Agenda Item 4a

METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: Legislation Committee

DATE: April 1, 2011

FR: Executive Director

W. I. 1131

RE: FY 2011-12 State Budget

While state budget negotiations were stalled at the time this memorandum was prepared, the Legislature has passed a number of trailer bills connected to the budget — including AB 105, the transportation trailer bill — in advance of getting final agreement on placement of tax extensions on the ballot this year. Governor Brown signed AB 105 into law on March 24, reaffirming the so-called "gas tax swap" that was put in legal jeopardy due to the passage of Proposition 26 last November.

AB 105 provides the "comprehensive fix" approach that was advocated by MTC and a broad coalition of transportation interests, including local government, public transit advocates, transportation agencies, labor, and the construction industry. Specifically, it provides the General Fund (GF) with about $1.7 billion in savings (by allowing vehicle weight fees to be redirected to the GF to offset transportation bond debt service) but also restores certainty and predictability to transportation funding by reenacting by a two-thirds vote the new gasoline excise tax and diesel sales tax that were adopted in March 2010 in a comprehensive restructuring of transportation funds. In total, approximately $2.5 billion in statewide transportation revenue was reaffirmed by AB 105. Additionally, this funding now enjoys greater constitutional protection than ever as it can no longer be loaned or transferred to the GF due to passage of Proposition 22 last November.

State Transit Assistance Funding Secured

Among the taxes that were in jeopardy as a result of Proposition 26 was a new increment of the sales tax on diesel fuel that was enacted to provide a robust State Transit Assistance (STA) program of approximately $350 million per year statewide. Based on projections from the Department of Finance and the provisions of AB 105, STA will receive approximately $329 million in FY 2011-12. As shown in Attachment A, this amounts to approximately $119 million for Bay Area public transit improvements, including $87 in revenue-based funds that go directly to transit operators and $32 million in population-based funds, distributed according to MTC policy. Under Proposition 22, STA funding is now continuously appropriated to the State Controller, so funding will no longer be delayed by a late state budget. The next item on your agenda notes that Assembly Member Miller has introduced AB 1308 to provide similar continuous appropriation authority for programs funded by the Highway Users Tax Account, including the State Transportation Improvement Program and local street and road repairs.

Steve Heminger

SAN FRANCISCO BAY AREA STATE TRANSIT ASSISTANCE FUNDING	FY 2011-12 Estimated Funding Level
STATEWIDE REVENUE	**$ 328,804,000**
MTC REVENUE-BASED FUNDING	**$ 86,807,701**
Apportionment Jurisdictions	
AC Transit	$ 8,132,060
ACE	$ 467,967
BART (Bay Area Rapid Transit)	$ 23,192,002
Benicia	$ 9,584
Caltrain	$ 4,212,252
Central Contra Costa Transit Authority (County Connection)	$ 454,320
Dixon	$ 4,612
Eastern Contra Costa Transit Authority (TriDelta)	$ 173,875
Fairfield	$ 109,428
Golden Gate Bridge, Highway and Transit District	$ 3,684,737
Healdsburg	$ 2,242
Livermore-Amador Transit (LAVTA)	$ 165,825
Napa Transit Services	$ 35,716
Rio Vista	$ 3,087
SamTrans	$ 3,445,368
San Francisco MTA	$ 29,828,847
Santa Rosa	$ 125,380
Sonoma County Transit	$ 125,561
Union City	$ 17,116
Vallejo	$ 462,919
Valley Transportation Authority (VTA)	$ 11,949,191
Western Contra Costa Transit Authority (WestCAT)	$ 205,610
REVENUE BASED AMOUNT	**$ 86,807,701**
POPULATION BASED AMOUNT	**$ 31,665,999**
BAY AREA STA TOTAL	**$ 118,473,701**

SAN FRANCISCO BAY AREA STATE TRANSIT ASSISTANCE FUNDING	FY 2011-12 Estimated Funding Level
Statewide STA Funding	**$ 328,804,000**
MTC POPULATION-BASED FUNDING	**$ 31,665,999**
Apportionment Jurisdictions	
Northern Counties/Small Operators	
Marin	$ 951,524
Napa	$ 506,160
Solano	$ 1,570,049
Sonoma	$ 1,797,475
CCCTA	$ 1,822,916
ECCTA	$ 1,066,187
LAVTA	$ 739,500
Union City	$ 270,096
WestCAT	$ 256,973
Vallejo	$ -
SUBTOTAL	**$ 8,980,880**
Regional Paratransit	
Alameda	$ 1,149,148
Contra Costa	$ 593,853
Marin	$ 132,673
Napa	$ 86,641
San Francisco	$ 907,283
San Mateo	$ 502,365
Santa Clara	$ 1,040,846
Solano	$ 247,152
Sonoma	$ 274,787
SUBTOTAL	**$ 4,934,747**
Lifeline	
Alameda	$ 2,533,234
Contra Costa	$ 1,155,672
Marin	$ 249,625
Napa	$ 157,171
San Francisco	$ 1,396,052
San Mateo	$ 656,422
Santa Clara	$ 2,006,247
Solano	$ 508,496
Sonoma	$ 582,459
SUBTOTAL	**$ 9,245,378**
MTC Regional Coordination Program	**$ 8,504,994**
POPULATION BASED GRAND TOTAL	**$ 31,665,999**

Note: Funding level is based on provisions of AB 105, Chapter 6, Statutes of 2011, and Department of Finance Estimates.Final amount will depend on actual diesel sales tax generations.