected to be modest as well, with a couple of notable exceptions, namely legislation tied to the proposed FASTER initiative, and potential reauthorization of the federal surface transportation bill (FAST Act) which expires in September 2020. There is currently a spot bill to allow development of a FASTER-type measure, SB278, sponsored by Senator Jim Beall. This bill is expected to be further fleshed out during January, then moved to the Assembly in February.

On January 10, 2020, the Governor released his proposed State Budget for FY 20/21. Attachment C is the Khouri Consulting Monthly Report that provides an overview of the proposed FY 20/21 State Budget that contains approximately \$153 billion in General Fund. Mr. Khouri's report discusses the budget and its role in infrastructure, climate resilience, transportation funding, and housing.

Regarding a new federal transportation bill, Attachment D is the State's (Caltrans) principles for reauthorization, developed statewide over the last few months including with input from the SHCC. The current federal authorization will expire in September 2020. At this time, it is hard to predict when discussion about the federal bill will become focused in Congress. If a reauthorization is not in place when the current authorization expires, shorter term extensions have been utilized in the past to bridge the gap.

Additionally, TAM will still be vigilant and competitive for funds from Senate Bill (SB) 1 Programs. Program guidelines for several SB 1 Programs are being proposed for adoption in early 2020, including the Solutions for Congested Corridor Program (SCCP), Local Partnership Program (LPP), Trade Corridor Enhancement Program (TCEP), and Active Transportation Program (ATP). TAM staff have been participating and will continue to participate in workshops held by the California Transportation Commission (CTC) to ensure proposed projects from Marin are positioned well for funding opportunities from these SB 1 Programs.

TAM will also be monitoring any proposed rule changes affecting existing funds that may be detrimental or beneficial to Marin, including SB1 Programs, State Transportation Improvement Program (STIP), State Transit Assistance (STA), Transportation Development Act (TDA), and the Cap and Trade Programs. The STA and Cap and Trade Programs provide formula funds to Marin Transit, Golden Gate Transit, and SMART.

Along with transportation funding, the 2020 Legislative Platform also addresses other key areas of interest to TAM, including but not limited to the following:

- work with MTC and our State Route (SR) 37 partners on appropriate legislation permitting tolling on SR37 for proposed improvements;
- support legislation that encourages efforts to mitigate climate change and resilience;
- support legislation that encourages multi-modal transportation options;
- monitor the potential 2020 FASTER Bay Area sales tax proposal and position TAM-endorsed projects for maximum funding opportunities;
- support applications for eligible Safe Routes to School (SRTS) and other bike and pedestrian projects in the ATP;
- increase funding under the Cap and Trade program for transit, climate change strategies, and local bike/pedestrian needs;
- support legislation to improve the performance of High-Occupancy Vehicle (HOV) lanes by ensuring greater compliance with passenger occupancy requirements, such as securing additional state funding for dedicated HOV lane enforcement;
- seek creative solutions to help improve the operations of transit buses by sponsoring or supporting legislation to allow for transit buses to use shoulders along certain routes; and

- work with MTC to distribute RM3 funds as soon as possible to projects or, alternatively, authorize TAM to proceed with certain projects (possibly the Marin Sonoma Narrows (MSN) and 101/580 Connector projects) before the availability of funds through the approval of a Letter of No Prejudice (LNOP);

The deadline to introduce legislative bills for 2020 is February 21, 2020. Staff and Khouri Consulting are scheduled to return to the Board in March to highlight relevant bills for monitoring and taking positions.

Other notable dates for the State 2020 Legislative session include:

- June 25, 2020 - last day for a legislative measure to qualify for the November 3 General Election ballot
- August 31, 2020 - last day for the legislature to pass bills
- September 30, 2020 - last day for the Governor to sign or veto bills.

FISCAL IMPACTS

There are usually no immediate fiscal impacts to the agency.

NEXT STEPS

Upon TAM Board's approval, staff will communicate TAM's Legislative Platform to our partners, review proposed 2020 legislative bills for relevance to TAM, and present relevant legislative bills to the TAM Board for action.

ATTACHMENT

Attachment A – Draft 2020 Legislative Platform

Attachment B – Redlined Version of the Draft 2020 Legislative Platform

Attachment C – Khouri Consulting Report on State Legislative Update

Attachment D – State Federal Surface Transportation Reauthorization Principles

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Attachment A

Proposed 2020 Legislative Platform

Issue	Goal	Funding/Programs Involved
A. Transportation Funding	<p>1. In 2017, the legislature enacted SB 1 (Beall), Chapter 5, Statutes of 2017, which provides \$5.2 billion in annual revenues to fund traffic congestion relief, highway rehabilitation and safety, local streets and roads repair, and multi-modal options through investments in public transportation, commuter and intercity rail, and bicycle and pedestrian programs.</p> <p>SB 1 provides opportunities through various competitive programs. Options for TAM to secure funding include:</p> <ul style="list-style-type: none"> • Pursuing funding from the new competitive programs such as the Active Transportation Program (ATP), Local Partnership Program (LPP), Solutions For Congested Corridors Program (SCCP), which can fund transit capital, bicycle and pedestrian projects, and projects to alleviate highway traffic congestion, such as the Marin-Sonoma Narrows (MSN) and Bettini Transit Center. • Continuing to seek funding to provide multi-modal options in the county. TAM will also support local transit agencies seeking funding from programs such as the Low Carbon Transit Operations Program (LCTOP) and Transit and Intercity Rail Capital Funding Program (TIRCP) for capital investments (maintenance facilities, rail) and rolling stock purchases (buses, train cars). 	<ul style="list-style-type: none"> • State Highway Account • Public Transportation Account • Highway Users Tax Account • Transportation Development Act • Cap and Trade Program
	2. TAM will monitor conversations and legislation regarding the development of a November 2020 regional ballot measure to address congestion and mobility options in the Bay Area (“FASTER”). TAM will collaborate with stakeholders to ensure that Marin’s priorities are reflected in a prospective expenditure plan should a proposal move forward.	<ul style="list-style-type: none"> • Local Sales Taxes
	3. MTC intends on sponsoring legislation in collaboration with Caltrans	<ul style="list-style-type: none"> • Bridge Toll revenue used to enhance

Issue	Goal	Funding/Programs Involved
	and the four North Bay Counties (Marin, Napa, Solano, Sonoma) to authorize tolls on SR 37 by adding it as the 8 th bridge in the state-owned toll bridge system administered by the Bay Area Toll Authority (BATA). TAM will work with stakeholders to ensure that the legislation supports Marin's priorities.	safety and congestion management.
	4. At the state level, the Safe Routes to School (SRTS) program has been merged into the ATP. Support efforts to acquire funding from the ATP for items such as complete streets and other bicycle and pedestrian projects. Work with the California Transportation Commission (CTC) and MTC to provide equitable geographic distribution of ATP funds.	<ul style="list-style-type: none"> • State-Funded ATP Projects • Regional-Funded ATP Projects
	5. The Transportation Development Act (TDA) dedicates a statewide ¼-cent sales tax for local transportation purposes. TDA, also known as the Local Transportation Fund (LTF), generates over \$1.5 billion annually primarily for public transit. Some operators statewide have had difficulty in meeting the farebox recovery ratio requirements (20% for urban operators) in order to qualify to use funding for operational purposes. The California Transit Association (CTA) hosted a working group to look at potential changes throughout 2019 with the goal of having a draft legislative solution available for 2020 to ensure that operators who cannot meet the farebox recovery requirement continue to receive LTF funds without penalty in order to maintain service. TAM will closely monitor and participate in the process as appropriate.	<ul style="list-style-type: none"> • Local Transportation Fund (local sales tax) used for public transportation operations purposes
B. FY 2020-21 State Budget	Work with organizations such as the California League of Cities (CLC), California State Association of Counties (CSAC), North Bay Counties Coalition, among others, to protect transportation funding from being withheld or diverted, while working with stakeholders to find alternatives to address jobs-housing imbalance and reduce greenhouse gas emissions.	<ul style="list-style-type: none"> • Funding for dedicated projects such as MSN, STIP transit projects, and annual allocations for streets and roads • Funding for transit operating (PTA/STA) • Protection of SHA, SHOPP, and STIP
C. Environment	1. Monitor the work of the Roadway User Charge Committee on the feasibility of implementing a mileage-based user fee as a supplemental or successor fee to the gas tax. While the enactment of SB 1 has delayed the conversation, the issue is certain to rise to the forefront in the near future due to the prevalence of alternative fuel and electric vehicles, which do not	<ul style="list-style-type: none"> • Activities associated with SB 375 • Strategies to reduce VMT

