



AGENDA

Legislative and Communications Committee Meeting

Committee Members

Shawn Nelson, Chairman
Al Murray, Vice Chairman
Lisa A. Bartlett
Laurie Davies
Barbara Delgleize
Michael Hennessey
Tim Shaw
Gregory T. Winterbottom

Orange County Transportation Authority
Headquarters
550 South Main Street
Board Room – Conf. Room 07
Orange, California

Thursday, November 16, 2017 at 9:00 a.m.

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

Agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Committee may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

All documents relative to the items referenced in this agenda are available for public inspection at www.octa.net or through the Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.

Call to Order

Pledge of Allegiance

Director Davies

1. Public Comments

Special Calendar

2. Conference Call with State Legislative Advocate Moira Topp Moira Topp/Lance M. Larson

An update of legislative items in Sacramento will be provided.



Consent Calendar (Item 3)

All items on the Consent Calendar are to be approved in one motion unless a Committee Member or a member of the public requests separate action or discussion on a specific item.

3. Approval of Minutes

Approval of the minutes of the Legislative and Communications Committee meeting of September 21, 2017.

Regular Calendar

4. Orange County Transportation Authority 2017-18 State and Federal Legislative Platforms

Dustin Sifford/Lance M. Larson

Overview

The final drafts of the revised 2017-18 Orange County Transportation Authority State and Federal Legislative Platforms are submitted for consideration and adoption by the Orange County Transportation Authority Board of Directors.

Recommendations

- A. Adopt the revised 2017-18 State and Federal Legislative Platforms.
- B. Direct staff to distribute the adopted platforms to elected officials, advisory committees, local governments, affected agencies, the business community, and other interested parties.

5. Status Report of State Legislation Enacted in 2017

Jaymal Patel/Lance M. Larson

Overview

At the conclusion of the 2017 legislative session, 859 bills were signed and chaptered by Governor Jerry Brown, while 118 bills were vetoed. A report containing an analysis of legislation relevant to the Orange County Transportation Authority is provided.

Recommendation

Receive and file as an information item.



6. Performance Evaluation of Sacramento Legislative Advocate, Platinum Advisors, LLC

Kristin Essner/Lance M. Larson

Overview

The firm Platinum Advisors, LLC provides state legislative advocacy services for the Orange County Transportation Authority in Sacramento. A staff evaluation of the services provided this session is presented to the Board of Directors for consideration and further comment.

Recommendation

Receive and file the staff evaluation as an information item and provide any additional comments.

Discussion Items

7. Federal Tax Reform Proposals

Dustin Sifford/Lance M. Larson

The United States Congress is preparing to consider federal tax reform legislation through the budget reconciliation process. The United States House of Representatives and the United States Senate are each preparing and discussing separate proposals that could be presented for final consideration in the coming weeks. Staff will discuss developments pertaining to the tax reform efforts and how these proposals might affect the Orange County Transportation Authority.

8. Chief Executive Officer's Report

9. Committee Members' Reports

10. Closed Session

There are no Closed Session items scheduled.

11. Adjournment

The next regularly scheduled meeting of this Committee will be held at **9:00 a.m. on Thursday, December 21, 2017**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.



Committee Members Present

Shawn Nelson, Chairman
Al Murray, Vice Chairman
Laurie Davies
Barbara Delgleize
Tim Shaw
Gregory T. Winterbottom

Staff Present

Ken Phipps, Deputy Chief Executive Officer
Laurena Weinert, Clerk of the Board,
Sara Meisenheimer, Deputy Clerk of the Board
James Donich, General Counsel
OCTA Staff and members of the General Public

Committee Members Absent

Lisa A. Bartlett
Michael Hennessey

Call to Order

The September 21, 2017 regular meeting of the Legislative and Communications Committee was called to order by Committee Chairman Nelson at 9:17 a.m.

Pledge of Allegiance

Committee Vice Chairman Murray led in the Pledge of Allegiance.

1. Public Comments

No public comments were received.

Special Calendar

2. Sacramento Advocate Presentation

Lance Larson, Executive Director of Government Relations, introduced Sacramento Advocate, Moira Topp, who provided an update on this year's State Legislature as follows:

- Statistics:
 - In the Senate Assembly, 2,590 bills were introduced this year and only 1,484 of them made it to the Governor's desk.
 - Of the bills that the Legislative leaders passed; only 12 of 2,590 were refused passage.
- Themes:
 - Infrastructure,
 - Climate change, and
 - Response to Washington D.C.



2. (Continued)

- Transportation Funding:
 - Senate Bill (SB) 1.
 - The bills that the Orange County Transportation Authority (OCTA) took a position on had an overall successful rate.
 - The governance bill related to Los Angeles Metropolitan Transportation Authority Board did not pass.
 - The San Diego Association of Governments (SANDAG) governance bill passed, which changed the voting threshold and the Board voting weight.
 - A suggestion was made to have General Counsel review ways in which OCTA Board of Directors (Board) can be protected from SANDAG's Board weighting impact.
- The National Environmental Policy Act delegation passed.
- Cap-and-trade Expenditures.
- Assembly Bill (AB) 1069 will allow the Orange County Taxi Administration Program to continue to exist.
- The Assembly Republican Leader was replaced.
- The recall effort to replace Senator Newman is still in place.
- Senator De Leon will be termed out and next year, there will be a new Democratic leader in the Senate.
- Next year will be Jerry Brown's last year as Governor.
- Reviewing toll issues from a number of different perspectives, in regards to privacy issues and toll violations.

A discussion ensued about the Governor making the water tunnels a high priority. Committee Chairman Nelson stated that working with the author is a lot more productive than trying to change the trajectory when 12 bills failed.

Consent Calendar (Item 3)

3. Approval of Minutes

A motion was made by Committee Vice Chairman Murray, seconded by Director Shaw, and declared passed by those present, to approve the minutes of the July 20, 2017 meeting.

Regular Calendar

4. State Legislative Status Report

Kristin Essner, Manager of State and Federal Relations, stated that Ms. Topp covered a majority of the report and added that AB Bill 28 and AB 1113, which OCTA supported, were signed into law by the Governor.

Following the discussion, no action was taken on this receive and file information item.

5. Federal Legislative Status Report

Kristin Essner, Manager of State and Federal Relations, reported on the following:

- Federal Fiscal Year 2018 Appropriations Process update.
- Both the fiscal year 2018 Transportation Housing and Urban Development appropriation bills seek to maintain the Fixing America's Surface Transportation Act authorized funding levels for the majority of the transportation funding programs.
- Differences lie between the Capital Investment Grant (CIG) programs and the Transportation Investment Generating Economic Recovery (TIGER) program.
- The CIG program funding is larger than what the President initially requested and includes funding for the New Starts program, which is a major funding source for the OC Streetcar project.
- The Senate included the maximum amount of funding and reporting language that continues to direct the Secretary of Transportation to sign future full funding grant agreements.
- The House includes some new full funding grant agreements. However, a lot of the new funding is specifically directed towards one project in the Northeast Corridor.
- The positions the House and Senate take on the TIGER funding.
- The CIG programs benefits most agencies state-wide verses the TIGER program.
- The Federal report covers an executive order that seeks to streamline the environmental process.
- A reference to Attachment B that outlines similarities and differences.
- Staff has received notice that the Council on Environmental Quality has started implementing some of the executive order and released recommendations on how to streamline the environmental process.



5. (Continued)

- OCTA staff would travel to Washington D.C. in November/December timeframe based on the congressional schedule.
- A comprehensive tax reform measure may be handled for zero emission vehicles (vehicles that do not pay into the Federal Highway Trust Fund).
- A letter of support was sent in July to find a solution to the Federal Highway Trust Fund issue and to explore other ways of funding.

Following the discussion, no action was taken on this receive and file informational item.

6. Draft Revisions to Orange County Transportation Authority's 2017-18 State and Federal Legislative Platforms

A public comment was heard from Barbie Daly, Director of Government and Legislative Affairs, Transportation Corridor Agencies (TCA), who commented on the following:

- Background on the TCA.
- TCA's collaboration with the California Department of Transportation (Caltrans) and OCTA, and the shared mission to provide increased mobility options to Orange County.
- Concerns that the staff report was modified to remove language supportive of TCA's mission to find mobility solutions to south Orange County, to complete the toll road network, and did not recognize the current collaborative efforts between OCTA and Caltrans, which resulted in 20 mobility solution ideas put forth by the public.
- The leadership of TCA asks for OCTA's continued support to TCA's mission, to maintain the existing language in OCTA's State and Federal Legislative Platforms, and to find solutions that will provide traffic relief and transportation options for south Orange County.

Dustin Sifford, Senior Government Relation Representative, reported on the following:

- This is the first draft and the 2017-18 draft revisions will return to the Legislative and Communications Committee and full Board in November for final consideration.
- In the State Legislative Platform, the biggest change was to the annual "Transportation Funding" section to reflect passage of SB 1, and language was updated to make it applicable to what will happen in 2018.

