



METROPOLITAN  
TRANSPORTATION  
COMMISSION

Agenda Item 3

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*Memorandum*

TO: Legislation Committee  
FR: Executive Director  
RE: Legislative Scorecard

DATE: October 3, 2014  
W. I. 1131

Attached is a "scorecard" table comparing legislative outcomes in 2014 with the goals set forth in our 2014 Advocacy Program.

As you will see, the 2014 session was a bit of a mixed bag. While there was significant progress made with respect to securing Cap & Trade funding for transportation and restoring the ability of local agencies to employ tax-increment financing to finance key local priorities, other legislative priorities, such as establishing a temporary license plate program, were unsuccessful and will need to be resurrected in 2015.

Staff will bring an initial draft of our 2015 Advocacy Program to the committee in November and welcomes any comments on items you would like to see included.

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## 2014 LEGISLATIVE SCORECARD

STATE		
Issue	Goal	Strategy
1. Transportation Funding	A. Lower the 2/3 super majority vote for local and regional transportation taxes	Æ While a handful of bills were introduced last year, none of them made it past the house of origin. SCA 4 (Liu), SCA 8 (Corbett) and SCA 11 (Hancock) all proposed to reduce the vote threshold from 2/3 to 55%. Unfortunately, enacting this change via the Legislature seems very unlikely in the near term.
	B. Support efforts to secure new sources of statewide transportation funding	Û Transportation received a long-term commitment of Cap & Trade funding beginning in FY 2015-16, as discussed in detail on p. 2. MTC supported two bills that were introduced to restore vehicle weight fees [AB 2651 (Linder) and AB 2728 (Perea)] but neither bill advanced out of the Assembly Appropriations Committee. Looking long-term, the Legislature enacted SB 1077 (DeSaulnier) requiring the California Transportation Commission to establish a Mileage-based Fee Task Force to make recommendations on a pilot program to be implemented by the California State Transportation Agency in 2016, with a report due to the Legislature by June 30, 2017.
	C. FY 2014-15 State Budget	Û The FY 2014-15 State Budget appropriated \$793 million to the Proposition 1B Public Transit Modernization, Improvement and Service Enhancement Account, marking the final installment in that \$4 billion program. In addition, the budget included modest reductions of Caltrans' Capital Outlay Support Program, cutting 195 permanent positions at a cost of \$22 million. This is about 11 percent of the 1,750 reduction recommended by the Legislative Analyst's Office this year as an interim measure to bring project support staff in line with capital outlay funding.

**Legend:**

- I = Incomplete
- Æ = Goal not achieved
- Û = Goal achieved

Issue	Goal	Outcome
2. Senate Bill 375 Implementation	A. Increase local funding options to replace the loss of redevelopment funding	<p>ü After rejecting several attempts by the Legislature to restore the authority of local governments to use tax-increment financing (TIF) to help implement sustainable communities strategies (SCS), Governor Brown signed SB 628 (Beall), authorizing Enhanced Infrastructure Financing Districts which can use TIF for a variety of local priorities, including any project to implement an SCS. Local jurisdictions participating in the district must all agree by board action on the property tax diversion and school-related property taxes may not be diverted. Formation of an Enhanced Infrastructure Financing District would no longer require a vote of the people, though bond issuances would be subject to a vote at a 55% approval threshold.</p>
	B. Increase state funding for affordable housing	<p>ü The Legislature did not establish an Affordable Housing Trust Fund through enactment of SB 391 (DeSaulnier) or any other bill providing a new property-related funding mechanism. However, affordable housing received a significant boost from Cap &amp; Trade funding in the FY 2014-15 State Budget (minimum of \$65 million) and future years through a 50% minimum share of Affordable Housing &amp; Sustainable Communities Program funds, as discussed below.</p>
3. Cap-and-Trade Funding	A. Secure funding in the FY 2014-15 Budget	<p>ü The FY 2014-15 State Budget appropriated \$872 million, including \$630 million to reduce transportation-related greenhouse gas emissions. Of that amount, \$130 million was appropriated for a new Affordable Housing &amp; Sustainable Communities Program; \$200 million for a new Low Carbon Transportation Program (focused on clean vehicle incentives); \$25 million in formula-based transit funds to the Low Carbon Transit Operations Program to be distributed using the State Transit Assistance formula; and \$25 million for a new competitive Transit and Intercity Rail Capital Program.</p>
	B. Enact legislation providing for a longer term commitment of cap-and-trade funds to regional agencies to assist with SB 375 implementation	<p>ü While not providing funding <i>directly</i> to metropolitan planning organizations to help them implement SB 375, SB 862 provides a long-term commitment of Cap &amp; Trade funds to assist with implementation. Specifically, beginning in FY 2015-16, the legislation distributes Cap &amp; Trade funds as follows:</p> <ul style="list-style-type: none"> <li>• 20% to the new Affordable Housing &amp; Sustainable Communities Program</li> <li>• 10% to the new Transit and Intercity Rail Capital Program</li> <li>• 5% to the new Low Carbon Transit Operations Program</li> </ul>