Issue	Goal	Funding/Programs Involved
	pay at the pump.	
	2. Per AB 179 of 2017, the CTC and California Air Resources Board (CARB) are required to convene twice a year to coordinate transportation policies, with a focus on reducing vehicle miles traveled and greenhouse gas emissions. Support funding for local and regional agency support to carry out SB 375 requirements by attempting to acquire funding from the various existing pots made available through the Cap and Trade programs or the creation of new programs to provide multi-modal options for county residents.	<ul style="list-style-type: none"> • Activities associated with SB 375
	3. Oppose efforts to implement the federal government's Safer Affordable Fuel Efficient (SAFE) vehicles Rule. The rule proposes a "50 state solution" that repeals California's higher fuel efficiency standards, which were originally allowed to address California's unique air quality challenges. If finalized, the rule would revoke California's authority to implement the Advanced Clean Cars and Zero Emission Vehicle mandates. TAM supports California's existing air quality emission standards and will proactively look for opportunities to work with the state to achieve targets for additional reductions.	<ul style="list-style-type: none"> • Activities associated with AB 32 • Fleet procurements and emission standards
	4. Support the highest possible level of sub-allocation of Cap and Trade funds to the regional and local levels to fund multimodal projects including local streets and roads, bicycle-pedestrian, transportation demand management (TDM) programs, rail, and transit projects.	
	5. Support flexibility with the Cap and Trade funds allocated for transportation purposes for projects to meet greenhouse gas (GHG) reduction targets and to implement sustainable communities strategies. This includes adjusting program guidelines to provide flexibility to address a mutual benefit between disadvantaged communities and the region as a whole. TAM will also seek to modify the definition of disadvantaged communities so that resources can be put to use in underprivileged communities within the county.	<ul style="list-style-type: none"> • Flexibility with the use of Transportation Funds
	6. Support legislation that mitigates climate change and support adaptation to climate-related impacts, including wildfire risks and sea-level rise.	<ul style="list-style-type: none"> • Infrastructure projects that address climate change impacts

Issue	Goal	Funding/Programs Involved
D. Alternative Modes/ Technology	1. Support maintaining and enhancing the current levels of state and federal funding for bicycle/pedestrian and electric vehicle/infrastructure programs. This includes investments to make charging stations more readily available along the state highway system, credits to incentivize the conversion to electric vehicle or bicycle usage, and flexibility in allowing transit operators to convert to zero-emission buses. TAM will also support MTC's effort to pursue statewide legislation to allow for transit buses to use shoulders along routes such as Highway 101.	<ul style="list-style-type: none"> • Safe Routes to School Programs • TDA Article 3 Funds • Active Transportation Program (ATP) Funds
	2. Several legislators have historically introduced legislation to relax requirements for using high-occupancy vehicle (HOV) lanes. TAM opposes additional expansion of HOV lanes to usage by other than high-occupancy vehicles and those vehicles currently allowed by law to use such lanes.	<ul style="list-style-type: none"> • Highway 101 HOV Lanes
	3. Support funding and implementation of first mile and last mile solutions and alternative mode pilots with new technology where appropriate.	<ul style="list-style-type: none"> • Transportation Demand Management • Transit Projects
	4. Support increased regional and state funding for systemic road safety programs	<ul style="list-style-type: none"> • Program for Arterial System Synchronization (PASS) • Highway Safety Improvement Program (HSIP)
E. Project Delivery	1. Seek opportunities to increase flexibility to deliver projects, such as supporting alternative contracting methods that include design-build and public private partnership.	<ul style="list-style-type: none"> • Future Major Capital projects
	2. Oppose efforts to require local agencies to reimburse Caltrans for its costs related to the preparation and/or review of project initiation documents (PIDs) for locally sponsored projects on state highway system.	<ul style="list-style-type: none"> • All Locally Sponsored Projects on the State Highway System
	3. Preserve the flexibility for local transportation agencies to be designated as the lead agency for California Environmental Quality Act (CEQA) actions, project development work and construction management for state highway projects. This includes supporting the streamlining of the CEQA process for projects within the existing right of way.	<ul style="list-style-type: none"> • Future Major Capital projects
	4. Support the continuation of Grant Anticipation Revenue Vehicle (GARVEE) bonds and AB 3090 arrangements by the CTC for State	<ul style="list-style-type: none"> • All STIP-Funded Projects

Issue	Goal	Funding/Programs Involved
	Transportation Improvement Program (STIP) projects that are programmed in the out-years but are ready for implementation.	
	5. Support efforts to allow regional transportation agencies to utilize procurement methods that will expedite project delivery and reduce cost.	<ul style="list-style-type: none"> • STIP Projects
F. Federal Priorities	1. Collaborate with transportation stakeholders to advocate for the reauthorization of a federal Surface Transportation Programs to replace the Fixing America's Surface Transportation (FAST) Act that will provide greater investment into public transportation and regional mobility. Support new revenue for the Highway Trust Fund and advocate for the highest possible level of funding at the county level.	<ul style="list-style-type: none"> • STP, CMAQ, and ATP Funds • Regional Programs such as Local Streets and Roads (LSR), Lifeline, and Freeway Performance Initiative (FPI)
	2. Support and enhance current flexibility in allowing dedication of funds locally to the most urgent needs and the meeting of statewide goals, such as those under AB32 and SB375.	<ul style="list-style-type: none"> • STP, CMAQ, and ATP Funds
	3. Support dedicated funding for bicycle/pedestrian projects at the federal level.	<ul style="list-style-type: none"> • Bicycle/Pedestrian projects • Safe Routes to School projects
	4. Support the continuation of maintaining pre-tax commuter benefits to an equivalent amount allowed for pre-tax parking with cost of living adjustments (COLA).	<ul style="list-style-type: none"> • Local and Regional Commuter Benefits Programs
	5. Support the continuation of the federal Internal Revenue Service (IRS) tax credit for the purchase of a new electric vehicle (EV).	<ul style="list-style-type: none"> • Local Vehicle Registration Fees

