Smith, Watts &Hartmann, LLC.

Consulting and Governmental Relations

April 3, 2024

To: Transportation, Water, and Infrastructure Committee
c/o John Cunningham

From: Mark Watts

Re: April 2024 TWIC State Report

I am pleased to provide the following report on activities occurring in the state Capitol, including specifically updated information on legislative and budgetary activities.

Legislative Activities

Senate Bill 1031 (Wiener): Regional Transportation Revenue Measure. The recent amendments to SB 1031 (Wiener) establishes the measure now as the new legislative vehicle for *Connect Bay Area* legislation, which is MTC and the Senator's effort to enact a regional transportation revenue measure.

Background

On March 18, 2024, SB 1031 was amended to incorporate specific language reflecting the Commission's adopted policy framework for a regional transportation revenue measure along with priorities of Senator Aisha Wahab (Hayward) related to transit consolidation that had previously been expressed in SB 926 (Wahab).

Senior and Disabled Person Transportation

BOS letters requesting the state Administration adopt a firm commitment to senior and disabled persons transportation needs in currently ongoing work group efforts were sent to the Contra costa delegation. The work of the Secretary's Transit Transformation Task Force established in Senate Bill (SB) 125, and the needs assessment required under SB 1121 are both ideal opportunities to make progress in this policy area.

In an effort to underscore these issues, it has been proposed that the TWIC Chair follow up in meetings with these state Transportation Secretary.

Budget Information

On April 2, 2024, the Assembly Leadership agreed to a portion of the Governor's proposed "early budget actions" to address the state's massive budget deficiency for the current year and next. They have agreed to $17 billion in early legislative actions to cut the state budget deficit.

This package of spending cuts, delays and deferrals, circulated at a Democratic caucus meeting Tuesday, also calls for a freeze on yet-to-be-disbursed one-time funding that has not been endorsed by the Senate or the governor. It could come up for a floor vote as soon as April 11. This is expected to include a delay

of $1 billion from the formulaic portion of the Transit and Intercity Rail Capital programs (TIRCP), which will then force a spillover reduction in available state assistance to the county's local transit agencies.

Governor Newsome Administration

CTC Appointments

On March 29, 2024, the Governor reappointed Lee Ann Eager to the California Transportation Commission, where she has served since 2020. Previously, Eager was President and Chief Executive Officer of the Fresno County Economic Development Board from 2009 to 2023.

Transit and Intercity Rail Capital Program (TIRCP) Guidelines issued.

The 2024 TIRCP grant cycle will program projects starting with the 2024-25 fiscal year and ending with the 2028-29 fiscal year. The new program cycle will include previously awarded and active projects that have not been fully allocated by the end of the 2023-24 fiscal year, and projects selected with the 2024 cycle.

This will necessitate the state to engage in the development of an outreach process to update the awarding guidelines. On their website, CalSTA welcomes input from all stakeholders to provide input on TIRCP, including interaction through public workshops and written comments. Please send your comments to: tircpcomments@dot.ca.gov.

KEY Transportation BILLS OF NOTE

AB 2535 (Bonta): This bill would eliminate general purpose lanes as an eligible use for TCEP under any circumstance and eliminate highway capacity as an eligible use in disadvantaged communities. Should a highway project under TCEP expand the highway footprint in limited instances, the bill would require full mitigation of all environmental impacts.

AB 2086 (Schiavo): AB 2086 would require Caltrans to report to the Legislature on how it advanced its Core Four (safety, equity, climate action, and economic prosperity) priorities with the funding that was made available to it in the preceding 5 fiscal years. AB 2086 would also create a new role for the CTC to develop performance targets for the Core Four goals.

AB 2290 (Friedman): AB 2290 would, among other things, require a bicycle facility that is identified for a street in an adopted bicycle plan or active transportation plan to be included in a project funded by the program that includes that street. This is of concern for rural counties and areas.

SB 960 (Wiener): SB 960 would require all transportation projects funded or overseen by Caltrans to provide “comfortable, convenient, and connected” complete streets facilities unless an exemption is documented and approved. SB 960 would also require the CTC to adopt targets and performance measures related to making progress on complete streets. Finally, SB 960 would require Caltrans to adopt a Transit Priority Project policy for state and local highways.