



DATE: January 11, 2021

TO: Transportation Authority of Marin Funding, Programs & Legislation Executive Committee

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

SUBJECT: Adopt the 2021 Legislative Platform (Action), Agenda Item No. 6

RECOMMENDATION

Recommend the Funding, Programs & Legislation (FP&L) Executive Committee to review the Draft 2021 Legislative Platform, shown in Attachment A, and refer it to the TAM Board for adoption.

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 the Metropolitan Transportation Commission (MTC) and the Self-Help Counties 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 Marin's transportation 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 advocacy and successes have usually been accomplished by working with the North Bay Counties, Bay Area County Transportation Agencies (BACTA), SHCC, Regional Transportation Planning Agencies (RTPA), and MTC.

DISCUSSION

The COVID 19 pandemic made for a very different 2020 Legislative Session. Because of the pandemic, the California State Legislature suspended its session from March 16, 2020 to May 4, 2020. The 2020 Legislative Session eventually resumed before ending on August 31st with far less legislation passed than ever before. Bills that were considered prominent in early in the year simply did not moved forward because of the Shelter in Place (SIP) Order and the need for the Legislature to focus on the pandemic and the state's fiscal situation.

With the Governor's continuation of SIP Order and Stay at Home Order, the State Legislature anticipates another altered Legislative Session for 2021. This may be exacerbated by the fact that the 2021 Legislative Session is the first year of a two-year session. Any bill that is introduced in the first year that does not pass is eligible to continue through the legislative process in second year without needing to be re-introduced. The urgency to pass bills in the first year of a two-year session is typically less when bills can be carried into the second year.

Nevertheless, TAM continues to develop its annual Legislative Platform to address ongoing transportation issues and emerging issues resulting from the pandemic. The proposed 2021 Legislative Platform (Attachment A) is presented in a new format compared to the adopted 2020 Legislative Platform (Attachment B). Staff believes that the new format can better examine pertinent contemporary transportation issues, establish goals to be attained, and develop strategies in reaching those goals. The new format approaches the legislative platform from a strategic viewpoint and is anticipated to allow staff to show how new ideas or legislation may fit with TAM's objectives.

The proposed 2021 Legislative Platform continues to capture the ongoing policy elements that TAM has adopted from prior years' platforms. MTC and the County of Marin's Draft 2021 Legislation Platforms were also reviewed to avoid unwarranted contradictory proposals.

Some of the key features of the Proposed Platform are described below.

Building on the success of the \$40 million Senate Bill 1 (SB1) funds awarded from the Solutions for Congested Corridors Program (SCCP) from the California Transportation Commission (CTC) in December 2020, TAM will continue to be vigilant and competitive for other funds from other SB1 Programs. TAM staff has been participating and will continue to participate in SB1 Guideline workshops held by the CTC to ensure proposed projects from Marin are positioned well for funding opportunities from these SB 1 Programs.

In addition to state funding, the incoming federal administration has mentioned on several occasions the need to invest in the nation's infrastructure, leading many to think that a potential new federal infrastructure bill may be proposed. TAM will coordinate with MTC to position Marin projects for federal funding that may materialize in a new infrastructure or stimulus bill with the new administration.

The pandemic has severely impacted transit agencies across the nation. In 2021, transit agencies, county transportation agencies (CTAs), Metropolitan Planning Organizations (MPOs), and transit advocate groups such as the California Transit Association (CTA) will be advocating for additional state and federal funding assistance to prevent mass layoffs and disrupt transit service.

Along with transportation funding, the 2021 Legislative Platform also addresses other key areas of interest to TAM, including but not limited to the following:

- support legislation that encourages efforts to mitigate climate change and promote resilience;
- support legislation that encourages multi-modal transportation options;
- support legislation that extends the sunset for the cap on indirect costs rate assessed by Caltrans for capital outlay support;
- support legislation that updates the Brown Act for increased flexibility needed to address problems caused the pandemic; and
- increase funding under the Cap-and-Trade program for transit, climate change strategies, and local bike/pedestrian needs.