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Attachment B

Proposed 2020 Legislative Platform

Issue	Goal	Funding/Programs Involved
A. Transportation Funding	<p>1. In 2017, the legislature enacted SB 1 (Beall), Chapter 5, Statutes of 2017, which provides \$5.2 billion in annual revenues to fund traffic congestion relief, highway rehabilitation and safety, local streets and roads repair, and multi-modal options through investments in public transportation, commuter and intercity rail, and bicycle and pedestrian programs.</p> <p>SB 1 provides opportunities through various competitive programs. Options for TAM to secure funding include:</p> <ul style="list-style-type: none"> • Pursuing funding from the new competitive programs such as the Active Transportation Program (ATP), Local Partnership Program (LPP), Solutions For Congested Corridors Program (SCCP), which can fund transit capital, bicycle and pedestrian projects, and projects to alleviate highway traffic congestion, such as the Marin-Sonoma Narrows (MSN) and Bettini Transit Center. • Continuing to seek funding to provide multi-modal options in the county. TAM will also support local transit agencies seeking funding from programs such as the Low Carbon Transit Operations Program (LCTOP) and Transit and Intercity Rail Capital Funding Program (TIRCP) for capital investments (maintenance facilities, rail) and rolling stock purchases (buses, train cars). 	<ul style="list-style-type: none"> • State Highway Account • Public Transportation Account • Highway Users Tax Account • Transportation Development Act • Cap and Trade Program
	<p>2. In June of 2018, Bay Area voters approved Regional Measure 3 (RM3), which raises bridge tolls on state-owned bridges to fund congestion relief, transit connectivity and improved mobility in bridge corridors. Pending the outcome of the current litigation concerning RM3, TAM will work with Metropolitan Transportation Commission (MTC) to acquire funding as adopted in the expenditure plan or request to advance funding to a projects</p>	<ul style="list-style-type: none"> • Local Sales Taxes • Regional Gas Taxes • Bridge Tolls

Issue	Goal	Funding/Programs Involved
	<p>before litigation is resolved through a Letter of No Prejudice (LONP) authorization for the following priorities:</p> <ul style="list-style-type: none"> • Richmond San Rafael Bridge Access Improvements (580/101 connector) – \$210 million (Total for Marin and Contra Costa) • Marin Sonoma Narrows – \$120 million • State Route (SR) 37 Improvements – \$100 million San Rafael Transit Center (Bettini Transit Center) – \$30 million • North Bay Transit Access (4 counties) – \$100 million 	
	<p><u>2. TAM will monitor conversations and legislation regarding the development of a November 2020 regional ballot measure to address congestion and mobility options in the Bay Area (“FASTER”). TAM will collaborate with stakeholders to ensure that Marin’s priorities are reflected in a prospective expenditure plan should a proposal move forward.</u></p>	<ul style="list-style-type: none"> <u>• Local Sales Taxes</u>
	<p><u>3. MTC intends on sponsoring legislation in collaboration with Caltrans and the four North Bay Counties (Marin, Napa, Solano, Sonoma) to authorize tolls on SR 37 by adding it as the 8th bridge in the state-owned toll bridge system administered by the Bay Area Toll Authority (BATA). TAM will work with stakeholders to ensure that the legislation supports Marin’s priorities.</u></p>	<ul style="list-style-type: none"> <u>• Bridge Toll revenue used to enhance safety and congestion management.</u>
	<p>4. At the state level, the Safe Routes to School (SRTS) program has been merged into the ATP. Support efforts to acquire funding from the ATP for items such as complete streets and other bicycle and pedestrian projects. Work with the California Transportation Commission (CTC) and MTC to provide equitable geographic distribution of ATP funds.</p>	<ul style="list-style-type: none"> • State-Funded ATP Projects • Regional-Funded ATP Projects
	<p>5. The Transportation Development Act (TDA) dedicates a statewide ¼-cent sales tax for local transportation purposes. TDA, also known as the Local Transportation Fund (LTF), generates over \$1.5 billion annually primarily for public transit. Some operators statewide have had difficulty in meeting the farebox recovery ratio requirements (20% for urban operators) in order to qualify to use funding for operational purposes. The California Transit Association (CTA) hosted a working group to look at potential changes throughout 2019 with the goal of having a draft legislative solution available for 2020 to ensure that operators who cannot</p>	<ul style="list-style-type: none"> • Local Transportation Fund (<u>local sales tax</u>) used for public transportation operations purposes

Issue	Goal	Funding/Programs Involved
	meet the farebox recovery requirement continue to receive LTF funds without penalty in order to maintain service. TAM will closely monitor and participate in the process as appropriate.	
B. FY 2020-21 State Budget	Work with organizations such as the California League of Cities (CLC), California State Association of Counties (CSAC), North Bay Counties Coalition, among others, to protect transportation funding from being withheld or diverted, while working with stakeholders to find alternatives to address jobs-housing imbalance and reduce greenhouse gas emissions.	<ul style="list-style-type: none"> • Funding for dedicated projects such as MSN, STIP transit projects, and annual allocations for streets and roads • Funding for transit operating (PTA/STA) • Protection of SHA, SHOPP, and STIP
C. <u>Environment</u>	1. Monitor the work of the Roadway User Charge Committee on the feasibility of implementing a mileage-based user fee as a supplemental or successor fee to the gas tax. While the enactment of SB 1 has delayed the conversation, the issue is certain to rise to the forefront in the near future due to the prevalence of alternative fuel and electric vehicles, which do not pay at the pump.	<ul style="list-style-type: none"> • Activities associated with SB 375 • Strategies to reduce VMT
	2. Per AB 179 of 2017, the CTC and California Air Resources Board (CARB) are required to convene twice a year to coordinate transportation policies, with a focus on reducing vehicle miles traveled and greenhouse gas emissions. Support funding for local and regional agency support to carry out SB 375 requirements by attempting to acquire funding from the various existing pots made available through the Cap and Trade programs or the creation of new programs to provide multi-modal options for county residents.	<ul style="list-style-type: none"> • Activities associated with SB 375
	<u>3. Oppose efforts to implement the federal government's Safer Affordable Fuel Efficient (SAFE) vehicles Rule. The rule proposes a "50 state solution" that repeals California's higher fuel efficiency standards, which were originally allowed to address California's unique air quality challenges. If finalized, the rule would revoke California's authority to implement the Advanced Clean Cars and Zero Emission Vehicle mandates. TAM supports California's existing air quality emission standards and will proactively look for opportunities to work with the state to achieve targets for additional reductions.</u>	<ul style="list-style-type: none"> • <u>Activities associated with AB 32</u> • <u>Fleet procurements and emission standards</u>
	3. Coordinate with MTC and local jurisdictions with Marin to support	• Activities associated with SB 375

Issue	Goal	Funding/Programs Involved
	projects that may qualify for funding under LCTOP and TIRCP within Governor's Cap and Trade proposal to reduce GHG.	
	4. Support the highest possible level of sub-allocation of Cap and Trade funds to the regional and local levels to fund multimodal projects including local streets and roads, bicycle-pedestrian, transportation demand management (TDM) programs, rail, and transit projects.	
	5. Support flexibility with the Cap and Trade funds allocated for transportation purposes for projects to meet greenhouse gas (GHG) reduction targets and to implement sustainable communities strategies. This includes adjusting program guidelines to provide flexibility to address a mutual benefit between disadvantaged communities and the region as a whole. TAM will also seek to modify the definition of disadvantaged communities so that resources can be put to use in underprivileged communities within the county.	<ul style="list-style-type: none"> • Flexibility with the use of Transportation Funds
	<u>6. Support legislation that mitigates climate change and support adaptation to climate-related impacts, including wildfire risks and sea-level rise.</u>	<ul style="list-style-type: none"> • <u>Infrastructure projects that address climate change impacts</u>
D. Alternative Modes/ <u>Technology</u>	1. Support maintaining and enhancing the current levels of state and federal funding for bicycle/pedestrian and electric vehicle/infrastructure programs. <u>This includes investments to make charging stations more readily available along the state highway system, credits to incentivize the conversion to electric vehicle or bicycle usage, and flexibility in allowing transit operators to convert to zero-emission buses.</u> TAM will also support MTC's effort to pursue statewide legislation to allow for transit buses to use shoulders along routes such as Highway 101.	<ul style="list-style-type: none"> • Safe Routes to School Programs • TDA Article 3 Funds • Active Transportation Program (ATP) Funds
	2. Several legislators have historically introduced legislation to relax requirements for using high-occupancy vehicle (HOV) lanes. TAM opposes additional expansion of HOV lanes to usage by other than high-occupancy vehicles and those vehicles currently allowed by law to use such lanes.	<ul style="list-style-type: none"> • Highway 101 HOV Lanes
	<u>3. Support funding and implementation of first mile and last mile solutions and alternative mode pilots with new technology where appropriate.</u>	<ul style="list-style-type: none"> • <u>Transportation Demand Management</u> • <u>Transit Projects</u>