Issue	Goal	Outcome
4. California Environmental Quality Act (CEQA)	Monitor CEQA Legislation to Ensure Changes Advance Transit-Oriented Development	<p>I. There was no legislation enacted related to CEQA streamlining in 2014, though implementation of SB 743 (Steinberg, 2013) is proceeding gradually. The goal of the legislation was to shift the emphasis away from analyzing and mitigating for local traffic hotspots towards analyzing the impact of a project on total vehicle miles traveled in a region; and mitigating to encourage less driving and greater reliance on alternative modes.</p> <p>After an initial period of soliciting responses to a preliminary discussion document, in August 2014 the Governor’s Office of Planning &amp; Research released draft CEQA guidelines that provide an alternative to level of service as the metric by which transportation impacts are analyzed within and outside of transit priority areas. The draft guidelines recommend vehicle miles traveled as the alternative. Staff is participating in discussions with our partner Bay Area agencies as well as statewide organizations in preparing for submitting formal comments in response — due November 21, 2014.</p>
5. School Siting Reform	Require school districts to take state and local planning goals into account when siting new schools	<p>Æ Legislation introduced in 2013 by Assembly Member Bocanegra (AB 1179) would have added a new component to the SCS, requiring that metropolitan planning organizations consult with school districts regarding how the SCS may impact school enrollments and capacities and the need for new school sites, expansion or modernization. MTC opposed this version of the bill, which was overly burdensome with respect to consultation and left unaddressed the problem that school districts have 100% autonomy over school siting and expansion decisions. The legislation was ultimately amended to deal with tire recycling.</p>
6. Electric Bicycles	Increase bicycling by allowing electric-assist bicycles to use Class I bike paths	<p>Æ AB 2173 (Bradford) was introduced to remove the prohibition on use of Class I bicycle routes (separated bicycle paths) by electric bicycles unless expressly authorized by local ordinance. The bill defined a low-speed electric bicycle as a bicycle 1) whose motor has a power output of no more than 750 watts; 2) incapable of speeds greater than 20 miles per hour when powered only by the motor and driven on a paved surface by a person weighing 170 lbs.; and 3) weighing no more than 80 lbs. The bill was later amended (and enacted) to instead increase the maximum horsepower allowed for electric scooters and mopeds from 2 horsepower to 4.</p>

Issue	Goal	Outcome
7. Bridge Toll Evasion	Require temporary license plates at the point of sale on new and used cars	<p>Æ MTC sponsored AB 2197 (Mullin) to establish a mandatory temporary license plate program applicable to new and used car dealers in California.</p> <p>The bill was supported by virtually every toll road operator in the state as well as the major local law enforcement associations, including the California Police Chiefs Association, the California State Sherriff’s Association, and the Police Officers Research Organization of California. Local government supporters included the Self Help Counties Coalition, the California League of Cities, California State Association of Counties, and the Bay Area Congestion Management Agency Association.</p> <p>The bill passed the Assembly Transportation Committee by a vote of 10-1, but was held in the Appropriations Committee due to concerns about state implementation costs.</p>
<b>FEDERAL</b>		
Issue	Goal	Outcome
1. Surface Transportation Authorization	A. Maintain basic structure of MAP 21, but provide financial stability supporting a multi-year surface transportation bill	I. In July 2014, Congress extended MAP 21 through May 2015 and avoided sending the Highway Trust Fund (HTF) off its own “fiscal cliff” by transferring almost \$11 billion from the General Fund to the HTF. While legislation was introduced [HR 3636 (Blumenauer)] to restore long-term fiscal solvency to the HTF by enacting a 15-cent per gallon increase in the gasoline and diesel fuel tax, not surprisingly, it did not advance out of the House Ways & Means Committee.

Issue	Goal	Outcome
1. Surface Transportation Authorization <i>(continued)</i>	B. Support creation of a National Freight Program funded by a new, dedicated revenue stream	I. Establishment of a National Freight Program was a key component of the Obama Administration's and Senator Boxer's proposals for MAP 21 reauthorization. In addition, in September 2014, Congressman Lowenthal (Long Beach, CA) introduced H.R. 5624, the National Multimodal and Sustainable Freight Infrastructure Act. The proposal tracks closely with MTC's Freight Advocacy Principles, including providing a establishing a National Freight Trust Fund supported by a new dedicated funding source (a 1% waybill tax assessed on the cost of transporting goods) capable of supporting a formula and competitive program of \$8 billion/year.
2. Federal Appropriations	A. Maximize federal transportation appropriations for MAP-21 programs	Ü Congress appropriated funding in fiscal year 2013-14 consistent with amounts authorized in MAP-21. While Congress has not completed a full appropriation for FY 2014-15, the interim appropriation is on track to provide funding consistent with MAP 21 levels.
	B. Advocate for Capital Investment Grant funding for Resolution 3434 projects	Ü The region's key transit capital expansion projects (BART to Berryessa and SF MTA's Third Street Light Rail/Central Subway Project) each received \$150 million in FY 2014, consistent with their Full Funding Grant Agreements. Funding for Capital Investment Grants has not yet been finalized for FY 2015.
3. Increase Local/Regional Transportation Funding	Seek passage of the Marketplace Fairness Act in order to increase sales tax revenue available for transportation	I. S. 743 [Enzi (R-WY)] was introduced and passed the Senate in May 2014. The bill would grant states the authority to compel online and catalog retailers ("remote sellers"), no matter where they are located, to collect sales tax at the time of a transaction - exactly like local retailers are already required to do. Identical legislation was introduced in the House as H.R. 684 (Womack, R-AR), but did not advance out of its first committee.
4. Pre-Tax Transportation Fringe Benefits	Preserve mode-neutrality in pre-tax transportation benefits	Æ Unfortunately, a huge gap between the allowed pre-tax benefit for parking (\$250/month) and transit/vanpooling (\$130/month) was not addressed throughout 2014 and is on track to remain in 2015. This represents a \$115/month cut from the amount transit/vanpooling was allowed in 2013. MTC staff will continue to advocate that Congress address this issue during the lame duck session as part of a broader tax extenders bill.

<b>Issue</b>	<b>Goal</b>	<b>Outcome</b>
5. Regional Air Travel	In partnership with the region's three major airports, work to improve efficiency and balance domestic flights between San Francisco, San Jose and Oakland and Support the NorCal OAPM Plan	Æ No action was taken on this issue in 2014.