6. (Continued)

- In Section IV and V, content was added to include OCTA's work on the Interstate 405, completion of the 91 Express lanes extension, and streamlining toll language.
- Two sections in the State Legislative Platform were edited in order to be consistent with the Federal Legislative Platform.
- In the Federal Legislative Platform, the biggest change is in Section III. "Economic Impact Legislative and Regulations" includes a new paragraph on OCTA's goals for federal funding and protecting the existing funding.
- A section on the Highway Trust Fund's (HTF) structural deficit was included, in which OCTA sent a letter in support of a long-term fix for the HTF structural revenue deficit in tax reform legislation.
- Staff recommends removing the language about TCA's efforts to expand its existing network because the language is outdated. Staff is prepared to bring back legislation once TCA has significant information on those projects.

Lance Larson, Executive Director of External Affairs, referenced the first paragraph of the staff report and noted that this is a mid-session refresh, and due to a settlement agreement with the toll road authorities, language was amended and included to reflect OCTA's platform.

A discussion ensued regarding:

- The Legislative platform is a guide for the legislative process.
- Page one of Attachment B of the Staff Report allows OCTA to collaborate with regional entities.
- Concerns about removing language in Attachment A, section five, of the Staff Report.
- The lack of legislative activity pertaining to any potential TCA projects and the need to finalize project alternatives through a public selection process.
- This document is about legislative items and not projects.
- OCTA confirmed that no documentation was received from the TCA regarding this item.

Committee Chairman Nelson requested refined language addressing, "the impact of low and zero emission vehicles on Highway Trust Fund revenues."

6. (Continued)

A motion was made by Committee Vice Chairman Murray, seconded by Committee Chairman Nelson, and declared passed by those present, to authorize staff to integrate the recommended revisions to the Orange County Transportation Authority's 2017-18 State and Federal Legislative Platforms and seek further feedback from the Board of Directors, internal staff, and advisory groups, with subsequent drafts to be brought forward in November for final consideration and adoption.

7. Consideration of Measure M Identity Enhancements

Ken Phipps, Deputy Chief Executive Officer (DCEO), provided opening comments and introduced Ryan Armstrong, Section Manager of Digital Marketing and Creative Services. Mr. Armstrong stated that this item was presented at the July 20, 2017 Legislative and Communications Committee meeting.

Mr. Armstrong referred to slides 11, 12, and 13 of the PowerPoint presentation and explained the changes of the OC Go design.

A motion was made by Director Davies, seconded by Director Winterbottom, and declared passed by those present, to approve renaming Measure M and incorporate the OC Go logo into updated signage and communications materials.

Discussion Items

8. Chief Executive Officer's Report

Ken Phipps, DCEO, reported on the following:

- Darrell Johnson, Chief Executive Officer, is in New York meeting with various rating agencies.
- Yesterday, OCTA hosted a planning workshop with elected officials to discuss the 2018 Long-Range Transportation Plan. There were approximately 30 attendees. Mr. Phipps expressed thanks to Directors Davies, Delgleize, Donchak, and Murray for attending the workshop.
- On Friday, September 29th, the Mobility 21 Annual Southern California Transportation Summit takes place at the Disneyland Hotel. For those Members who have not signed up and would like to attend, please contact the CEO's office.

9. Committee Members' Reports

There were no Committee Members' Reports.



10. Closed Session

There were no Closed Session items scheduled.

11. Adjournment

The meeting adjourned at 10:15 a.m.

The next regularly scheduled meeting of this Committee will be held at **9:00 a.m. on Thursday, October 19, 2017**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.

ATTEST

Shawn Nelson
Committee Chairman

Sahara Meisenheimer
Deputy Clerk of the Board



November 16, 2017

To: Legislative and Communications Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Orange County Transportation Authority 2017-18 State and Federal Legislative Platforms

Overview

The final drafts of the revised 2017-18 Orange County Transportation Authority State and Federal Legislative Platforms are submitted for consideration and adoption by the Orange County Transportation Authority Board of Directors.

Recommendations

- A. Adopt the revised 2017-18 State and Federal Legislative Platforms.
- B. Direct staff to distribute the adopted platforms to elected officials, advisory committees, local governments, affected agencies, the business community, and other interested parties.

Background

The annual Orange County Transportation Authority (OCTA) State and Federal Legislative Platforms (Platforms) are developed as a resource for the OCTA Board of Directors (Board), Orange County state and federal legislative delegation members, and OCTA staff. They serve as guides to communicate OCTA's legislative and regulatory priorities to both the state and federal government. Official OCTA legislative positions not directly addressed by the Platforms will be brought to the Board for separate action during the legislative sessions of the United States Congress and the California State Legislature.

The first drafts of the 2017-18 Platforms were reviewed and approved for further circulation by the Legislative and Communications Committee (Committee) on September 21, 2017, and by the Board at its September 25, 2017, meeting. Since these initial reviews, and after receiving additional feedback, the Platforms have been refined further and are included as strikeout versions in Attachments A and B.

The edits described in this staff report represent changes necessitated midway through the two-year legislative session to address issues that have arisen since the initial adoption of the Platforms. Next year, when a new two-year legislative session begins, the development of the 2019-20 OCTA Platforms will include a widespread expanded input solicitation process with outreach to interested groups and individuals, thus allowing for a more comprehensive update.

Sponsor Legislation

Under the direction of the Board, staff has engaged in numerous meetings with private and public stakeholders on OCTA's immediate and long-term challenges regarding the tax structure for the Local Transportation Fund (LTF). Before the end of the calendar year, the California State Auditor is expected to be finalizing and releasing an audit of information related to the California Board of Equalization's assessment and distribution of the LTF sales and use tax. These findings may lead to a legislative or regulatory strategy to bring long-term stability to Orange County's LTF. No sponsor bill is currently proposed for the 2017-18 legislative session at this time, but as developments in this effort arise, staff will update the Committee and the Board on the need for direction on this matter.

2017-18 OCTA State Legislative Platform

The final proposed revisions to the 2017-18 OCTA State Legislative Platform are summarized below and detailed as a strikeout version in Attachment A.

- The section entitled "Implementation of Environmental Regulations and Cap-and-Trade" was updated to reflect cap-and-trade legislation enacted last year, including AB 398 (Chapter 135, Statutes of 2017), which extended the program until 2031, and AB 134 (Chapter 254, Statutes of 2017), the 2017-18 expenditure plan.
- The language supporting the development of alternative definitions for "disadvantaged communities" was moved from Subsection (e) of the section entitled "Implementation of Environmental Regulations and Cap-and-Trade" to Subsection (i) of the section entitled "Transportation Funding." This definition has resulted in areas being passed over for cap-and-trade funds despite air quality challenges. The funding distortions are exacerbated by the definition's use in SB 1 (Chapter 5, Statutes of 2017) implementation. Moving the platform language allows OCTA to engage more broadly in efforts to ensure that funding flows to each region's most impacted communities. This section was also

amended to include the development of alternative definitions for “low-income” communities within the scope of these efforts.

2017-18 Federal Legislative Platform

The final proposed revisions to the 2017-18 OCTA Federal Legislative Platform are summarized below and detailed as a strikeout version in Attachment B.

- Section II, entitled “Advocacy Efforts for Implementation of Existing and Planned Federal Highway and Transit or Rail Programs,” was updated to reflect regulatory changes to the Congestion Mitigation Air Quality program.
- Subsection (f) of Section III, entitled “Economic Impact Legislation and Regulations,” was updated to specifically address the effect of low- and zero-emission vehicles on transportation funding.

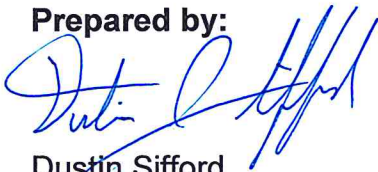
Summary

The 2017-18 OCTA State and Federal Legislative Platforms are presented for consideration and adoption.

Attachments

- A. Draft Orange County Transportation Authority 2017-18 State Legislative Platform (strikeout version)
- B. Draft Orange County Transportation Authority 2017-18 Federal Legislative Platform (strikeout version)

Prepared by:



Dustin Sifford
Senior Government Relations Representative,
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(714) 560-5389

Approved by:



Lance M. Larson
Executive Director,
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Draft Orange County Transportation Authority 2017-18 State Legislative Platform

The 2017-18 State Legislative Platform (Platform) serves as a framework document to guide the Orange County Transportation Authority's (OCTA) state legislative, regulatory, and administrative activities in the coming legislative session. The Key Transportation Policy Issues section briefly describes the issues that are anticipated to be the major focus of the upcoming legislative session and offers guiding policy direction for those issues. The later sections present guiding policy statements for other major issue areas that may arise during the session.

Although this document generally serves to guide legislative activities and recommendations, positions on individual items not directly addressed by the Platform will be brought to the Board of Directors (Board) for formal action.

Key Transportation Policy Issues in 2017-18

A number of significant transportation issues are expected to be discussed in the 2017-18 legislative session. A few of these key issues are highlighted in this section including: Transportation Funding, and the Implementation of Environmental Regulations and Cap-and-Trade.

In order to better understand how resources are anticipated to be allocated during the 2017-18 legislative session, each issue in the Key Transportation Issues section is designated with a "Lobbying Action Level." The level is derived from the expected impact the issue could have on OCTA, the context in which the issue is moving forward, and the amount of resources that are expected to be devoted to the issue in pursuit of the objective.

A Lobbying Action Level - High designation means that all resources and actions necessary will be devoted to this particular issue not only due to the direct, significant, or long-term impacts that the outcome poses to OCTA, but also the priority items of the OCTA Board. A strategically targeted, comprehensive array of actions will be taken in addition to those used for other Lobbying Action Levels.