Issue	Goal	Funding/Programs Involved
	<u>4. Support increased regional and state funding for systemic road safety programs</u>	<ul style="list-style-type: none"> • <u>Program for Arterial System Synchronization (PASS)</u> • <u>Highway Safety Improvement Program (HSIP)</u>
E. Project Delivery	1. Seek opportunities to increase flexibility to deliver projects, such as supporting alternative contracting methods that include design-build and public private partnership.	<ul style="list-style-type: none"> • Future Major Capital projects
	2. Oppose efforts to require local agencies to reimburse Caltrans for its costs related to the preparation and/or review of project initiation documents (PIDs) for locally sponsored projects on state highway system.	<ul style="list-style-type: none"> • All Locally Sponsored Projects on the State Highway System
	3. Preserve the flexibility for local transportation agencies to be designated as the lead agency for California Environmental Quality Act (CEQA) actions, project development work and construction management for state highway projects. This includes supporting the streamlining of the CEQA process for projects within the existing right of way.	<ul style="list-style-type: none"> • Future Major Capital projects
	4. Support the continuation of Grant Anticipation Revenue Vehicle (GARVEE) bonds and AB 3090 arrangements by the CTC for State Transportation Improvement Program (STIP) projects that are programmed in the out-years but are ready for implementation.	<ul style="list-style-type: none"> • All STIP-Funded Projects
	5. Support efforts to allow regional transportation agencies to utilize procurement methods that will expedite project delivery and reduce cost.	<ul style="list-style-type: none"> • STIP Projects
F. Federal Priorities	1. Collaborate with transportation stakeholders to advocate for the reauthorization of a federal Surface Transportation Programs to replace the Fixing America's Surface Transportation (FAST) Act that will provide greater investment into public transportation and regional mobility. Support new revenue for the Highway Trust Fund and advocate for the highest possible level of funding at the county level.	<ul style="list-style-type: none"> • STP, CMAQ, and ATP Funds • Regional Programs such as Local Streets and Roads (LSR), Lifeline, and Freeway Performance Initiative (FPI)
	2. Support and enhance current flexibility in allowing dedication of funds locally to the most urgent needs and the meeting of statewide goals, such as those under AB32 and SB375.	<ul style="list-style-type: none"> • STP, CMAQ, and ATP Funds
	3. Support dedicated funding for bicycle/pedestrian projects at the federal level.	<ul style="list-style-type: none"> • Bicycle/Pedestrian projects • Safe Routes to School projects
	4. Support the continuation of maintaining pre-tax commuter benefits to	<ul style="list-style-type: none"> • Local and Regional Commuter

Issue	Goal	Funding/Programs Involved
	an equivalent amount allowed for pre-tax parking with cost of living adjustments (COLA).	Benefits Programs
	5. Support the continuation of the federal Internal Revenue Service (IRS) tax credit for the purchase of a new electric vehicle (EV).	<ul style="list-style-type: none">• Local Vehicle Registration Fees



January 10, 2020

TO: Board Members, Transportation Authority of Marin
FROM: Gus Khouri, Principal
Khoury Consulting

RE: STATE LEGISLATIVE UPDATE – Governor’s FY 2020-21 State Budget

On January 10, Governor Newsom released his proposed FY 2020-21 State Budget. The 2020-21 Budget, which contains \$153.1 billion in General Fund spending (up \$6 billion from last year) is projected to have a healthy one-time surplus of \$21.4 billion.

The Budget assumes an additional \$1.8 billion transfer in the budget year and an additional \$1.4 billion over the remainder of the forecast period, leaving a reserve of \$21 billion, bringing the Rainy Day Fund to \$18 billion in 2020-21 and \$19.4 billion by 2022-23. The state however will continue to face uncertain times, given that we are overdue for a recession, the volatility of our reliance on personal income tax and capital gains, and the ramifications of the recently enacted federal tax bill, which have not yet been factored into the Budget’s economic or revenue forecasts. A one-year recession in 2019-20 that is larger than the 2001 recession, but milder than the 2007 recession, could result in a nearly \$70 billion revenue loss and a \$40 billion budget deficit over three years.

2020 Five-Year Infrastructure Plan

The Governor proposes a 5-year \$53 billion 2020 Five-Year Infrastructure Plan (Plan) focuses on how the state’s investment in infrastructure, which underpins economic activity, can be leveraged to create a sustainable and resilient California. The Plan essentially uses SB 1 funds and a new \$12 billion Climate resilience Plan and builds upon the Governor’s Executive Order issued last September (N-19-19) directing state agencies with primary responsibility over major state-owned or operated assets—the Departments of Transportation and General Services—to align investments with the state’s climate goals. This Plan includes but is not limited to the state’s responsibility to reduce risks from climate change while transitioning to a carbon neutral economy. The majority of the proposed funding in the Plan—more than 76 percent (\$45 billion out of the \$53 billion is predominantly used to fund the High-Speed Rail System and includes \$965 million in Cap and Trade funding, some of which goes to public transportation)—is

dedicated to the state's transportation system, which makes up 40 percent of the state's carbon emissions and is a central focus of the Administration's Climate Budget.

Climate Resilience

The Budget proposes a comprehensive approach to California's investments to protect the state's environment, address the effects of climate change, and promote resiliency. This Climate Budget includes \$12 billion over the next five years. Three key areas of the Climate Budget are a proposed climate resilience bond, Cap and Trade expenditures to continue the transition to a carbon-neutral economy, and a new Climate Catalyst Fund to promote the deployment of new technologies, especially by small businesses and emerging industries.

The Climate Catalyst Fund, which will be administered by the Infrastructure and Economic Development Bank, will finance investments in low-carbon transportation, sustainable agriculture, and waste diversion through low-interest loans. The Budget proposes to capitalize the Fund with \$1 billion General Fund over the next four years. The Fund will have a revolving loan structure that will leverage private capital and will support projects well into the future. It will be designed to support good jobs and a just transition to achieving California's climate goals.

A priority of the Governor is decarbonization in the state's largest sector of emissions by providing clean vehicles, clean fuels, low-carbon transportation options, and transit-oriented development, with enhanced prioritization on short-term environmental and public health benefits in disadvantaged and vulnerable communities.

The Administration is proposing a \$4.75 billion climate resilience bond for the November 2020 ballot to support investments over the next five years to reduce specific climate risks across California through long-term investment in natural and built infrastructure, especially in the state's most climate-vulnerable communities. The bond is structured based on climate risks, and approximately 80 percent of the funds are allocated to address immediate, near-term risks (floods, drought, and wildfires), while the remaining funds lay the groundwork for addressing long-term climate risk (sea level rise and extreme heat). The Climate Resilience Bond would dedicate funding as follows: \$2.925 million (62%) for drinking Water, flood, drought; \$750 million (16%) for wildfire prevention; \$500 million (10%) for sea level rise to address coastal wetland protection; \$325 million (7%) to combat extreme heat through using cooler materials and urban greening and forestry; and \$250 million (5%) for community resilience.

Transportation Funding

SB 1 generates \$5.2 billion annually. Over the next five years, \$22 billion will be available for new state highway repair and rehabilitation projects in the State Highway Operations and Protection Program (SHOPP). The Road Repair and Accountability Act of 2017, Chapter 5, Statutes of 2017 (SB 1), increased available SHOPP funding capacity by \$8 billion through 2022-23. As the state invests in ongoing road maintenance, it is critical that the state does so in a way that is resilient in the face of physical climate impacts like floods, fires, extreme heat, and sea level rise.