The deadline to introduce legislative bills for the 2021 state legislative session is February 19, 2021. Staff and Khouri Consulting anticipate returning to the Board in March to highlight relevant bills for monitoring and taking positions.

Notable dates for the 2021 Legislative session include:

- February 19, 2021 Last day for bills to be introduced
- September 10, 2021 Last day for the Legislature to pass bills
- October 10, 2021 Last day for the Governor to sign or veto bills
- January 1, 2022 Statutes take effect

FISCAL IMPACTS

There are no immediate fiscal impacts with the adoption of the 2021 Legislative Platform.

NEXT STEPS

After the review of the FPL Executive Committee, staff will present the proposed 2021 Legislation Platform to the TAM Board for review and adoption at its January 28, 2020 meeting. Upon TAM Board's approval, staff will communicate TAM's 2021 Legislative Platform to our partners, review proposed 2021 legislative bills for relevance to TAM, and present relevant legislative bills to the TAM Board for action.

ATTACHMENT

Attachment A – Proposed 2021 Legislative Platform
Attachment B – Adopted 2020 Legislative Platform
Attachment C – Khouri State Legislative Update – December 2020

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ATTACHMENT A

Proposed TAM 2021 Legislative Platform

Issue and Background Information	Goals	Strategies
<p>I. Acquiring State Funding for TAM's Priority Projects</p> <p>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 into public transportation, commuter and intercity rail, and bicycle and pedestrian programs. In 2020, TAM was successful in acquiring \$40 million for the completion of the Marin-Sonoma Narrows. The California Transportation Commission will commence workshops in 2021 for the SB 1 Cycle 3 competitive programs.</p> <p>On September 23, 2020, Governor Newsom issued Executive Order N-76-20, which prohibits the sale of gasoline-powered passenger vehicles by 2035, promotes zero-emission vehicles for future mobility needs. Given that transportation is predominantly funded through the gas tax, a successor funding mechanism will eventually be needed.</p>	<p>A. Aggressively pursue funds through the State Budget, California Transportation Commission allocation process or any other state sources.</p> <p>B. Ensure predictability and stability of transportation revenue should the state move away from diesel or gasoline powered vehicles and the gas tax.</p>	<p>1. TAM will remain diligent in competing for additional state funds, including any COVID-stimulus relief, for countywide priorities, with an emphasis on addressing safety, congestion, and mobility on State Route 37 and the 580/101 connector, as well as rehabilitating roads and bridges, such as the Richmond-San Rafael Bridge. This includes supporting efforts to increase the appropriation authority/programming capacity for the SB 1 competitive programs.</p> <p>2. TAM supports a revenue-neutral conversion from the gas tax to a source that ensures equity in revenue collection that does not disadvantage those that must drive further to job centers.</p>
<p>II. Addressing Mobility and Meeting State Climate Change Mandates</p> <p>The California Transportation Commission, California Air Resources Board, and California Department of Housing and Community Development are required to convene twice a year to coordinate transportation policies, with a focus on reducing vehicle miles traveled and greenhouse gas emissions. Concurrently, the legislature continues to work on providing resources to develop additional affordable housing and assess job creation opportunities to help mitigate vehicle miles traveled to reduce greenhouse gas emissions.</p>	<p>A. Monitor activities regarding greenhouse gas emission reduction, the jobs-housing imbalance and the impact on vehicle miles traveled.</p> <p>B. Support state funding to expand infrastructure and incentives for conversion to electric</p>	<p>1. TAM will support efforts to secure resources, such as bonds or budget appropriations, to expand the infrastructure and incentives for electric vehicle conversion by minimizing concerns over range, cost, and infrastructure. An evaluation of the cost of increased usage of electricity, as well as availability should be considered.</p> <p>2. TAM will work with the Self-Help Counties Coalition, the California Association of Councils of Governments, and other partners, to develop additional revenue sources at the state, regional and local level to support the planning required by SB 375, and making transit-oriented development more viable, where feasible.</p>