A Lobbying Action Level - Medium designation means that a full range of resources will be explored for the particular issue depending on the current status. Such actions could include formal correspondence and personal involvement of staff or Board members through the legislative process.

A Lobbying Action Level - Low designation means that a smaller amount of resources will be devoted to the issue due to the low level of activity anticipated for that particular item. These issues will be monitored for potential amendments which could increase the issue's significance and warrant a higher level of activity.

Transportation Funding

On April 28, 2017, Governor Brown signed SB 1 (Chapter 5, Statutes of 2017), also known as the Road Repair and Accountability Act of 2017. This legislation marks a significant investment in the state's transportation system, primarily targeted towards fix-it-first projects. Among its provisions, SB 1 will nearly double funding for transit and local streets and roads in Orange County. Many of the changes laid out in SB 1 are subject to guidance and regulations that will be issued in the coming months, and it is quite possible that additional legislation will be considered to finalize the implementation of SB 1. There are also ongoing efforts to repeal SB 1 because of its increase to the state gas tax. It is anticipated that these developments will require OCTA's close attention in the upcoming session. As such, OCTA will:

a)	Support efforts to maximize OCTA's share of transportation and transit funding, especially through distribution formulas, and ensure that designated funding is spent on transportation projects and not diverted for other purposes or uses.	<i>Lobbying Action Level High</i>
b)	Advocate for a continued strong state role in providing funding for transit operations rather than shifting responsibility to local transportation entities. No additional requirements should be created for operation levels beyond existing capacity, unless agreed to by that entity or otherwise appropriately funded.	<i>Lobbying Action Level High</i>
c)	Oppose efforts to divert or reclassify transportation revenue sources, including General Fund and debt service purposes.	<i>Lobbying Action Level High</i>
d)	Oppose efforts to link or reprioritize local and state transportation funding to support the state's greenhouse gas reduction initiatives.	<i>Lobbying Action Level High</i>
e)	Support legislation to implement the provisions of the federal reauthorization, Fixing America's Surface Transportation Act, in an equitable manner that promotes traditional funding levels, programming roles, and local discretion in allocation decisions.	<i>Lobbying Action Level High</i>
f)	Support the development of greater efficiencies within the existing eligibility standards of the Transportation Development Act, eliminating any unnecessary, overly burdensome and/or duplicative mandates.	<i>Lobbying Action Level High</i>
g)	Support legislation protecting or expanding local decision-making in programming expenditures of transportation funds.	<i>Lobbying Action Level High</i>

h)	Support the retention of existing and future local revenue sources.	Lobbying Action Level High
i)	<i>Support efforts to develop alternative definitions of “disadvantaged” and “low-income” communities to ensure that transportation funding flows to each region’s most impacted areas</i>	Lobbying Action Level High
j)	Support maintaining the current State Transportation Improvement Program (STIP) formula, which provides 75 percent of the STIP funding to the locally nominated Regional Transportation Improvement Program (RTIP) and 25 percent to the Interregional Transportation Improvement Program (ITIP) Program.	Lobbying Action Level Medium
k)	Support efforts to provide secure transit funding for capital and operating expenses.	Lobbying Action Level Medium
l)	Flexibility should be included in any state transit funding source, allowing transit operators to use the funding for both operations and capital expenditures.	Lobbying Action Level Medium
m)	Monitor the study and development of alternative transportation funding proposals, including the state’s road charge pilot program. Ensure that efforts are made to address concerns related to equitability, privacy, and public support of such proposals.	Lobbying Action Level Medium

Implementation of Environmental Regulations and Cap-and-Trade

In 2016, the state expanded upon its greenhouse reduction initiatives initially codified in AB 32 (Chapter 488, Statutes of 2006) with the passage of SB 32 (Chapter 249, Statutes of 2016) and AB 197 (Chapter 250, Statutes of 2016), which set a new statewide emissions *target of reduction requirements to reduce greenhouse gas emissions to 40 percent below 1990 levels by the year 2030. To meet this mandate, it is expected that* In 2017, the state will continue to build upon these numerous state-led mitigation *continued its commitment to these strategies that were developed under AB 32, including the increased fuel efficiency standards for vehicles, establishing new regional emission reduction targets, and the development and advancement of greenhouse gas reduction projects and programs. with the passage of AB 398 (Chapter 135, Statutes of 2017), extending the market-based cap-and-trade system until January 1, 2031. The passage of AB 398 ensures* The funding for these efforts would still need to be identified. Questions currently exist about the long-term stability of the cap-and-trade system.

With recent cap-and-trade credit auctions failing to meet market estimates, and ongoing litigation surrounding the cap-and-trade system as a whole, it remains unclear how the state will provide the necessary incentives to the public and private sectors in support of meeting the state’s new emissions requirements.

The state also enacted AB 134 (Chapter 254, Statutes of 2017), an expenditure plan to appropriate cap-and-trade funding for the 2017-18 fiscal year. While this funding can benefit transportation projects, concerns remain about the Furthermore, existing requirements mandating that cap-and-trade investments be prioritized in areas defined as disadvantaged, which has resulted in certain areas of the state being passed over for investment despite their air quality challenges. It is expected in the coming session that these issues will continue to be debated as the state pursues its greenhouse gas reduction goals.

Therefore, in order to ensure that the state's environmental regulations and cap-and-trade program are implemented in an equitable manner which will both help to reduce emissions and encourage the development of necessary infrastructure and services to meet the needs of California's growing population, in 2017-18 OCTA will:

a)	Support efforts to ensure local flexibility in meeting the goals of the state's greenhouse gas reduction initiatives, including the creation of incentive based measures and grant programs to assist with compliance.	Lobbying Action Level High
b)	Support the eligibility of the transportation sector and inclusion of county transportation commissions as eligible recipients of any funding mechanism created for implementation of the state's greenhouse gas reduction initiatives, including the cap-and-trade program.	Lobbying Action Level High
c)	Support efforts to ensure the availability of proven technology and adequate funding prior to the implementation of zero emission bus regulations.	Lobbying Action Level High
d)	Support the prioritization of transportation projects and programs that achieve greenhouse gas emissions reductions for cap-and-trade funding.	Lobbying Action Level High
e)	Support efforts to develop alternative definitions of "disadvantaged communities" under the state's environmental initiatives to ensure each region can direct funding to its most impacted areas.	Lobbying Action Level Medium
e f)	Oppose efforts to create regulations or strengthen existing standards that are not currently economically practicable or technologically feasible.	Lobbying Action Level Medium
f g)	Support legislation to streamline the environmental review and permitting processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections.	Lobbying Action Level Medium

<i>g h)</i>	Support the creation of formula-based funding programs under the cap-and-trade program to assist with compliance of any adopted regulations.	<i>Lobbying Action Level Low</i>
<i>h i)</i>	Support efforts to establish an alternative electricity rate structure for transit agencies to mitigate costs associated with the operation of zero-emission transit buses.	<i>Lobbying Action Level Low</i>

I. STATE BUDGET

As the Legislature continues to move forward in developing solutions to close the state's structural deficit, OCTA continues to monitor the status of transportation funding in California, promoting the continued stability of existing programs and efforts to address future funding deficiencies to meet transportation infrastructure needs. As a proven method to help rebuild the economy through investments in vital transportation infrastructure projects and critical transit services, OCTA will also work to promote methods of expediting such projects to allow for such stimulus.

Key actions by OCTA will include:

- a) Oppose unfunded mandates for transportation agencies, transit providers, and local governments in providing transportation improvements and services;
- b) Oppose cost shifts or changes in responsibility for projects funded by the state to the local transportation entities;
- c) Support legislation to treat the property tax of single-county transit districts the same as multi-county districts and correct other Educational Revenue Augmentation Fund inequities between like agencies;
- d) Support the constitutional protection of all transportation funding resources;
- e) Seek additional funding for paratransit operations and transit accessibility capital improvements that support persons with disabilities and senior citizens;
- f) Support removing the barriers for funding transportation projects, including allowing local agencies to advance projects with local funds when state funds are unavailable due to budgetary reasons, and allowing regions to pool federal, state, and local funds in order to limit lengthy amendment processes and streamline project delivery time.

II. STATE/LOCAL FISCAL REFORMS AND ISSUES

In recent years, the Legislature and Governor have worked collaboratively during the budget process to pass funding bills in a timely manner, providing some degree of

certainty to the state-funded programs that OCTA relies upon. Unfortunately, uncertainties over future changes remain due to a continued structural deficit and the potential for an economic downturn.

Therefore, OCTA will:

- a) Oppose efforts to reduce local prerogative over regional program funds;
- b) Oppose levying new and/or increase in gasoline taxes or user fees, including revenue increases on fuel consumption categorized as charges, fees, revenue enhancements, or similar classifications. Consideration of such efforts shall occur when a direct nexus is determined to exist between revenues and transportation projects, and additional revenues are to be controlled by the county transportation commission;
- c) Oppose efforts to decrease the voter threshold requirement for local tax measures for transportation purposes and/or mandating specific uses of future local sales tax revenues;
- d) Oppose efforts to increase administrative fees charged by the Board of Equalization on the collection of local sales tax measures;
- e) Support efforts to ease or simplify local matching requirements for state and federal grants and programs;
- f) Support legislation to protect the flexibility of the federal aid highway funds by requiring state compliance with federal highway safety requirements;
- g) Support flexibility for obligating regional federal transportation funds through interim exchange instead of loss of the funds by the local agency;
- h) Support efforts that ensure that all users of the state's transportation system pay their "fair share" to maintain and improve the system.
- i) Support efforts to restore equity with regards to the generation and disbursement of sales tax revenues that support the Local Transportation Fund.