Over this same five-year period, \$3.3 billion will be available for the State Transportation Improvement Program (STIP), which provides funding for future multi-modal transportation improvements throughout California. This program supports the implementation of regional Sustainable Community Strategies (75 percent), as well as interregional travel (25 percent). This could curb investments made to expand highway projects on the state highways system. Public transportation is expected to receive \$5 billion over the five-year period, and \$1.1 billion for active transportation. An additional \$1 billion for partnerships with local transportation agencies is also included in the Plan. We are waiting on additional details from the Department of Finance.

Housing

Over the next five years, the state will invest approximately \$17 billion to continue to bolster housing production, including an estimated \$2 billion from Cap and Trade proceeds for affordable housing and sustainable communities as well as \$1.75 billion one-time General Fund from the 2019 Budget Act to promote the production of housing as follows:

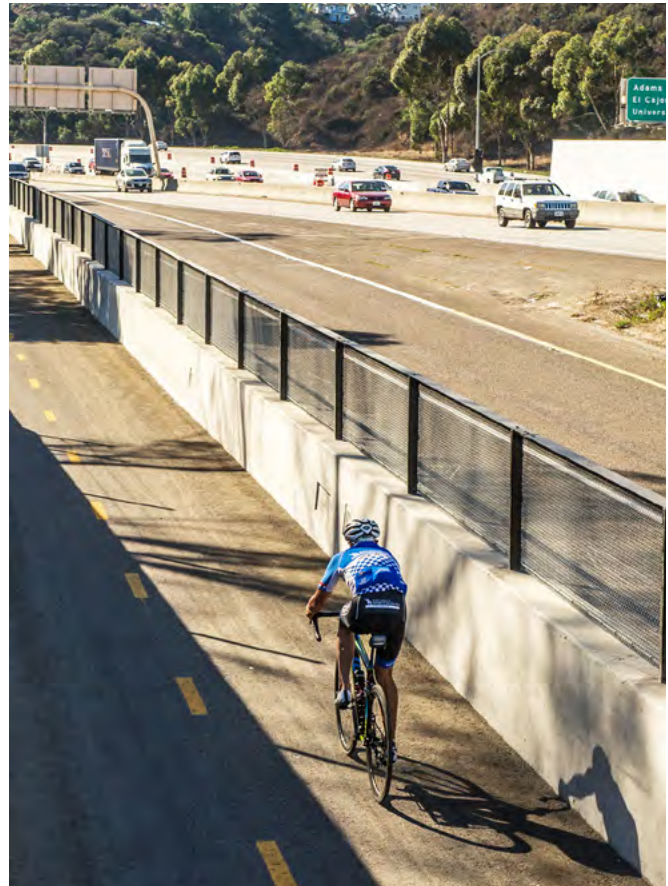
- \$250 million for planning grants to local governments for technical assistance in developing plans to reach statewide housing production goals.
- \$500 million for grants for infrastructure that support higher-density affordable and mixed-income housing in locations designated as infill.
- \$500 million to expand the Mixed-Income Loan Program at the California Housing Finance Agency to provide loans to developers for mixed-income developments.
- \$500 million ongoing for state tax credits for the development of new affordable housing and for deeper subsidies for preservation projects across the state, helping to maintain the state's overall housing availability.

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California Federal Surface Transportation Reauthorization Principles



Transportation is vital to California's economy — the world's fifth largest economy — representing 12 percent of the U.S. population. Measured by value, more international goods enter the nation through California than any other state — moving through its 12 seaports, 12 major cargo-handling airports and 3 land ports of entry with Mexico. So, investment in California's transportation infrastructure powers the entire national economy, and Californians are stepping up and doing their part to support infrastructure investment.

- California has joined cities, counties, regions and states across the country to increase infrastructure funding. Senate Bill (SB) 1, the landmark Road Repair and Accountability Act of 2017, which was backed by a broad coalition of supporters, invests \$54 billion over the next decade — \$5.4 billion annually — to fix roads, freeways, bridges, and put more dollars toward transit, safety programs and active transportation infrastructure in communities across California.
- What is more, residents of California's "Self-Help Counties," representing more than 88 percent of the state's population, have voted to fund regional transportation improvements. Twenty-five California counties have passed measures that will provide over \$194 billion in funding over the next 30 to 40 years for multi-modal transportation improvements across the State.

With the passage of SB 1 and local sales tax measures, Californians have prioritized funding for transportation projects — including nationally significant projects and the preservation of federal-aid highways. California is eager to partner with the federal government, and we stand ready and willing to match increased federal infrastructure investment.

We join other state, local and tribal governments across America in our need for a strong federal partner to make needed "fix it first" investments to preserve our existing assets, deliver transportation infrastructure improvements that will create jobs, increase safety, improve mobility, address emerging issues including climate change resiliency and keep the economy growing in California and across the nation. We also believe that federal infrastructure

investment should recognize and reward states like California that come to the table with new funding to support successful partnership with the federal government.

We recommend the principles below guide the development of Surface Transportation Reauthorization legislation. We would also note that the U.S. Senate Environment and Public Works Committee has already advanced the America's Transportation Infrastructure Act of 2019 reauthorization legislation, which moves in certain policy directions that are consistent with a number of principles we have outlined.

Restore Highway Trust Fund Solvency and Provide a Multi-Year Surface Transportation Reauthorization

To simply maintain the current federal Highway Trust Fund spending levels adjusted for inflation after the Fixing America's Surface Transportation Act (FAST Act, P.L. 114-94) expires in federal fiscal year (FFY) 2020, Congress will need to identify an additional \$114 billion for a six-year surface transportation reauthorization bill. At the same time, it is crucial that federal transportation programs provide long-term funding stability for transportation projects that can take multiple years to plan and construct.



- Any new Surface Transportation Reauthorization legislation should include new sustainable, user-based revenues to ensure the long-term solvency of the Highway Trust Fund and provide for increased, multi-year direct federal investment. Federal revenue options can draw upon the experience of California and 30 other states that have successfully enacted transportation revenue packages since 2012.
- California supports a six-year Surface Transportation Reauthorization bill that will provide funding stability and certainty and allow for deliberate infrastructure planning and investment.
- In addition to robust General Fund support, Surface Transportation Reauthorization legislation should ensure that the Federal Transit Administration (FTA) programs continue to receive their historical funding share from the Highway Trust Fund.
- The California Department of Transportation (Caltrans) conducted the nation's largest vehicle miles traveled (VMT) road charge pilot to date, which included 5,000 participating vehicles travelling more than 37 million miles. Congress should continue providing funding to states willing to research or pilot innovative transportation user-based revenue mechanisms.
- Congress should repeal FAST Act section 1438 that requires the rescission of \$7.57 billion in unobligated contract authority for core FAST Act highway programs; the American Association of State Highway and Transportation Officials (AASHTO) estimates that California may have approximately \$693.2 million in unobligated contract authority subject to rescission in FFY 2020 because of FAST Act section 1438. Congress should also exclude any rescission in the next Surface Transportation Reauthorization.
- California supports maintaining the federal and local match for transportation projects, so that the required local match for projects does not increase unless state or local grantees opt to voluntarily increase their match. Additionally, Congress should maximize the use and flexibility of federal funds by eliminating requirements for non-federal matches, particularly in rural and tribal areas that have fewer resources.
- California supports increasing Highway Safety Improvement Program (HSIP) funding, consistent with our request to grow the core highway programs, and we recommend restoring flexibility to HSIP funds to be used for non-infrastructure safety programs such as behavioral efforts, public awareness, education, enforcement, research, improving system resilience, and pilot or experimental projects. To improve safety for bicyclists and pedestrians, Congress should consider targeting a portion of HSIP funding to address vulnerable user safety in areas where user fatalities are above the national average.
- California has maintained the Highway Bridge Program for locally-owned bridges that was eliminated by the Moving Ahead for Progress in the 21st Century Act (MAP-21, P.L. 112-141). Consistent with our request to grow core highway programs, California supports increased funding for the National Highway Performance Program (NHPP) and Surface Transportation Program Block Grant Program (STBG program), which support California's local Highway Bridge Program. California also supports maintaining the flexibility Congress provided in the FAST Act to use NHPP funding for bridges on non-National Highway System federal-