Issue and Background Information	Goals	Strategies
<p>On September 20, 2019, Governor Newsom issued Executive Order N-19-19, directing the California State Transportation Agency to leverage \$5 billion in state funding to encourage mode shift with an emphasis on reducing greenhouse gases and vehicles miles traveled. Regional transportation planning agencies face greater challenges in addressing mobility and congestion management while accounting for local land use planning and complying with state mandates to reduce greenhouse gas emissions and vehicle miles traveled.</p> <p>Given the unique geography of Marin County and the travel patterns associated with the jobs-housing nexus, and lack of passenger rail connectivity, reducing vehicle miles traveled can be challenging. The prospects for reducing greenhouse gas emissions however could be realized through investments made to improve the availability of charging station infrastructure (including grid availability and pricing) and providing incentives for converting from gas-powered to electric passenger vehicles, where feasible.</p>	<p>vehicles to reduce greenhouse gas emissions.</p> <p>C. Support climate resilience policies and funding opportunities.</p>	<p>3. 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 but also provide a regional benefit.</p> <p>4. TAM will also work with organizations such as the California League of Cities, California State Association of Counties, and Self-Help Counties Coalition, among others, to pursue funding from Cap-and-Trade revenues or other means to help comply with the statewide mandate to reduce greenhouse gas emissions. This includes supporting operational improvements such as telecommuting, vanpools, shipping more freight via rail, and promoting opportunities to generate revenue for providing multi-modal options, including bus and ferry service. TAM will also work with these groups to understand the impact of any new requirements on local, voter-approved transportation measures.</p> <p>5. TAM will support efforts to mitigate climate change and support adaptation to climate-related impacts, including wildfire risk and infrastructure that would assist in adaptation to sea-level rise, such as wetlands restoration, levee construction or other resilience measures.</p>
<p>III. Leveraging Regional Partnerships</p> <p>Even with the availability of state resources, regional coordination and funding is needed to expedite project delivery to improve air quality, mobility and maintain system integrity. TAM will educate our delegation and state funding partners, such as the California State Transportation Agency, California Transportation Commission, Caltrans, and the Newsom Administration, about the Bay Area's transportation network and mobility needs.</p>	<p>A. Coordinate with MTC and Bay Area Congestion Management Agencies to protect and acquire resources to address transportation infrastructure and mobility needs.</p>	<p>1. TAM will coordinate with MTC to position Marin projects for funding from potential new infrastructure or stimulus bill that may be proposed.</p> <p>2. TAM will monitor conversations and legislation regarding the development of a regional ballot measure to address congestion and mobility options in the Bay Area (similar to prior "FASTER" effort). TAM will collaborate with stakeholders to ensure that county priorities are reflected in a prospective expenditure plan should a proposal move forward.</p> <p>3. MTC intends on collaborating with Caltrans and the four North Bay Counties (Marin, Napa, Solano, Sonoma) to seek legislation to authorize tolls on State Route 37 to help fund congestion relief and sea level rise/flood prevention projects on the route. TAM will work with stakeholders to ensure that the potential legislation supports</p>

