



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 4

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Memorandum

TO: Legislation Committee

DATE: April 2, 2010

FR: Executive Director

W. I. 1131

RE: SB 1445 (DeSaulnier) - \$1 Vehicle Registration Fee for Development and Implementation of Sustainable Communities Strategies

Background

Senate Bill 1445 (DeSaulnier) increases by \$1 the motor vehicle registration fee to help fund the development and implementation of a regional blueprint plan — i.e., a Sustainable Communities Strategy (SCS) or Alternative Planning Strategy, as required by the enactment of Senate Bill 375 (Steinberg), Statutes of 2008, Chapter 728, — or a rural transportation plan element. The bill reserves one percent of the funds for the Planning Advisory and Assistance Council within the Governor’s Office of Planning and Research. The remainder would be distributed to transportation planning agencies based on the number of vehicles registered within the jurisdiction of each agency. The bill requires MTC to share the fee revenue with the Association of Bay Area Governments (ABAG) and spend the revenue in accordance with an agreement between the two agencies. Revenues from the fee are restricted to development and implementation of the SCS and would amount to approximately \$5.7 million per year in the Bay Area.

Recommendation: Support

Discussion

SB 375 imposes new duties on both MTC and ABAG, and local government engagement including more rigorous modeling for greenhouse gas emissions and new public participation requirements. Preliminary estimates suggest that the incremental cost increase is about \$3.8 million in additional one-time expenditures for the 3-year development of the SCS, including \$2.2 million for MTC and \$1.6 million for ABAG. SB 1445 authorizes the new fee revenue to be used for both development *and* implementation of the SCS. Revenues available above the amount required for SCS development could provide a source of funding for grants to cities and counties to update their zoning requirements or fund other types of transportation and land use improvements that reduce greenhouse gas emissions. We recommend a support position on SB 1445, consistent with our legislative program.

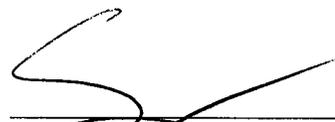
Known Positions

Support

California Coalition of Councils
of Government
Association of Bay Area Governments

Oppose

None



Steve Heminger