



**October 23, 2023**

**To:** Members of the Board of Directors  
**From:** Darrell E. Johnson, Chief Executive Officer  
**Subject:** State Transit Assistance Fund Claims for Fiscal Year 2023-24

### **Overview**

The Orange County Transit District is eligible to receive funding from the State Transit Assistance Fund for providing public transportation services throughout Orange County. To receive these funds, the Orange County Transit District, as the public transit and community transit services operator, must file claims with the Orange County Transportation Authority, the transportation planning agency for Orange County.

### **Recommendation**

Adopt Resolution No. 2023-056 to authorize the filing of State Transit Assistance Fund claims, in the amount of \$52,744,419, or up to the actual allocation published by the State Controller's Office, to support public transportation.

### **Background**

The Transportation Development Act (TDA) of 1971 established a funding source dedicated to transportation projects. The funding source consists of two parts: the Local Transportation Fund, which is derived from a quarter cent of the general sales tax collected statewide, and the State Transit Assistance Fund (STAF), which is generated from the statewide sales tax on diesel.

STAF revenues are distributed by the State Controller's Office (SCO) on a quarterly basis based on the amount of the appropriation approved in the state budget. Estimates are typically provided in January, with revised estimates provided in August of each year. In Orange County, the STAF funds are administered by the Orange County Auditor-Controller.

***Discussion***

The Orange County Transit District (OCTD) is required to file a claim with the Orange County Transportation Authority (OCTA) to receive its STAF allocation for providing public transportation services. OCTD must meet required findings as per California Code of Regulations 6754 to be eligible for STAF funding. Due to the impacts of the pandemic to transit operators, AB 90 (Chapter 17, Statutes of 2019) amended the TDA, providing transit operators temporary exemption from meeting efficiency standards for fiscal year (FY) 2020-21 and FY 2021-22. AB 149 (Chapter 81, Statutes of 2021) extended the exemption of meeting the STA efficiency standard through FY 2022-23. SB 125 (Chapter 54, Statutes of 2023) extended this exemption through FY 2025-26.

In August 2023, the SCO estimated that OCTA would receive \$52,744,419 of STAF for FY 2023-24. OCTD will utilize the entire STAF revenues of \$52,744,419 to fund ongoing capital requirements. These amounts may change based on actuals reported by the SCO.

***Summary***

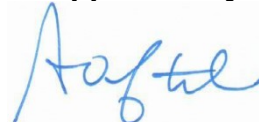
The STAF provides funding to the OCTD for public transit services. To receive these funds, the OCTD must file the appropriate STAF claims with OCTA. Staff recommends the Board of Directors adopt Resolution No. 2023-056 to file these claims.

***Attachment***

- A. Resolution 2023-056 of the Orange County Transit District, Authorizing the Filing of State Transit Assistance Fund Claims

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