Issue and Background Information	Goals	Strategies
		<p>Marin's priorities of addressing segments within the county.</p> <p>4. 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.</p> <p>5. TAM will also support legislation sponsored the Self-Help Counties Coalition to extend the sunset for the cap on indirect cost rates assessed by Caltrans for capital outlay support.</p> <p>6. TAM will advocate for the expansion of cost-savings provisions for MTC and the Bay Area Toll Authority (BATA) that were incorporated into the FY 2020-21 State Budget with respect to local agencies in order to reduce BATA administrative costs and free up funding for key bridge maintenance and increased capacity to support counties with bridge toll revenues.</p>
<p>IV. Enhancing Multi-Modal Options</p> <p>The Transportation Development Act dedicates a statewide ¼-cent sales tax for each county for local transportation purposes. That 1/4 cent sales tax, known as the Local Transportation Fund, generates over \$1.7 billion annually, primarily for public transit. Some operators statewide have had difficulty in meeting the farebox recovery ratio requirements (20% for urban operators) that are necessary in order to qualify to use funds for operational purposes. AB 90, Chapter 17, Statutes of 2020, provides farebox recovery relief through FY 21-22, resulting in continued access to various transit funding programs.</p> <p>The recent cycles of the State's Active Transportation Program (ATP) have left many viable applications unfunded due to the lack of funds. In addressing climate changes, broad based support for more funding for active transportation and safety improvements on existing roadways (i.e., "complete streets") have been advocated by various organizations.</p>	<p>A. Support potential changes to the Transportation Development Act to assist local public transportation with funding eligibility.</p> <p>B. Seek funding to maintain transit operations.</p> <p>C. Pursue opportunities to expand active transportation network and improve bicycle and pedestrian safety.</p>	<p>1. TAM will support legislation that creates flexibility within the Transportation Development Act to allow public transportation systems access to locally generated revenues to maintain existing service.</p> <p>2. TAM will also continue to pursue revenue made available through the Active Transportation Programs, and support efforts by Marin Transit and Golden Gate Bridge, Highway and Transportation District to acquire funds from Cap and Trade and Transit and Intercity Rail Capital Program for operations and capital needs for bus, rail and bicycle and pedestrian programs, ferries, and transit hubs, such as the San Rafael Transit Center.</p> <p>3. In partnership with the region's transit operators and the California Transit Association, support efforts to seek state and federal assistance to provide emergency transit operating funding to prevent mass layoffs and major reductions in transit service.</p> <p>4. TAM will also continue to pursue funding made available to enhance bicycle and pedestrian safety and infrastructure to encourage mode shift, which includes use of e-bikes, as well as</p>

Issue and Background Information	Goals	Strategies
		<p>support to implement Vision Zero to eliminate fatalities.</p> <p>5. TAM will monitor recommendations emerging from the Blue-Ribbon Transit Recovery Task Force.</p>
<p>V. Seeking Efficiencies</p>	<p>A. Support efforts to streamline and expedite project delivery</p> <p>B. Support flexibility for local agencies to conduct virtual public meetings</p>	<p>1. TAM will support efforts to streamline the permitting process, delivery methods or additional administrative steps necessary to deliver projects in a timely and cost-effective manner.</p> <p>2. TAM will monitor and engage in legislation, in coordination with other local agency associations and regional agencies, related to updating the Ralph M. Brown Act (Brown Act) to incorporate some of the increased flexibility provided for during COVID-19 into the long-term provisions of the Brown Act, particularly in relation to remote participation in meetings.</p>
<p>VI. Pursuing Federal Opportunities</p> <p>The Fixing America's Surface Transportation (FAST) Act was enacted in 2015 and authorized federal surface transportation programs for highways, highway safety and transit. It expired September 30, 2020; however, a one-year extension was approved to provide certainty to states and local governments under the strain of the COVID-19 pandemic.</p> <p>In 2019, the Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule proposed to amend existing Corporate Average Fuel Economy (CAFE) and tailpipe carbon dioxide emissions standards for passenger cars and light trucks and to establish new standards covering model years 2021 through 2026. The Trump Administration threatened to revoke California's Clean Air Act waiver, devising its own emissions standards.</p>	<p>A. Support federal efforts to approve stimulus funding for multi-modal priority projects, and continuation/reauthorization of traditional federal transportation programs.</p> <p>B. Support climate resilience policies</p>	<p>1. TAM will work with our regional and national partners to support a long-term, fully funded transportation authorization that supports states and regions in achieving national goals related to infrastructure condition, safety, mobility, and air quality. Ensure that the next authorization bill retains discretion for MTC to invest funds in ways that further our region's goals to improve equity, respond to a changing climate, and advance multi-modal options. TAM also seek new resources to support climate adaptation and the deployment of new transportation technology to address the Bay Area's mobility challenges.</p> <p>2. TAM also supports examining revenue solutions for the Highway Trust Fund that keeps up with inflation.</p> <p>3. TAM will continue to advocate that federal transportation programs fund and advance the following priorities:</p> <p>a. Highway 101 Multi-Modal Corridor Projects. TAM will support the Sonoma Marin Area Rail Transit (SMART) District's efforts to seek or maintain funding for its project, including extension north to Cloverdale, and potential extension east to the Capital Corridor near Interstate 80. Support efforts to construct a new Bettini San Rafael</p>