III. STATE TRANSPORTATION IMPROVEMENT PROGRAM STREAMLINING

The STIP, substantially amended by SB 45 (Chapter 622, Statutes of 1997), is a programming document that establishes the funding priorities and project commitments for transportation capital improvements in California. SB 45 placed decision-making authority closest to the problem by providing project selection for 75 percent of the funding in the RTIP. This funding is distributed to counties based on an allocation formula. The remaining 25 percent of the funds is programmed by the California Department of Transportation (Caltrans) in the ITIP. SB 1 is expected to promote increased stability for

future STIP fund estimates. OCTA will seek to ensure that the regional focus of the program is preserved.

Key provisions to be sought by OCTA include:

- a) Support legislation that maintains equitable allocations of transportation funding, such as the north/south formula distribution of county shares and ITIP allocations;
- b) Support legislation to clarify that programming of current period county shares has priority over advancement of future county shares;
- c) Support a formula-based guaranteed disbursement of the ITIP;
- d) Support legislation to involve county transportation commissions in the development and prioritization of State Highway Operation and Protection Program projects;
- e) Support efforts to allow a mode neutral STIP;
- f) Support increased flexibility for the use of STIP funds to support alternative projects, including, but not limited to, transit and goods movement improvement projects.

IV. TRANSIT PROGRAMS

In 2017-18, OCTA will continue with its focus on providing safe, reliable, and efficient transit services in Orange County. While state transit funding has recently become more stable, future demand increases due to environmental regulations and increased fuel prices may put further strain on existing resources. Thus, OCTA will make every effort to minimize additional state obligations to transit operations which lack a sufficient and secure revenue source.

To that end, OCTA will focus on the following:

- a) Support legislation to encourage and incentivize the interoperability of transit and rail systems within California;
- b) Support legislation to limit the liability of transit districts for the location of bus stops (Bonanno v. Central Contra Costa Transit Authority);
- c) Support the citing of transit-oriented development projects (i.e. authorize extra credit towards housing element requirements for these developments), including incentives for development;
- d) Support program reforms to realign administrative rules, farebox recovery requirements, and various exclusions under the State Transit Assistance Program;

- e) Support legislation and or/regulations which aim to enhance transit services, and the overall safety and security of transit riders, coach operators, and on-road vehicles;
- f) Support efforts that would assist transit agencies in establishing and implementing an administrative penalty process to address infractions on public transit systems.

V. ROADS AND HIGHWAYS

OCTA's commitment to continuously improve mobility in Orange County is reflected through a dynamic involvement in such innovative highway endeavors as the ownership of the 91 Express Lanes and the use of design-build authority on the State Route 22 project and Interstate 405 Improvement Project. OCTA will continue to seek new and innovative ways to deliver road and highway projects to the residents of Orange County and, to that end, in 2017-18, OCTA will focus on the following:

- a) Oppose efforts to create a conservancy that would inhibit the delivery of transportation projects under study or being implemented in the region;
- b) Support efforts to expand, extend, and preserve new and existing alternative project delivery methods such as design-build, public-private partnership authority, and construction manager/general contractor authority, including expanding mode and funding eligibility, while allowing the appropriate balance of partnership between the state and local agencies;
- c) Support legislation that would authorize local agencies to advertise, award, and administer contracts for state highway projects;
- d) Oppose duplicative reporting mandates and efforts to impose additional requirements, beyond what is required in statute, on lead agencies awarding contracts using alternative project delivery mechanisms;
- e) Support streamlining of the Caltrans review process for projects, simplification of processes, and reduction of red tape, without compromising environmental safeguards;
- f) Oppose efforts to unnecessarily subject projects to additional reviews and project selection approvals that could adversely affect delivery timelines and processes;
- g) Support administrative policy changes to lower the oversight fee charged by Caltrans to ensure that project support costs are equivalent whether the project is administered by Caltrans or a local agency;

- h) Support studying the policies, funding options, and need for rail/highway grade separations, including any impact on existing state highway and transit funding sources;
- i) Work with Caltrans to ensure design specifications for bridges are free from defect;
- j) Seek cooperation from the state, the county, cities, and other local jurisdictions to implement street signal coordination, prioritization, preemption, and use of intelligent transportation system measures;
- k) Work with Caltrans to further improve street signal coordination by permitting the coordination of on and off-ramp signals with local street signal synchronization efforts;
- l) Continue to work with Caltrans and regional agencies on expanding utilization of continuous access of high-occupancy vehicle (HOV) lanes;
- m) Monitor efforts to increase fines for HOV lane violations and, if implemented, ensure fines are dedicated to enforcement purposes;
- o) Support efforts to improve local oversight and create operational improvements in the administration of the Orange County Taxi Administration Program;
- p) Support legislation that provides for equitable enforcement of regulations governing transportation network companies;
- q) Support efforts to study the development and safe operation of autonomous vehicles and related technologies.
- r) Support efforts to increase the flexibility for the use of funds for motorist service programs such as the Service Authority for Freeway Emergencies program and for funds previously acquired through the Service Authority for Abandoned Vehicles program;
- s) Oppose legislation that fails to preserve local discretion and flexibility in the development of the congestion management program;

VI. 91 EXPRESS LANES/MANAGED LANES

OCTA's commitment to continuously improve mobility in Orange County is reflected through a dynamic involvement in such innovative highway endeavors as the ownership of the 91 Express Lanes, a ten-mile managed lane facility on State Route 91, extending from State Route 55 to the Orange/Riverside County line. Since its purchase in 2003, the 91 Express Lanes has provided drivers an alternative mobility option between Orange

and Riverside counties, while also allowing for investment in multi-modal improvements throughout the State Route 91 corridor.

As transportation demands continue to increase, innovative tools must be available to ensure transportation infrastructure projects continue to be built in a reliable, prompt, and efficient manner. OCTA took advantage of one such tool by securing a \$629 million federal loan to supplement state and local funds on the Interstate 405 Improvement Project. The loan, obtained through the Transportation Infrastructure Finance and Innovation Act (TIFIA), will save taxpayers approximately \$300 million in the decades to come. As the TIFIA loan illustrates, OCTA is committed to improving mobility for Orange County residents using the innovative tools and approaches that are allowing transportation agencies to stretch their dollars further than ever before.

Many agencies are discussing the increased use of managed lane facilities. To ensure not only the continued success of the 91 Express lanes, but also to ensure managed lane policy moving forward allows for local flexibility and input, in 2017-18, OCTA will:

- a) Support legislation to ensure revenues from managed lane facilities remain within the corridor from which they are generated, opposing efforts to divert revenues from managed lane facilities for state purposes;
- b) Work with the Riverside County Transportation Commission to efficiently operate and maintain the 91 Express Lanes into Riverside County;
- c) Support efforts to preserve local flexibility in the administration of toll lanes;
- d) Oppose state efforts to construct or operate managed lane facilities that are established without an adopted statewide managed lane strategy or plan;
- e) Oppose state efforts to construct or operate managed lane facilities that fail to respect existing local transportation projects and funding programs;
- f) Support customer privacy rights while maintaining OCTA's ability to effectively communicate with customers and operate the 91 Express Lanes;
- g) Support the use of innovative means to enhance toll agency enforcement efforts, including ways to address toll violations due to protected plates;
- h) Work with Caltrans on collaborative solutions to address the degradation of HOV lanes within the state, ensuring any solution respects local transportation funding sources and programs, is supported by the relevant regional transportation planning agency, and does not attempt to redirect existing local transportation funding sources. Any discussions associated with HOV degradation must include an analysis of the impacts from single-occupant low-emission vehicles, including associated federal requirements triggered by their access allowance.

VII. RAIL PROGRAMS

Metrolink is Southern California's commuter rail system that links residential communities to employment and activity centers. Orange County is served by three Metrolink lines: the Orange County, the Inland Empire-Orange County Line, and the 91/Perris Valley Line. In support of these routes, OCTA administers 48 route miles within Orange County. OCTA's rail capital budget supports improvements in Orange County and is funded through a combination of local, state, and federal funding sources. In May 2016, with the support of OCTA, its member agencies, and in partnership with the BNSF Railway, Metrolink became the first commuter railroad in the nation to receive Federal Railroad Administration authorization to commence Positive Train Control (PTC) provisional revenue service operations.

In addition to Metrolink services, Orange County is also served by the state-supported Pacific Surfliner intercity passenger rail service traveling between San Luis Obispo and San Diego. The Pacific Surfliner is operated by Amtrak and managed by the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency (LOSSAN Agency). OCTA has served as the managing agency for the LOSSAN Agency since 2013 and assumed full administrative and management responsibility for the Pacific Surfliner service in June 2015 following through on an interagency transfer agreement with the State of California. OCTA continues to serve in this capacity, providing all necessary administrative support to the LOSSAN Agency and its Board of Directors.