Build on Bipartisan FAST Act Structure and Address Emerging Issues — Climate Resiliency and New Mobility Technologies

California strongly supported the passage of the bipartisan FAST Act. Adopted in 2015, the FAST Act provided long-term certainty needed to advance multi-year highway, transit, passenger rail and multi-modal freight improvements. Any new Surface Transportation Reauthorization legislation should increase funding for the core highway, transit, passenger rail, and multi-modal freight programs authorized by the FAST Act. Congress should also explore ways to improve core FAST Act programs to provide states greater flexibility to achieve national goals, such as improving safety. Policy recommendations follow:

aid roads. The current California local Highway Bridge Program need greatly exceeds the \$300 million allocated annually to the program. Any new bridge program Congress creates must distribute funding on needs-based criteria.

While California supports the FAST Act program structure as the starting point for a Surface Transportation Reauthorization bill, Congress should also consider new funding programs, flexibility or policies to ensure our infrastructure is prepared for rapidly emerging issues, including: making our infrastructure more resilient to climate change and preparing it for new mobility technologies.

In recent years, California has experienced extreme weather exacerbated by climate change. Through emergency repair work in the aftermath of the 2017 winter storms and 2018 wildfires, California incurred hundreds of millions in Federal Highway Administration (FHWA) Emergency Relief-eligible costs. Sea level rise due to climate change, in combination with storm surges, has the potential to inundate hundreds of miles of the coastal highway by the end of the century. California's 2018 4th Climate Change Assessment shows that increasing temperatures are expected to increase road construction costs between 3 and 9 percent.

- Congress should increase planning funds to help state and local governments identify and address complexities around climate change.
- Congress should create a new needs-based multi-modal formula program that will make our transportation networks resilient in the face of a changing climate.
- AASHTO has noted that certain federal requirements slow the delivery of transportation projects using the FHWA's Emergency Relief funds, and it has called for the program to be streamlined. At the same time, federal regulations require Emergency Relief-eligible projects to be ready for funding obligation within two years of the disaster event. California believes the Emergency Relief Program should be streamlined, and that state and local governments should be provided five to six years to obligate federal Emergency Relief funds,

as called for in H.R. 3193, Transportation Emergency Relief Funds Availability Act.

California is also a national leader in technology and intelligent transportation systems. We urge Congress to support emerging transformative technologies — including connected and autonomous vehicles; app-enabled crowd-sourced data gathering; and integrated, automated multi-modal ticketing that will ease accessibility to all modes of transportation — and take measures to prepare our infrastructure for these technologies.

- Congress should create a new flexible program to fund transportation capital and operational investments to take advantage of and prepare our transportation infrastructure for emerging technologies that are transforming the way people and goods are moved.

Freight/Goods Movement

California is the nation's international trade leader in terms of value and quantity of goods handled by its seaports, airports, railroads and roadways. In fact, more than 40 percent of the total containerized cargo entering the U.S. arrives through California and almost 30 percent of the nation's exports flow through ports in the Golden State. The State's agricultural sector, supported by California's rural freight infrastructure, is a critical source of goods for export and is the largest producer of food in the U.S. With the passage of SB 1 and local sales tax measures, California is coming to the table with significant new, non-federal funding to keep goods moving efficiently and boost national economic growth.

Nevertheless, in 2017 and 2018, the U.S. Department of Transportation (U.S. DOT) announced \$2 billion in discretionary Better Utilizing Investments to Leverage Development (BUILD) grants. In those two years, California received five BUILD grants totaling \$81.5 million, representing only 4 percent of the total funding from the 132 grants awarded nationwide. Likewise, during that period, California was awarded two Infrastructure for Rebuilding America (INFRA) grants totaling \$97 million, representing only 6.3 percent of the \$1.53 billion awarded. Congress and

the U.S. DOT can do better to ensure federal freight/goods movement programs prioritize eligibility for regions with nationally significant freight flows — which clearly include several parts of California!

- California supports freight funding programs to address critical issues facing our nation's major freight corridors and mitigating the impacts on local transportation systems and public health. A Surface Transportation Reauthorization bill should increase funding for freight/goods movement programs and discretionary freight funding programs should prioritize eligibility for regions with nationally significant freight flows, major port complexes and rural/agricultural freight networks, including support for short line rail freight operators to maintain the region's economic competitiveness.
- California supports increasing funding for the National Highway Freight Program (NHFP), removing the 10 percent cap on non-highway investment and providing flexibility for states to use discretion in determining the amount of NHFP formula funding dedicated to multi-modal freight projects identified in the state's freight investment plan. Congress should also consider apportioning NHFP funding based on need. Additionally, Congress should remove the caps on the INFRA Program used for grants to freight rail, water (including ports), or other freight intermodal projects.
- Congress should reestablish the National Cooperative Freight Research Program (NCFRP) to provide research products to assist states in their delivery of freight transportation projects with



funding beyond the amount prescribed for the federally managed Research Technology & Education Programs, and State Planning & Research-funded programs.

Sustainability and Climate Action

California is a national leader in efforts to address climate change, with more than a decade of policy leadership that includes the Sustainable Communities and Climate Protection Act (SB 375), which requires metropolitan planning organizations (MPOs) to create "sustainable communities strategies" to reduce Greenhouse Gas (GHG) in their long-range transportation plans. California state and local agencies are working to reduce the transportation sector's GHG emissions consistent with state goals, and to adapt the system so it is more resilient to climate risk.

Additionally, some California agencies are investigating pricing strategies, such as tolled express lanes, toll bridges, and cordon pricing, as a means of reducing VMT and providing revenue for transit and active transportation improvements, to subsidize transportation costs for low income households, or to attract private investment.

Moreover, California supports policies that will empower and reward transportation agencies for operating, investing in and managing the transportation system to more efficiently move people and goods with lower environmental, health and climate impacts, through higher vehicle occupancy, support of Zero-Emission Vehicles (ZEV) technology, increased use of rail, transit, cycling and walking, and other strategies.

We are very concerned that the National Highway Traffic Safety Administration (NHTSA) and the U.S. Environmental Protection Agency (EPA) recently proposed to amend Corporate Average Fuel Economy (CAFE) and GHG emissions standards for passenger cars and light trucks. The Safer Affordable Fuel Efficient (SAFE) Vehicles Proposed Rule for Model Years 2021-2026 (SAFE Vehicle Rule) would also revoke California's waiver of preemption to set more stringent vehicle emissions standards than the federal

government, and potentially harm the delivery of transportation projects that must demonstrate conformity with air quality plans.