Item 6 - Attachment A

Issue and Background Information	Goals	Strategies
		<p>Transit Center to ensure safe and efficient multimodal operations for SMART, bus operations, pedestrians, and motor vehicles. Support other emerging multi-modal improvements along the corridor.</p> <p>b. Nonmotorized Transportation/Active Transportation Program. <u>Seek</u> funds dedicated to nonmotorized transportation projects and programs, including Safe Routes to Schools.</p> <p>c. State Highway 37. <u>Support</u> funding for sea level rise adaptation/resilience projects for the State Route 37 Project including Segment A in Marin County.</p> <p>d. Transit Funding. <u>Support</u> maintaining or increasing funding for transit operations and capital programs, including immediate pandemic-related relief funding.</p> <p>4. TAM will also advocate for mitigating climate change and support adaptation to climate-related impacts, including wildfire risk and infrastructure that would assist in adaptation to sea-level rise, such as wetlands restoration, levee construction or other resilience measures.</p> <p>5. TAM will monitor litigation and any potential actions pertaining to SAFE rule enactment and compliance.</p>

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Attachment B

Adopted 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. 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.</p>	<ul style="list-style-type: none"> • Local Sales Taxes
	<p>3. MTC intends on sponsoring legislation in collaboration with Caltrans</p>	<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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January 4, 2020

TO: Board Members, Transportation Authority of Marin
 FROM: Gus Khouri, President
 Khouri Consulting LLC

RE: **STATE LEGISLATIVE UPDATE – DECEMBER 2020**

2020 ELECTION RESULTS

Similar to results nationally, both political parties can claim victories within California.

In the 40-member State Senate, Democrats will pick up 2 seats. The balance of power in the Senate will be 31 Democrats and 9 Republicans. A special election will need to be called once Senator Holly Mitchell vacates her current seat, District 30 (a safe Democratic seat) for the Los Angeles Board of Supervisors. Senator McGuire's seat was not up for election this cycle.

In the 80-member State Assembly, Republicans will pick up at least one seat as a result of a Democrat not making the runoff in Assembly District 38 (was held by Christy Smith, who lost a tight race for Congressional District 25). The composition of the Assembly will be 60 Democrats, 19 Republicans, and one Independent. Of the 53 Congressional seats in California, Democrats have lost four seats (Congressional Districts 21, 25, 39, and 48). Democrats will make up 42 seats, whereas Republicans will hold 11 seats. New members of the California Legislature were sworn into office on December 7, 2020. The Legislature will reconvene on January 11, 2021 to begin the new session.

With the election of Senator Kamala Harris as Vice President, Governor Gavin Newsom will fill the US Senate vacancy with, Secretary of State Alex Padilla, who ran Governor Newsom's initial bid for Governor in 2010. San Diego Assembly Member, Shirley Weber, has been appointed to succeed Padilla as Secretary of State. Governor Newsom will also have an opportunity to appoint a new Attorney General given Xavier Becerra's appointment by President-elect Biden to serve as secretary for Secretary of Health and Human Services.