Other rail systems could also travel through Orange County at some point in the future, including additional intercity rail service. While the status and future of these programs is uncertain, OCTA will be watchful to ensure that funding for these rail systems does not impact other transportation funding sources.

Key advocacy efforts will emphasize the following:

- a) Support legislation that encourages commercial, commuter-based development around passenger rail corridors that includes permanent job creation;
- b) Support efforts to create additional efficiency in rail program oversight, including consideration of possible program consolidation;
- c) Monitor and evaluate plans and progress of high-speed rail and its funding;
- d) Work with regional passenger rail providers, including Metrolink and the LOSSAN Agency, on any proposed legislation to provide safety improvements on the rail network in Southern California, including PTC;
- e) Continue to work with local, regional, state, and federal entities, as well as with the private sector, to develop and implement needed infrastructure projects that support modernization, connectivity, and general system-wide improvements to California's rail network.

VIII. GOODS MOVEMENT

The Ports of Los Angeles and Long Beach, the nation's two busiest in terms of container volume and value, are vital to California's economy and the surrounding region because goods are shipped to and through the surrounding counties. Our state's goods movement-related industries account for more than \$700 billion in revenue and more than five million jobs. While the state's goods movement system is the most robust in the nation, it is continually challenged by competing goods movement systems in other states. In order to continue to compete and engage in the global market place, California must continue to enhance its goods movement system, while at the same time be cognizant of taking the necessary actions to mitigate any negative impacts to local communities.

Key Positions for 2017-18 include:

- a) Support improvements in major trade gateways in California to facilitate the movement of intrastate, interstate, and international trade beneficial to the state's economy;
- b) Support legislation that will aid in the development, approval, and construction of projects to expand goods movement capacity and reduce congestion;
- c) Ensure that control of goods movement infrastructure projects and funding retained at the local level;
- d) Seek mitigation for the impacts of goods movement on local communities;
- e) Pursue ongoing, stable sources of funding for goods movement infrastructure.

IX. ACTIVE TRANSPORTATION

Active transportation projects and programs, which encourage greater mobility through walking and biking, have grown in popularity due to the environmental, health, and cost savings benefits. Through local planning efforts such as Orange County's Regional Bikeways Planning Collaborative, the Pacific Coast Highway Corridor Study, and the development of OCTA's Commuter Bikeways Strategic Plan, OCTA continues to study, plan, and fund active transportation projects and programs as part of its mission to provide Orange County with an efficient and multi-modal transportation system.

Key positions include:

- a) Support legislation that increases the visibility and safety of users engaged in active transportation;

- b) Support creative use of paths, roads, and abandoned rail lines using existing established rights-of-way to promote bike trails and pedestrian paths;
- c) Support policies that encourage the safe interaction and operation of integrated multi-modal systems, including roadways, rail lines, bikeways, and pedestrian ways, and the users of those facilities;
- d) Support efforts to streamline active transportation funding programs;
- e) Support legislation and regulatory changes to streamline and simplify the review and approval by California Public Utilities Commission of lease agreements between sponsors of active transportation projects and public utility companies.

X. ADMINISTRATION/GENERAL

General administrative issues arise every session that could impact OCTA's ability to operate efficiently. Key positions include:

- a) Oppose legislation and regulations adversely affecting OCTA's ability to efficiently and effectively contract for goods and services, conduct business of the agency, and limit or transfer the risk of liability;
- b) Support legislation to provide greater protection of OCTA's computer and information security systems;
- c) Support legislation that establishes reasonable liability for non-economic damages in any action for personal injury, property damage, or wrongful death brought against a public entity based on principles of comparative fault;
- d) Support legislation that would provide for consistency of campaign contribution limits applied to both elected and appointed bodies;
- e) Monitor the effect of Brown Act legislation on OCTA Board operations as it relates to the use of new technologies for communication with the public.

XI. ENVIRONMENTAL POLICIES

Changes in environmental laws can affect OCTA's ability to plan, develop, and build transit, rail, and highway projects. While OCTA has been a leading advocate for new, cleaner transit technologies and the efficient use of transportation alternatives, it also remains alert to new, conflicting, or excessive environmental statute changes.

Key positions include:

- a) Oppose efforts to grant special interest groups or new bureaucracies control, oversight, or influence over the California Environmental Quality Act process;

- b) Oppose legislation that restricts road construction by superseding existing broad-based environmental review and mitigation processes;
- c) Support incentives for development, testing, and purchase of clean fuel commercial vehicles;
- d) Support efforts to seek funding and flexibility for the retrofit or re-powering of transit buses and locomotives with cleaner engines to attain air quality standards;
- e) Oppose legislation that would limit lead agency discretion in the management and oversight of lands set aside for environmental mitigation purposes, while encouraging policies that promote advance mitigation planning programs;
- f) Monitor the consideration of strategies and funding sources that may be included in the development, adoption, and implementation of the Air Quality Management Plan (AQMP). Work to ensure the minimization of cost, and any potential conflicts between AQMP implementation, and the adopted Regional Transportation Plan, and OCTA's projects or programs.

XII. EMPLOYMENT ISSUES

As a public agency and one of the largest employers in Orange County, OCTA balances its responsibility to the community and the taxpayers to provide safe, reliable, cost-effective service with its responsibility of being a reasonable, responsive employer.

Key advocacy positions include:

- a) Oppose efforts to impose state labor laws on currently exempt public agencies;
- b) Oppose legislation that circumvents the collective bargaining process;
- c) Oppose legislation and regulations adversely affecting OCTA's ability to efficiently and effectively deal with labor relations, employee rights, benefits including pension benefits, Family Medical Leave Act, and working conditions, including health, safety, and ergonomic standards for the workplace;
- d) Support legislation that reforms and resolves inconsistencies in the workers' compensation and unemployment insurance systems, and labor law requirements that maintain protection for employees and allow businesses to operate efficiently.

XIII. TRANSPORTATION SECURITY AND EMERGENCY PREPAREDNESS

As natural and man-made disasters continue to threaten transportation systems around the world, significant improvements have been, and continue to be, carried out to enhance the safety, security, and resilience of transportation infrastructure in the United States.

As Orange County's bus provider and a Metrolink partner, OCTA comprehends the importance of ensuring the safety and security of our transportation network and protecting our customers. Presently, OCTA maintains a partnership with the Orange County Sheriff's Department to provide OCTA Transit Police Services for the bus and train systems in Orange County and continues to be actively involved in a variety of state and regional preparedness exercises in support of first responders. OCTA is also currently working with its community partners on an effort to install video surveillance systems at Metrolink stations and on its fleet of buses and throughout its bus facilities. The development of a new Transit Security and Operations Center is also underway to enhance security efforts and further the resiliency of the Orange County transit system.

Heightened security awareness, an active public safety campaign, and greater surveillance efforts, all require additional financial resources. Consequently, in 2017-18, OCTA's advocacy position will highlight:

- a) Support state homeland security and emergency preparedness funding and grant programs to local transportation agencies to alleviate financial burden placed on local entities;
- b) Support legislation that balances retention mandates of video surveillance records to reflect current reasonable technological and fiscal capabilities;
- c) Support the use of new technology to increase the safety of public transportation passengers and operators.

Draft Orange County Transportation Authority 2017-18 Federal Legislative Platform

INTRODUCTION

With a population of over three million, Orange County is the third most populous county in California and the fifth most populous county in the nation. Orange County is also one of the most densely populated areas in the country and is second only to San Francisco for the most densely populated county in the State of California. National and global attractions include Disneyland, Knott's Berry Farm, and over 42 miles of coastline, making Orange County a worldwide vacation destination.

Among metro areas in the United States, Orange County is one of the top 20 producing economies in the nation and is home to one of the busiest transit systems in the nation. In addition, Orange County provides highway and rail corridors that facilitate an increasing level of international trade entering the Southern California ports. However, according to the latest annual survey of urban mobility by the Texas Transit Institute, the Los Angeles metropolitan area, including Long Beach and Orange County, also has the second most congestion of any metropolitan area in the nation, delaying drivers an average of more than 80 hours per year. In conducting all of its activities, Orange County Transportation Authority (OCTA) strives to the maximum extent possible to improve transportation performance, reduce congestion, and reduce emissions. With regard to federal revenues, Orange County is consistently a donor county within a donor state.

OCTA's Federal Legislative Platform outlines the statutory, regulatory, and administrative goals and objectives of the transportation authority. The following platform was adopted by the OCTA Board of Directors (Board) to provide direction to staff and federal legislative advocates for the 115th Congress.

PRINCIPLES AND OBJECTIVES

OCTA will use the following principles and objectives to guide implementation of the specific recommendations contained in this platform:

1. OCTA will seek to obtain a fair share of federal funding from all sources for transportation projects within the County, taking into account its size, population, congestion mitigation, and particular transportation needs;
2. OCTA will support the transportation legislative efforts and objectives of other Orange County entities, as appropriate, to further the implementation of this platform, provided that such efforts by others are consistent with OCTA Board-approved projects and policies; and do not place OCTA in direct competition these entities for discretionary funding;

3. In order to accomplish the goals of this platform, OCTA will work with other entities such as the Orange County Business Council, regional entities such as county transportation commissions and transit agencies, the Southern California Association of Governments, and Mobility 21;
4. OCTA will take an active role in the process of formulating legislation which will reauthorize future federal highway and transit programs, reaching out to the region, state, and appropriate congressional leaders, and working with them towards a long term and stable future reauthorization program which benefits Orange County.