- Federal policy should further reward states like California that have made significant multi-modal investments to improve air quality and advance sustainability strategies.
- Congress should authorize an incentive grant program that rewards states, local governments, tribal governments and MPOs that have adopted or are willing to adopt “Best Practices” to reduce VMT and GHG emissions (including congestion pricing) and integrate transportation planning and investment decisions with other land-use, economic development, pricing and other strategies, and also provide financial incentives for rural sustainability initiatives.
- Congestion Mitigation and Air Quality Improvement (CMAQ) program funds, STBG and other flexible highway and transit programs support California in implementing innovative carbon reduction strategies and, as noted earlier in our letter, we support growing those core programs.
- Congress should provide assistance for data collection, and determining and quantifying GHG emissions, and other important data for addressing climate change. Congress should also provide funding, training, tools, and uniform standards for the collection and sharing of roadway and traffic data specifically for local, rural and tribal roadways, including assistance and funding for data collection required by federal performance management rules.
- Current federal restrictions on commercial activity (and the charging of fees) along interstate right-of-ways (23 U.S.C. § 111) inhibit public-private partnerships to deploy ZEV charging infrastructure. California continues to urge Congress to provide the flexibility needed to encourage private investment in ZEV infrastructure and facilitate its successful deployment along the federal-aid and interstate right-of-way. California also supports S. 674, the Clean Corridors Act of 2019, which would provide grant funding for the installation of electric

vehicle charging stations and hydrogen fueling infrastructure along designated corridors across the National Highway System.

- A new Surface Transportation Reauthorization bill should facilitate the expanded use of tolling by lifting restrictions on tolling existing interstate general purpose surface lane capacity. California also supports reversing the FTA policy of excluding bus service provided in HOT lanes from the 49 U.S.C. § 5337 “High-Intensity Motorbus” funding program; this policy reduces funding for regions across California that convert high-occupancy vehicle lanes to High Occupancy Toll (HOT) Lanes.
- California supports funding for wildlife crossings and programs to prevent wildlife-vehicle collisions.
- California strongly opposes the NHTSA/EPA SAFE Vehicle Rule’s revocation of California’s waiver of preemption to set more stringent vehicle emissions standards than the federal government.



Fund Multi-modal Mobility Solutions

The transportation sector in California accounts for 50 percent of the state's total GHG when accounting for associated fuel production, making it the single largest source of emissions in the state. At the same time, cities across California suffer from tremendous gridlock – in fact, 5 of the 20 most congested cities in North America are in California. Additionally, California's population is aging: between now and 2026, the number of Californians 65 or older is expected to climb by 2.1 million; an ageing state requires transportation solutions for those who cannot drive. And, when 50 percent of California households cannot afford the cost of housing in their local markets, the transportation system must still provide access to jobs and opportunity for those who do not have cars.

Changing this reality requires a multi-modal approach to mobility and increased investment — from all levels of government — in proven solutions like public transportation, active transportation and passenger rail. In California, we are doing our part — SB 1, the state's landmark transportation funding package, directs significant funding annually to public transportation, active transportation, and passenger rail; and counties across the state are choosing to tax themselves to invest in an “all of the above” approach to mobility.

Public Transportation: California urges Congress to ensure that the next Surface Transportation Reauthorization bill recognizes California's significant commitment to public transportation programs, and we request that Congress craft policies to reward California's public transit agencies for this commitment.

Additionally, in December 2018 the California Air Resources Board adopted the Innovative Clean Transit regulation (ICT). The regulation establishes a zero-emission bus purchase mandate, beginning as soon as 2030 (2023 for large transit agencies), with the goal of converting all transit buses in California to zero-emission (battery-electric, fuel cell) technologies by 2040. The successful implementation of the ICT will eliminate climate-changing fossil

fuels from more than 10,000 buses in California. Components and supply chains developed for transit buses, as a result of the ICT, may one day support electrification in other heavy-duty sectors.

- California supports growing core federal transit programs and transit-eligible highway programs, which have proven effective in delivering essential funds to transit operators to address their pressing state of good repair and capital investment needs. Specifically, the Surface Transportation Reauthorization legislation should increase funding for the following formula programs: FTA's Section 5307 and Section 5311 Urbanized Area and Non-Urbanized Area formula; FTA's Section 5337 State of Good Repair (SOGR); FTA's Section 5339 Bus and Bus Facilities; FHWA STBG and CMAQ Programs.
- California supports increased investment in the FTA's Capital Investment Grants (CIG) Program (greater than \$2.6 billion annually) to fully fund existing Full Funding Grant Agreements (FFGAs) and support new FFGAs. California also supports legislative language directing the U.S. DOT to expeditiously execute FFGA and administer CIG Program as intended by Congress.
- California urges Congress to increase funding of the federal transit program for Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities (49 U.S. § 5310) to address the growing transportation needs for these target populations.
- The Surface Transportation Reauthorization bill should help states and transit agencies transitioning to ZEVs by tailoring FTA's Low Emission/No Emission Program to incentivize and reward pursuing aggressive climate change solutions, while also increasing the funding authorized for the Program.
- California supports actions to grow on the successes found through the FTA's Mobility on Demand (MOD) Sandbox Pilot Program. MOD and/or Micro Transit projects implemented by local transit agencies and/or transit agency partnerships with shared mobility providers are proving successful for enhancing mobility for the traveling public. These solutions could not be

possible without the advent of travel planning application technology. These tools are enabling on-demand ride-hailing-sharing services, and in many cases proving to increase transit's share of overall transportation trips taken regionally and inter-regionally.

- The FTA's Section 5311(f) Program allocates discretionary grants to California's rural transit agencies. These agencies use this funding to provide critical intercity bus services that connect rural and urban populations. However, funding for this program is not adequate. Caltrans routinely receives more applications than the program can fund. As California's population continues to grow, and the need for transportation between California's communities continues to increase, funding for intercity bus services will become critical to the inter-regional transportation systems that move people across the State and beyond. California therefore requests an increase to the 5311(f) Program without decreasing the regional apportionments currently allocated to rural transit agencies for services funded through the 5311(f) parent program — FTA's Section 5311.
- California supports initiatives to develop and retain the workforce necessary to successfully deliver transit services, including additional flexibility on the use of federal funds like FTA's sections 5307 and 5311 for training purposes, as well as a significant increase in the funding authorized for FTA's Section 5314 Program. This funding could be used for apprenticeship and other workforce development programs and to expand funding for regional and statewide training consortium programs that provide advanced transit specific training through local community colleges, transit associations and similar educational institutions.
- California supports flexibility in the SOGR Program, including reduction of the waiting period for eligibility to access Section 5337 fixed guideway funds. Flexibility will allow public transit agencies that receive funding under both the High-Intensity Fixed Guideway and High-Intensity Motorbus Elements to apply their formula shares toward their highest-priority state of good repair needs.

Active Transportation: Investing in active transportation furthers the State's sustainability and climate preparedness objectives and improves the quality of life and public health of Californians. California has made a major commitment to walking and bicycling through investment in our Active Transportation Program, and we want to continue to increase that investment with new federal funding.

- California supports increasing funding for both the STBG Program, including proportionate growth for the Transportation Alternatives (STBG-TA) set-aside, and HSIP. Funding from STBG-TA and HSIP support California's Active Transportation Program. Congress should ensure that active transportation projects continue to be eligible for funding from the Highway Trust Fund.
- To address the low obligation rate of STBG-TA funding, Congress should take steps to ease the obligation of STBG-TA funds, including: allowing up to 5 percent of these funds to be used for staff or consultant technical assistance to strengthen potential grant applications and allowing HSIP funding to serve as a state or local match for STBG-TA projects that address a safety concern. Generally, California supports expanding opportunities for micro-businesses to participate in transportation projects.
- Congress should authorize a competitive grant program to fund planning, design and construction of regional active transportation networks and long-distance inter-regional cycling infrastructure. Congress should also authorize a study to determine best available estimates of the total amount of non-highway recreational fuel taxes received by the Department of the Treasury and transferred to the Highway Trust Fund to support the Recreational Trails Program.

