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September 9, 2024

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

From: Mark Watts

Re: September 2024 TWIC State Report

The following is a report on the activities in the final month of the 2023-24 Session:

Legislative Update

The Legislature returned to Sacramento on August 5 after a month-long summer recess. With policy committee deadlines behind them, their focus turned to fiscal committee hearings with nearly 1,300 bills still moving through the legislature at the beginning of August.

Hundreds of these bills were considered through the “suspense file” process in each appropriations committee. The suspense file allows committees to reduce the total number of bills and associated state costs without requiring rollcall votes on individual measures that are held in the committees.

This year, California lawmakers went right up until the constitutional deadline on Aug. 31 which ended with several hundred bills advancing to Governor Gavin Newsom’s desk. Notably, several high-profile pieces of legislation failed to move forward due to a final vote or time constraints. Artificial intelligence, retail theft, and reparations were all major themes. And despite the deadline, legislators aren’t done in Sacramento yet — Governor Gavin Newsom at the final hours called the legislature to [reconvene soon for a special session](#) to tackle high gas prices, though the state Senate says it won’t take part.

Transportation legislation

The transportation industry and allied self-help counties and labor had earlier stopped some of the more problematic transportation legislation earlier in the session or, in some cases successfully negotiated amendments to remove industry concerns. At this time there is a small list remaining of bills on the Governor’s desk for action by September 30 – the constitutional deadline for a signature or veto.

AV Legislation

Also of note, there are three measures that ultimately passed the legislature.

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[Assembly Bill 2286](#) by Democratic Assembly member Cecilia Aguiar-Curry of Winters would require driverless retail trucks to remain staffed by human safety operators. Newsom vetoed a nearly identical bill last session. (TWIC Staff Note: Vetoed by Gov 9/27)

[Assembly Bill 1777](#), a bill to clarify liability for autonomous vehicles was one of the very last measures to pass the Assembly with less than a minute before the session was gaveled closed. Mr. Ting's bill would require AV companies to staff emergency phone lines with a human operator to address incidents where AVs are involved in a traffic emergency. The bill would also allow peace officers to issue a "notice of autonomous vehicle noncompliance" to an AV company when one of its vehicles commits a traffic violation. (TWIC Staff Note: Signed by Gov 9/27)

[Assembly Bill 3061](#) would require the manufacturers of autonomous vehicles (AVs) to report to the Department of Motor Vehicles (DMV) any vehicle collision, traffic violation, or disengagement, or the assault or harassment of any passenger or safety driver that involves a manufacturer's vehicle in California starting July 31, 2025. (TWIC Staff Note: Vetoed by Gov 9/27)

Special Session

As indicated earlier, this past week, the governor issued a call for a special session to address high gas prices late in the final day of session after lawmakers refused to move forward with his plan to put new requirements on oil refineries.

Senate Pro Tem Mike McGuire of Healdsburg said in a [press release](#) that the Senate would not convene for it. And interestingly, Speaker Rivas reminded that any "called" special session has to take place before Nov. 30, when the two-year session officially ends, but Rivas said to expect it much sooner.

Gas Price Legislation Package

As indicated above, the Governor did call the Legislature into a special session related to the state's oversight of transportation fuel supply and pricing.

Interestingly, the legislature was divided on whether to join into the Governor's special session. Assembly Speaker Rivas quickly embraced the idea, while Senator McGuire rejected it, stating that his members had been prepared to consider the key bills in regular session.

As the Assembly did form their house into a special session and consequently some Assembly Bills were introduced into the special session this week. At this point, these are the 2 bills that would be pending:

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- [ABX2-1](#) (Hart and Aguiar-Curry): Energy: transportation fuels: inventories: turnaround and maintenance
Would, among other things, authorize the California Energy Commission, by regulation, to develop and impose requirements for refiners operating in the state to maintain minimum levels of inventories of refined transportation fuels meeting California specifications, including any feedstocks and blending components.
- [ABX2-2](#) (Lackey): Motor Vehicle Fuel Tax Law: suspension of tax
Would suspend the imposition of the tax on motor vehicle fuels for one year and require that all savings realized based on the suspension of the motor vehicle fuels tax by a person other than an end consumer, be passed on to the end consumer. This bill would further direct the Controller to transfer a specified amount from the General Fund to the Motor Vehicle Fuel Account in the Transportation Tax Fund to account for lost fuel tax revenue.