I. Annual Transportation Funding

On December 4, 2015, President Obama signed the Fixing America's Surface Transportation (FAST) Act (Pub. L. No. 114-94). Like other recent multiyear surface transportation bills, the FAST Act does not require the appropriation of authorized Highway Trust Fund dollars. Therefore, the annual appropriations process will continue to play an important role in the OCTA federal legislative platform, and OCTA will continue to advocate for the largest possible amount and share of annual appropriations to ensure adequate resources for OCTA's operations.

Due to funding limitations ratified with bipartisan Congressional agreement, the FAST Act does not contain any funding specifically directed to individual projects, commonly referred to as "earmarks." It is expected that annual appropriations bills will continue this practice for the foreseeable future. Accordingly, there are no earmark requests included in the OCTA platform for the 115th Congress. Should this situation change, OCTA will seek the guidance and input of the Legislative and Communications Committee regarding any project requests.

Even in the absence of specific Congressional earmarks, discretionary transportation funding will be appropriated on an annual basis. OCTA will continue to aggressively pursue discretionary funding for transportation projects within the statutory and regulatory requirements of any funding program, the current funding status of OCTA's capital program, and the direction of the Legislation and Communications Committee.

Other funding priorities for OCTA include:

- a) Support federal transportation funding assistance, including for transit operations, provided that such assistance is: 1) sustainable at the federal, state, and local level; 2) not considered a replacement for any ongoing program, or a substitute for the current federally authorized program; 3) funded by the general fund apart from any ongoing appropriations; 4) used to preserve or create jobs and services, and not for wage increases to current personnel; and 5) available for capital purposes to the extent not needed for direct operating costs;

- b) Support New Start funding for fixed-guideway projects selected for implementation through the Go Local process;
- c) Support appropriations and additional funding, with increased flexibility, through safety and security grant programs in order to protect Orange County's surface transportation systems, including highways, transit facilities, rail lines, and related software systems;
- d) In concert with regional transportation agencies, seek funding for the Southern California Regional Training Consortium to develop bus maintenance training information for the transit agencies throughout Southern California;
- e) Support appropriations funding for rail safety programs, including funding for implementation and operation of positive train control requirements and other safety enhancements or risk reduction recommendations;
- f) Support the authorization and appropriation that provides for federal funding that supports intercity and regional passenger rail corridors in California, including the Los Angeles – San Diego – San Luis Obispo Rail Corridor;

II. Advocacy Efforts for Implementation of Existing and Planned Federal Highway and Transit or Rail Programs

With the passage of the FAST Act, OCTA's efforts during the 115th Congress will continue to focus on regulatory implementation of this legislation and on possible additional legislation to complement the programs and provisions set out in the FAST Act. During this time, OCTA will advocate for the following issues:

- a) Advocate for a fair and equitable distribution of FAST Act funding to OCTA from the State of California in accordance with any agreed-upon statewide administrative plan or enacted state legislation;
- b) Working with regional agencies, advocate for a high ranking of the Alameda Corridor projects as part of the FAST Act discretionary programs;
- c) Upon definition and approval by the Board, seek support from the Federal Transit Administration and Orange County Congressional Delegation for any fixed-guideway transit projects approved for implementation by the Go Local process;
- d) Pursue continued eligibility of Congestion Mitigation Air Quality (CMAQ) program funding for at least three-*to-five* years of operating expenses associated with any new start fixed-guideway or eligible bus projects in Orange County;

- e) Advocate for inclusion of recommendations from the OCTA Breaking Down Barriers Report and subsequent Follow-on Study as part of future legislation and regulations, including:
 - 1) Support expanded design-build authorizations for federally-funded highway and surface transportation projects;
 - 2) Support environmental process improvements and stewardship efforts by the relevant federal agencies to expedite project delivery and accelerate the creation of jobs; and
 - 3) Support expedited federal review and payments to local agencies and their contractors for project development, right-of-way acquisition, and construction activities.
- f) Support efforts within the surface transportation reauthorization legislation, or other appropriate legislation, that direct state departments of transportation to give consideration to the condition and effectiveness of local evacuation routes in high risk areas when setting priorities for the disbursement of highway funding;
- g) Support efforts to authorize, fund, and streamline the delivery of, bike paths, bike trails, and pedestrian paths within Orange County;
- h) Advocate for legislation, programs, and projects, which encourage, where possible, a “complete streets” approach to planning and multi-modal planning approaches in order to expedite project delivery;
- i) Encourage the Federal Highway Administration (FHWA) to return the Regional Transportation Plan (RTP) to a long-range planning and vision document rather than a detailed, 30-year financial plan, as current regulations mandate;
- j) Regulations have shifted the approval of RTP amendments involving Transportation Control Measures from FHWA to the Environmental Protection Agency (EPA). OCTA requests that this approval process revert back to FHWA and maintain a consultation process with EPA;
- k) Request that federal funding guidelines permit use of funds for soundwalls as a local option. The FHWA does not permit the use of highway funds to retrofit soundwalls, yet federal trade policies have led to increased freight traffic along goods movement corridors and, hence, noise along the freeways. OCTA requests that the policy be amended to allow highway funds to be used to mitigate the impacts of freight traffic on local communities adjacent to goods movement corridors;

- l) Work with the FHWA, or appropriate members of Congress, as part of the waiver process set out in the FAST Act, to obtain flexibility and increased local decision-making authority regarding the operation of high-occupancy vehicle (HOV) lanes, in order to reduce or eliminate the unintended consequences provided by Section 166 of the Federal Highway Act or any similar provisions regulating degradation of HOV lanes;
- m) Engage the State of California, and other state and federal stakeholders, to seek the mitigation or elimination of any federal requirements for direct actions within 180 days in response to any degradation found to exist on federally funded highways;
- n) Support legislative and administrative streamlining of Federal Buy America requirements to permit greater certainty and consistency regarding the requirements, and greater flexibility in applying the requirements to federal funded highway and transit projects;
- o) In conjunction with other Southern California public rail transportation providers, support legislative and administrative efforts to: 1) responsibly implement and operate Positive Train Control (PTC) nationwide in a manner that takes into consideration any and all technological, fiscal, and logistical challenges in its implementation, while providing for reasonable exemptions from legislative deadlines on a case-by-case basis; 2) assure that any alternative technologies employed in other rail systems are interoperable with, and contain the same safety benefits as, the PTC system implemented by Metrolink; 3) ensure that the necessary technical resources such as wireless spectrum, are made available, as appropriate, for the full implementation of PTC;
- p) Seek flexibility for the use of formula transit funds to support and utilize alternative transportation services.

III. Economic Impact Legislation and Regulations

Several federal legislative and regulatory actions are also under consideration to prevent unintended adverse economic impacts to the transportation industry and also to appropriate funding for transportation infrastructure projects as a means of creating needed jobs in the economy. In this regard, OCTA will:

- a) Support legislation which would hold harmless local governments who held debt instruments of Lehman Brothers on September 15, 2008, and other regulatory actions pursuant to section 103 of the Emergency Economic Stabilization Act, which are needed to ensure stability in local entities that, through no fault of their own, suffered losses in the economic crisis of 2008;

- b) Support federal legislation and programs which accelerate funding for transportation infrastructure projects and, thereby, create additional jobs and economic activity in Orange County;
- c) Oppose any federal legislation or regulatory action which acts to impede the development of business opportunities and job creation in Orange County;
- d) Oppose any further increase in the current rail passenger liability cap of \$295 million per incident and work with regional partners to ensure that discussions regarding the cap take into account the limited resources of public sector passenger rail providers.
- e) Oppose federal legislative and/or regulatory actions that would divert revenues generated by locally-approved sales taxes, to programs and projects that are not included in the sales tax ordinance.
- f) Support fiscally sound legislation that adequately addresses the Highway Trust Fund's structural deficit, *including initiatives to address the impact of low- and zero-emission vehicles on transportation funding.*

IV. Reauthorization of the Highway, Transit, and Rail Programs

The FAST Act authorizes \$305.5 billion over Fiscal Years 2016 through 2020 for public transportation, rail, highway, highway and motor vehicle safety, motor carrier safety, hazardous materials safety, and research, technology, and statistics programs. These funding levels provide modest increases in all major existing surface transportation programs over the five-year life of the bill. It also adds new formula and discretionary freight programs, a new discretionary bus capital program, and modest new funding for intercity rail. The legislation also preserves the federal focus on safety, keeps intact the established structure of the various highway-related programs, and continues efforts to streamline project delivery. The enactment of the FAST Act allows state and local government agencies to move forward with critical transportation projects with the confidence that they will have a federal partner over the long term.