Passenger Rail: California is making significant investments in intercity passenger and commuter rail, and therefore supports dedicated long-term federal investment in passenger rail programs. Modernizing the state's passenger rail system will: reduce emissions by enabling more Californians to switch from driving and flying to traveling by clean, fast and efficient rail service; open freight capacity to enhance the flow of goods from our fields and ports; connect regional

economies (e.g., the Central Valley and the Coast) and sustain an innovative state economy that will help drive America's economic competitiveness. Any new Surface Transportation Reauthorization legislation should provide significant funding for the High-Speed Intercity Passenger Rail program, establish dedicated funding for intercity passenger and commuter rail, increase funding for the FHWA's Railway-Highway Crossings Program (23 U.S.C. § 130), and reauthorize and fully fund FAST Act authorized Federal Railroad Administration intercity passenger rail grant programs, including the Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant Program and SOGR Program.

- Congress should establish a dedicated formula capital funding program for intercity passenger rail that is additive to existing transit formula programs. The program should cover capital projects to improve and expand passenger rail service and capital maintenance of equipment. Eligible project costs should be made available under multi-year federal support agreements, with partial funding of project elements (without independent utility) not impacting future applications for additional allocations.



- Railroad crossing incidents are the second leading cause of rail-related deaths in America. California supports strengthening Section 130 to accelerate the number of critically important safety projects that are constructed each year and providing 100 percent federal contribution for Section 130 projects. Many communities are doing what they can to improve safety at at-grade crossings, but the most effective method — grade separation — is often expensive. Additionally, recent requirements for 10 percent non-federal matching funds has created significant challenges as railway-highway grade crossing projects often involve railroad companies, small cities or counties with little or no resources. Increasing Section 130 federal participation to 100 percent would help ensure the selection of projects for this program would continue to be data driven and not influenced by the availability, or lack of, the 10 percent matching funds.
- California supports reauthorizing the CRISI Grant Program, and the SOGR, at no less than FFY 2018 funding levels. California also supports expanding the eligibility of the SOGR Program. The current program is limited to publicly owned assets. This restriction limits the ability for States to partner with private freight railroads to invest in critical assets that are required to serve passenger rail. The program should expand eligibility to allow for funding for non-public assets with the requirement that such funding results in some guaranteed level of public access (e.g., railroad slots) or shared public ownership. Such an approach will incentivize privately owned railroads to partner with public agencies and potentially expand the provision of passenger railroad service.
- California supports creating a legislative resolution to the issue of "States as Railroads" and System Safety Program responsibility. States who sponsor, but do not operate, intercity passenger rail services, are not railroads nor are they railroad carriers. Section 225 of the Railroad Advancement of Innovation and Leadership with Safety (RAILS) Act includes language that clarifies that States are not rail carriers if they do not operate a rail service.

- Congress should include a multi-billion dollar, dedicated and sustainable Positive Train Control Operations and Maintenance support program for intercity passenger and commuter rail operators.
- California stands with the American Road and Transportation Builders Association, the American Public Transportation Association, the Associated General Contractors of America, the International Brotherhood of Teamsters and the Transportation Trades Department AFL-CIO and others in requesting Congress prohibit the U.S. DOT from terminating its cooperative grant agreements with the California High-Speed Rail Authority.

Shorten Project Delivery Time and Provide Flexibility To Fully and Efficiently Utilize Federal Funds

California transportation agencies are proactively identifying efficiencies and policy improvements to responsibly manage the public's money and assets. For example, under Assembly Bill (AB) 1282, the California State Transportation Agency has convened a multi-agency Transportation Permitting Task Force to establish reasonable deadlines

for transportation project permit approvals and provide for greater certainty of permit approval requirements. Additionally, SB 1, the Road Repair and Accountability Act of 2017, requires Caltrans to achieve \$100 million in annual efficiencies that can be redirected towards maintaining and rehabilitating the State Highway System. And since 2007, Caltrans has performed federal responsibilities for environmental decisions and approvals under the National Environmental Policy Act (NEPA) for highway projects in California funded by the FHWA. Through "NEPA Assignment," Caltrans has been able to cut the regulatory burden on thousands of road projects, achieving time savings of months and years in reviewing and approving environmental documents.

- California strongly supports efforts to streamline federal regulations to facilitate more expeditious project delivery without diminishing environmental standards and safeguards.
- Given California's successful track record in the NEPA Assignment Program, California supports extending statutory term of years for NEPA Assignment agreements from five to ten years.



Public/Private Partnerships and Financing

Public-private partnership (P3) procurement methods are not a substitute for robust direct federal transportation investment nor a solution for federal infrastructure funding challenges. Rather, the financing element of P3 projects, in some instances, may leverage private sector resources in addition to mitigating design, construction, maintenance, and operations risks for the public sector. These arrangements often involve a project-related revenue stream, such as vehicle tolling and/or federal credit assistance programs.

- California supports innovative financing tools and urges Congress to fund and streamline the application process for the Transportation Infrastructure Finance and Innovation Act (TIFIA) and Railroad Rehabilitation and Improvement Finance (RRIF) Programs, ensuring continuing eligibility for Transit Oriented Development (TOD) projects in both programs, and clarify that federal loans should be classified as local funds on federal grant applications.
- California supports expanding tolling options on the interstate highway system, and authorizing the America Fast Forward Transportation Bonds and Build America Bonds to provide a powerful new finance tool for transportation agencies to use when financing major capital projects, and restoring tax exemption for advance refunding bonds.
- California supports new and increased funding for FTA's Section 3005(b) Expedited Project Delivery Program.

Tribal Transportation

California has 109 federally recognized Native American tribes and is home to 750,000 Native Americans, the highest population of any state. There are over 580,000 acres of Tribal trust lands found throughout California. Tribal governments provide transportation infrastructure, including road and bridge construction and maintenance.

In many states, the Native American population is disproportionately represented in fatalities and crash statistics. Native Americans' risk of motor-vehicle related death is about four times that of the general population. The risk is even higher for the population between 4 and 44 years old. Tribal communities must have the tools and funding to provide safe and efficient infrastructure.

- California supports an overall increase in federal transportation spending, including an increase in Tribal Transportation Program (TTP) and TTP planning funds.
- California also supports funding the Tribal High Priority Projects Program that has not been funded since the enactment of MAP-21. This program is crucial to tribal governments to complete their highest priority projects, which often include efforts to repair and reconstruct facilities following an emergency or natural disaster.
- California administers a tribal set-aside for projects using HSIP funding, and California supports an overall increase in HSIP funding that can be used to improve tribal transportation safety.
- The California Native American Advisory Committee has expressed concerns with the new centralized formatting of the Tribal Transportation Technical Assistance Program (TTAP), including reduced quality of training, a lack of one-on-one interaction with trainers, a lack of relevant training subject matter for California tribal transportation programs, and inconvenient course locations. California urges Congress to review recent changes to the TTAP to ensure that it meets the needs of tribal customers, including possibly authorizing a Government Accountability Review of TTAP. Additionally, the TTAP curriculum should include quality instruction on grant application writing and grant administration.
- California supports tribal transit pass programs or other mobility support for tribal members in areas with existing public transit services.

Consensus Principles Signatories

Associated General Contractors of California	Native American Advisory Committee
Association of Monterey Bay Area Governments	Placer County Transportation Planning Agency
Butte County Association of Governments	Rails-to-Trails Conservancy
California Alliance for Jobs	Rural Counties Task Force
California Association for Coordinated Transportation	Sacramento Area Council of Governments
California Association of Councils of Government	San Benito Council of Governments
California Association of Port Authorities	San Diego Association of Governments
California Department of Transportation	San Luis Obispo Council of Governments
California State Association of Counties	Santa Cruz County Regional Transportation Commission
California Transit Association	Self-Help County Coalition
California Transportation Commission	Siskiyou County of Public Works
Council of San Benito County Governments	Solano Transportation Authority
El Dorado County Transportation Commission	Southern California Association of Governments
Humboldt County Association of Governments	Transportation Agency for Monterey County
LA Metro	Transportation California
Metropolitan Transportation Commission	Urban Counties of California
National Indian Justice Center	