Other bills of interest sent to the Governor

- [AB 832](#) (Cervantes) – Would require one of the Governor’s appointees to the California Transportation Commission (CTC) to have expertise in transportation issues and professional experience that includes experience working in, or representing, disadvantaged communities. (TWIC Staff Note: Signed by Gov 9/27)
- [SB 768](#) (Caballero) – Would require the Department of Housing and Community Development (HCD) to study how vehicle miles traveled (VMT) is used as a metric for measuring transportation impacts of housing projects pursuant to the California Environmental Quality Act (CEQA). (TWIC Staff Note: Signed by Gov 9/27)
- [SB 960](#) (Wiener) – Would require the California Department of Transportation (Caltrans) to include complete streets assets in relevant state highway plans and reports, develop and adopt transit priority policy and guidelines, and commit to specific 4-year targets to incorporate complete streets facilities in the State Highway Operations and Protection Program (SHOPP). Assembly Amendments removed requirements for any project in the SHOPP to include bicycle, pedestrian, and transit priority projects unless a specified exception applied. (TWIC Staff Note: Vetoed by Gov 9/22)

California Transportation Commission

Governor Appoints New Commissioner

On August 30, the Governor appointed Jason Elliott to the CTC. Mr. Elliott has been President of Versus Solutions since 2024 and has a longstanding relationship with the Governor, dating back to his role as Policy Advisor to Mayor Newsom from 2008 to 2010. He is a familiar face to many

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local government officials given his high-profile role working on housing and homelessness issues for Governor Newsom— particularly during the Governor’s first term.

Mr. Elliott was Deputy Chief of Staff in the Office of Governor Gavin Newsom from 2022 to 2024, where he also served as Senior Counselor from 2019 to 2022. Elliott was Chief of Staff to San Francisco Mayors Ed Lee, London Breed, and Mark Farrell from 2017 to 2018. He previously held several positions in Mayor Lee's administration from 2011 to 2016, including Deputy Chief of Staff and Legislative Director.

The Commission still has one vacancy which is also a gubernatorial appointment.

CalSTA Convenes Climate Action Plan for Transportation Infrastructure Workshop

On September 19 at 1 PM, the California State Transportation Agency (CalSTA) will host a virtual workshop to solicit feedback on new potential state actions to implement the Climate Action Plan for Transportation Infrastructure (CAPTI) framework. Adopted pursuant to Governor Newsom’s 2019 climate change executive order, [the CAPTI](#) is a set of policies that aim to align transportation investment decisions through discretionary state transportation funding sources with statewide goals to reduce greenhouse gas emissions.

The online registration link for the workshop is [here](#).

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APPENDIX

KEY transportation BILL OF NOTE

AB 6 (Friedman): This bill strengthens the authority of the California Air Resources Board over Sustainable Communities Strategies submitted by transportation planning agencies. The measure had been pending since last year in the Senate transportation Committee and was recently amended to update elements of the measure and to prepare for presentation in committee.

Status: *Author dropped in Senate Transportation committee*

AB 7 (Friedman): This bill requires CalSTA, Caltrans, and the CTC, on or after January 1, 2025, to incorporate the goals related to the CAPTI into program funding guidelines and planning processes. Additionally, this bill requires the California Transportation Plan to include a financial element.

Status: *Left on Senate Inactive*

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.

Status: *Failed Appropriations Committee*

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.

Status: *Retained in Senate Appropriations*

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.

Status: *Retained in Senate Appropriations*

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.

Status: *Passed both houses, pending approval in Governor’s office. (TWIC Staff Note: Signed by Gov 9/27)*

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