While the FAST Act provides funding authorization through Fiscal Year 2020, it is possible that the 115th Congress will begin to look at additional or extended transportation authorization funding during the next two years. OCTA will examine any such proposals using the following framework:

- a) OCTA will analyze key highway, transit, and rail reauthorization proposals as they emerge to determine:
 - 1) The source, adequacy, and stability of proposed future revenues to meet future transportation needs and the economic impact to the public of collection of those revenues;

- 2) The extent to which a proposal will maximize the return of federal revenues to California and to OCTA;
 - 3) The extent to which a proposal enhances the federal funding partnership by helping OCTA address capital and operating revenue shortfalls;
 - 4) Whether or not the proposal contains any unfunded statutory or regulatory mandates applicable to OCTA; and
 - 5) The extent to which the proposal contains provisions which support the recommendations contained in OCTA's Breaking Down Barriers Report and subsequent Follow-on Study.
- b) Based upon this analysis, OCTA will seek a Board determination of the appropriate approach to any new surface transportation reauthorizing proposals in Washington D.C. based on the following general principles:
- 1) OCTA supports program features in the next highway, transit, and rail authorization legislation to enable greater flexibility in the permitted uses of transportation funds and to distribute funding based upon formula factors that adequately recognize the extent of transportation funding needs within Orange County;
 - 2) OCTA supports receiving federal highway funds through a fair sub-allocation that accounts for additional costs, increased administrative responsibilities, and the potential for increased liabilities to which the agency may be subject; and
 - 3) OCTA supports efforts that would ensure that all users of the national transportation system pay their "fair share" to maintain and improve the system.

V. Goods Movement

The twin Ports of Los Angeles and Long Beach are considered "America's Gateway" and the nation's busiest ports, handling more than \$180 billion dollars' worth of cargo each year. The maintenance and improvement of our region's goods movement infrastructure must continue to be a national priority if our region is to remain competitive with the rest of the world and be responsive to the consumer needs of the nearly 18 million people living in Southern California. The need for the Southern California region to remain competitive is further underscored by the expansion and modernization by foreign competitors. Even though the FAST Act will provide \$10 billion for goods movement projects and programs, these and other revenue streams at the federal level remain insufficient to fund the projects needed to offset the costs of moving these goods considering the many years of underinvestment.

Therefore, OCTA's advocacy efforts regarding goods movement will continue to emphasize the following:

- a) Pursue new, stable, dedicated, and secure sources of funding for goods movement infrastructure;
- b) Assure that the benefits of newly funded projects also take into account mitigation factors to impacted communities;
- c) Continue to work with Congress, the state, and local governments, as well as with the private sector, to develop and implement the needed sustainable infrastructure programs and projects;
- d) Ensure that public control of goods movement infrastructure and freight mobility projects is retained at the local level;

VI. Transportation Security and Emergency Preparedness

OCTA continues cooperative efforts with neighboring transit agencies, Urban Area Security Initiative partners, state and federal Homeland Security and Emergency Preparedness grant partners, and local jurisdictions to enhance the security and resiliency of regional highway, bus, and rail systems. In addition to seeking additional grant funding to secure Orange County's highways, rail, transit, and computer information systems, OCTA will pursue the following regulatory and statutory changes to ensure that safety, security, and emergency preparedness needs are met:

- a) Support increased federal funding to transit agencies for staff training, increased surveillance, and security and disaster preparedness improvements for highways, transit, rail security, and computer information systems in the U.S., and flexibility for the use of these funds;
- b) Support a fair and effective distribution of grant funds that takes into consideration the risks of all hazards, including natural disasters, acts of terrorism, and other man-made disasters in Southern California, as estimated by the Department of Homeland Security in cooperation with state and local officials;
- c) Support programs that reach out to state security and emergency preparedness officials to improve information exchange protocols, refine security and disaster preparedness systems, and support state and regional data coordination.

VII. Energy Issues

Legislation addressing U.S. policies on energy is likely to play a role in the 115th Congress. The transportation sector is the largest consumer of petroleum in the

U.S. Therefore, the focus by Congress to further develop energy efficient policies is likely to have an impact on OCTA operations. With this in mind, OCTA will:

- a) Monitor legislation and federal rulemaking that addresses new or emerging energy policies such as incentives for alternative fuel technology, and use and developer incentives supporting transit programs, as well as research and technology;
- b) Provide federal legislative reports to the Board outlining any energy-related legislation introduced in the next Congress that potentially impacts OCTA operations;
- c) Work with industry associations to comment on congressional actions and/or federal policies that impact the public transportation sector;
- d) Support the continuation of fuel tax credits for OCTA's use of compressed natural gas and liquefied natural gas, and the expansion of these credit incentives for the use of other alternative transit fuels.

VIII. Environmental Policy and Other Regulatory Requirements

Federal environmental laws and regulations affecting OCTA include the National Environmental Protection Act, the Federal Clean Air Act, Federal Water Pollution Control Act, and the Endangered Species Act. With regard to these acts and related regulations, OCTA will:

- a) Seek opportunities to expedite and improve the efficiency of the environmental process for federally funded projects. The OCTA Breaking Down Barriers Report and subsequent Follow-on Study contain numerous examples of ways to expedite the environmental review process without impairing substantive environmental requirements. Many of these recommendations have been incorporated into statute. OCTA will monitor future regulations in this area to ensure the effective implementation of these provisions.
- b) Seek federal funding to meet state and local environmental quality requirements, including anticipated requirements for zero emission busses, alternative fueling stations, and future greenhouse gas reduction requirements;
- c) Monitor any new federal programs seeking to address the environmental impacts of greenhouse gases to ensure that any new environmental requirements are accompanied by additional funding necessary to implement those requirements;
- d) Support legislation and federal grant programs that encourage ridesharing and related congestion relief programs for Orange County commuters.

In addition, OCTA takes the following positions with regard to U.S. departments providing federal oversight, specifically:

- e) Support efforts to work with the California Department of Transportation and the Administration to equitably resolve the United States Department of Transportation interpretation of Americans with Disabilities Act (ADA) compliance guidelines that retroactively require the implementation of costly curb-ramp and level boarding upgrades within the boundaries of federally-funded projects. According to state officials implementing these regulations on behalf of FHWA, the requirements apply even if curb-ramps are already in place, but considered to be out of date according to the most recent ADA guidelines, or when the project would not require ground disturbance (i.e. signal synchronization projects funded with CMAQ funds);
- f) Oppose any regulations or administrative guidance seeking to extend through administrative actions the statutory requirements of ADA;
- g) Support expedited federal review and payments to local agencies and their contractors for project development, right-of-way acquisition, and construction activities;
- h) Support expedited and improved federal reporting and monitoring requirements to ensure efficiency and usefulness of data, and to eliminate redundant state and federal requirements;
- i) Ensure that regulations and programs implementing federal requirements regarding transit safety oversight are reasonable, as free as possible from bureaucratic burden, and do not place an unfair financial burden on OCTA operations.

IX. Employment Issues

Federal employment laws affecting OCTA include the Fair Labor Standards Act, Family and Medical Leave Act, Occupational Safety and Health Act, and the Omnibus Transportation Employee Testing Act of 1991. While significant changes to these federal laws are not anticipated during the 115th Congress, OCTA's historical positions regarding labor and employment issues have included:

- a) Support income tax deductions for employees receiving employer-provided transit passes, vanpool benefits, or parking spaces currently counted as income;
- b) Oppose legislation and regulations, and any federal grant actions adversely affecting the agency's ability to effectively and efficiently address labor relations, employee rights, benefits including pension benefits, and working conditions including health, safety, and ergonomics standards in the workplace;

- c) Support efforts to restrict the ability of the Federal Government to limit state or local efforts to reform pension benefits.



INTEROFFICE MEMO

November 16, 2017

To: Legislative and Communications Committee

From:  Laurena Weinert, Clerk of the Board

Subject: **November 16, 2017 Legislative and Communications Meeting, Item 4 - Orange County Transportation Authority 2017-18 State and Federal Legislative Platforms – Public Comments**

The Clerk of the Board Department received public comments for the above noted agenda Item 4 for the November 16, 2017 Legislative and Communications Committee meeting.

A total of 35 public comments were received between November 13 – 15 and provided, are examples of the public comments (Examples A, B, and C).

Listed below are the additional comments included in Example A, as follows:

- Example A - 33 comments received and 10 of the comments included an extra statement of:
 - No more support of the Transportation Corridor Agencies (TCA) (3 comments).
 - The community is deeply pained at the thought of our beautiful community being torn up. Thank you for listening. People matter.
 - San Clemente residents would draw a line right over, under, or next to our homes, parks, schools, and destroy our ridgelines and trails for generations to come.
 - OCTA make our roads better. TCA is just trying to prolong their extinction by bulldozing our town.
 - Concerned about costs, air pollution around schools and in neighborhoods, and misinformation with regard to its necessity. Please save our children and our community.
 - As a resident of beautiful San Clemente I'm asking you to not support the TCA. Building the 241 extension through our town is unacceptable.
 - Do not support the corrupt TCA. The TCA needs to be dissolved immediately.
 - We do not want the TCA to butcher our town with their Toll Road & endless greed! Period!

Subject: OCTA Legislative and Communications Committee Meeting 11/16/17. No more support of TCA.

Dear OCTA Committee members,

I am aware that Barbie Daly from the Transportation Corridor Agencies (TCA) is coming to make a comment about TCA collaboration with Caltrans and OCTA. In the agenda, TCA has concerns about the staff report being modified to remove supportive language of TCAs so called mission to find mobility solutions in South Orange County. Please remember that TCA only builds toll roads so it is very likely they will push for their toll road extension over other less invasive mobility options such as improving mass transit, new arterials, and future technologies such as self-driving cars. Also on the agenda, TCA has concerns that it is not recognized for its so called collaborative efforts between Caltrans and OCTA to determine the 20 mobility solutions that were put forth by the public. Again, I question the public's involvement in choosing these routes, as it appears the only support the TCA has from its paid consultants.