Marin County Delegation

U.S House of Representatives District 2	Jared Huffman (D)* Dale K. Mensing (R)	293,275 – 75.8% 91,690 – 24.2%
Assembly District 10	Marc Levine (D)* John P. McDonnell (R)	158,249 – 65.7% 82,630 – 34.3%

General Update

In June, Governor Newsom signed the 2020-21 state budget package with modifications to assume additional revenues (\$14 billion in federal assistance that has not materialized), in addressing a \$54.3 billion budget deficit. On November 23, the Legislative Analyst's Office (LAO) released its forecast for the 2021-22 Stat Budget and stated that the budget situation has improved considerably relative to the June budget act with an estimated \$26 billion windfall in 2021-22. This predominantly due to the removal of the exemption of net-operating carryover losses for businesses. The state however faces an operating deficit beginning in 2021-22 and throughout the outlook period, growing to \$17 billion by 2024-25. Governor will wait until the release of his FY 2021-22 State Budget, which is due by January 10 (likely to be released on Friday, January 8), to address the current fiscal year shortfall.

What does this mean for transportation? Senate Bill 1 (SB1) competitive programs are primarily funded by the vehicle registration fee, which provides for a more predictable, stable funding source as opposed to the volatility of the gas tax. While Caltrans has cash reserves, and SB 1 provides a continuous source of funding, the anticipated \$1.8 billion decline in gas consumption will impact programs like the Statewide Transportation Improvement Program (STIP) and State Highway Operation and Protection Program (SHOPP). Governor Newsom has requested that the federal government consider a \$1 trillion plan to bail out state and local governments. The new federal stimulus plan may provide some relief to local governments. The continuance of a shelter in place order will most certainly increase deficits to the STIP and SHOPP, which may force the California Transportation Commission (CTC) to administer an allocation plan.

Governor's Transportation Action Plan

The California State Transportation Agency in collaboration with the Governor's Office of Planning and Research (OPR) and California Air Resources Board (CARB) is in the process of adding additional guidance to supplement Governor Newsom's Executive Order, N-19-19, to reduce greenhouse gas emissions and vehicle miles traveled through limiting capacity projects along the state highway system, discouraging the use of single-occupant, gas powered vehicles, while encouraging mode shift through accelerated investments into public transportation, bicycle and pedestrian programs, and electric vehicle infrastructure. The policy could require TAM to reassess its ability to leverage voter-approved investments as articulated in the expenditure plans for Measure AA since CARB and OPR wants to have the final say on capacity-inducing projects and the availability of state investments made on the state highway system. While the state clearly cannot adjust locally approved sales tax expenditure plans, it is the owner/operator of the state highway system, and it reserves the right to place local funds on a state-owned asset and authorize the availability of state resources, which could call into the question the leveraging power of local sales tax revenues, as well as the ability to deliver certain projects. While tolling/congestion pricing is identified as a continued strategy, this may impact or require innovation for the addressing Highway 37 or the I-580/101 connector project.

On September 23, Governor Newsom announced Executive Order N-76-20, which would require all vehicle sales by 2035 be zero-emission vehicles (passenger cars and trucks). The order builds on the previous memorandum of understanding that was established with four car manufacturers last September to increase fuel economy. Governor Newsom alluded to more forthcoming details with respect to the investments into electric vehicle infrastructure and rebates for electric vehicle purchases. A successor funding source to the gas tax would need to be examined since transportation funding is heavily dependent on petroleum consumption. Expanding upon the vehicle registration fee in SB 1

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merits consideration given that it is progressive, agnostic on fuel source, and would provide predictable, stable funding.

On October 20, CalSTA held a workshop to discuss the Climate Action Plan for Transportation Infrastructure (CAPTI). The plan is a confluence of objectives that builds on previous executive orders to reduce vehicle miles traveled and make additional investments into multi-modal options without capacity improvements to the state highway system. The Governor's goal is to have a plan adopted by Spring of 2021. CARB and OPR, in particular, have expressed concern that local sales tax measure plans are too reliant on passenger vehicle usage.