To date the TCA has not had any meaningful public input, in fact they have been practicing opposition suppression on a regular basis. All of the proposed options would be catastrophic and build through existing neighborhoods, over our homes, parks, schools and destroy our ridgelines and trails, not acceptable, one route would affect over 9,000 homes. Thousands of residents attended the 3rd Public Forum on June 5th at Saddleback College in opposition where the TCA did not make accommodations for the public they had invited. The concerned residents in South Orange County are in utter shock that a toll road company with a questionable financial past (including a massive tax bailout of 1.1 Billion Dollars and junk bond status) would have any support of politicians and transportation agencies that would allow them to disrespect hard working concerned residents and destroy the quality of life for so many with an economically discriminating underused toll road. Darell Issa, Pat Bates, William Brough, CAPO Unified Schools District and Rancho Mission Viejo have all come out AGAINST the proposed toll road routes.

Please DO NOT give TCA any continued support in their mission. The solutions are not useless toll roads as that is becoming an outdated, obsolete mode of transportation. Look at the future....Congress is speeding up bills to make it possible to buy a driver-less car in California by 2020. I have even discussed in prior emails, such subtle changes like LED speed limit signs to adjust to traffic, new arterials if needed to connect to major arterials, make Amtrak/Metrolink trains more convenient to use during summer weekends. On the radio, Los Angeles is advertising its purple line Metro trains and construction on that line resulting in road closures. If a major metropolitan county such as Los Angeles isn't building more highways/toll roads why should we? 6 areas are trying to take down their freeways since economic blight follows freeways. Please remove any 241 extension plans from all master plans and let the TCA know it is time they start paying down the debt - unsuccessful business do not get to expand. Many are concerned about affordable housing in Orange County - please keep in mind the development fees the TCA takes for all homes and remodels and know this is one factor that drives up our housing costs in Southern California. Also, the Toll Road are underused - if the TCA was truly concerned about mobility they would make the toll roads free on the weekends to really get cars moving.

We support mobility solutions in Orange County - free arterials - expand the arterials that needs to be expanded. Do not let the TCA build another underused road. Cal Trans has in the past let the freeways deteriorate to try and drive ridership onto the toll roads - this is unacceptable.

Thank you for your time.

Subject: Upcoming OCTA Legislative and Communications Committee Meeting 11/16/17 -
Please No Toll Road Through San Clemente

Dear OCTA Committee member,

As you prepare for your upcoming Legislative and Communications Committee Meeting, I want to ask for support in stopping the TCA from extending the 241 Toll Road through San Clemente. Please help stop this toll road running over homes in San Clemente. My community would be decimated if the toll road goes through San Clemente.

I don't understand why there even needs to be a private freeway with a 65-mile per hour speed limit right next to (and at one point directly over an arterial road named Antonio Parkway and La Pata (a free public highway), which also has a 65-mile per hour speed limit in sections. It is very convenient to run down the current 241, hop onto Antonio, which turns into La Pata, zip down to Pico and get back on the 5 freeway. Irvine is that way - the end of the 261 toll road runs straight down to Jamboree and nobody seems to have a problem to transition from toll road to city streets.

I don't see why so many homes need to be destroyed to shave off a few minutes of a drive. The 5 freeway is almost done and it looks AMAZING! La Pata is almost finished and it will be FANTASTIC. I think traffic will run very smoothly once construction is finished. I have been living through roadwork for so many years now, I can't imagine having to start again with the toll road extension.

The main reason we bought our beautiful home in the Forster Ranch neighborhood of San Clemente was because it was quiet. It reminded me of my childhood home - in a quiet neighborhood that backed up to rolling hills. The real estate agent assured us that the land at the end of Camino de los Mares was protected land and would never be built on. I now have three small children at the local elementary school. We love it and I can't imagine having a toll road running so close to our home and school.

Please help to stop this road. I would be so devastated if a toll road ran through our neighborhood. When I first heard I thought the person was joking, that there was no way something so crazy was possible. Please help stop this road from running through San Clemente.

Subject: Please support preservation of OC, NOT toll road extension

Dear OCTA Committee Members,

As an involved Orange County resident, parent, educator, road cyclist and commuter, I appreciate your efforts to improve the quality of life for residents of Orange County. I expect that you are actively investigating as many options as possible to preserve open space; decrease air, water, noise and light pollution; enhance walkable conditions for pedestrians and increase accessibility, frequency, affordability and efficiency of public transportation. As you are well aware, commitment and proper allocation of funds will alleviate traffic congestion and improve the quality of life for Orange County residents, but it will take time, education and careful coordination of multiple agencies, organizations, businesses and citizens. Please continue to support the preservation of existing open space, neighborhoods and local businesses by choosing sustainable mobility alternatives versus the TCA's proposed Foothill South Extension of the 241. The Foothill South Extension will have significant negative impacts to South Orange County residents. The current San Joaquin Hills Transportation Corridor (73) and the existing portion of the 241 already feature significant negative impacts for North and Central Orange County residents, including increases in wildfire frequency, roadkill rates for large mammals, air pollution, water pollution, noise pollution, light pollution, irresponsible driving behavior, erosion/sedimentation and other consequences of urban sprawl. Please consider that thousands of residents attended the 3rd Public Forum on June 5th at Saddleback College and voiced their opposition of the Foothill South Extension of the 241. It is not a surprise that there is a lack of support for the TCA, considering the TCA received a tax bailout of 1.1 billion dollars and junk bond status. Please support preservation and sustainable alternatives by joining Darell Issa, Pat Bates, William Brough, CAPO Unified Schools District and Rancho Mission Viejo in the opposition of TCA's proposed Foothill South Extension of the 241. Thank you.



INTEROFFICE MEMO

November 17, 2017

To: Legislative and Communications Committee

From: Laurena Weiner, Clerk of the Board

Subject: **November 16, 2017 Legislative and Communications Meeting, Item 4 - Orange County Transportation Authority 2017-18 State and Federal Legislative Platforms – Public Comments**

The Clerk of the Board Department received two more public comments for the above noted agenda Item 4 after November 15, 2017.

The public comments are similar to attached Example A, however one included this extra statement:

- Please stop supporting the TCA. The public does not want toll roads. We do not want double taxation and roads only for the rich. We want free roads.

Subject: OCTA Legislative and Communications Committee Meeting 11/16/17. No more support of TCA.

Dear OCTA Committee members,

I am aware that Barbie Daly from the Transportation Corridor Agencies (TCA) is coming to make a comment about TCA collaboration with Caltrans and OCTA. In the agenda, TCA has concerns about the staff report being modified to remove supportive language of TCAs so called mission to find mobility solutions in South Orange County. Please remember that TCA only builds toll roads so it is very likely they will push for their toll road extension over other less invasive mobility options such as improving mass transit, new arterials, and future technologies such as self-driving cars. Also on the agenda, TCA has concerns that it is not recognized for its so called collaborative efforts between Caltrans and OCTA to determine the 20 mobility solutions that were put forth by the public. Again, I question the public's involvement in choosing these routes, as it appears the only support the TCA has from its paid consultants.

To date the TCA has not had any meaningful public input, in fact they have been practicing opposition suppression on a regular basis. All of the proposed options would be catastrophic and build through existing neighborhoods, over our homes, parks, schools and destroy our ridgelines and trails, not acceptable, one route would affect over 9,000 homes. Thousands of residents attended the 3rd Public Forum on June 5th at Saddleback College in opposition where the TCA did not make accommodations for the public they had invited. The concerned residents in South Orange County are in utter shock that a toll road company with a questionable financial past (including a massive tax bailout of 1.1 Billion Dollars and junk bond status) would have any support of politicians and transportation agencies that would allow them to disrespect hard working concerned residents and destroy the quality of life for so many with an economically discriminating underused toll road. Darell Issa, Pat Bates, William Brough, CAPO Unified Schools District and Rancho Mission Viejo have all come out AGAINST the proposed toll road routes.

Please DO NOT give TCA any continued support in their mission. The solutions are not useless toll roads as that is becoming an outdated, obsolete mode of transportation. Look at the future....Congress is speeding up bills to make it possible to buy a driver-less car in California by 2020. I have even discussed in prior emails, such subtle changes like LED speed limit signs to adjust to traffic, new arterials if needed to connect to major arterials, make Amtrak/Metrolink trains more convenient to use during summer weekends. On the radio, Los Angeles is advertising its purple line Metro trains and construction on that line resulting in road closures. If a major metropolitan county such as Los Angeles isn't building more highways/toll roads why should we? 6 areas are trying to take down their freeways since economic blight follows freeways. Please remove any 241 extension plans from all master plans and let the TCA know it is time they start paying down the debt - unsuccessful business do not get to expand. Many are concerned about affordable housing in Orange County - please keep in mind the development fees the TCA takes for all homes and remodels and know this is one factor that drives up our housing costs in Southern California. Also, the Toll Road are underused - if the TCA was truly concerned about mobility they would make the toll roads free on the weekends to really get cars moving.

We support mobility solutions in Orange County - free arterials - expand the arterials that needs to be expanded. Do not let the TCA build another underused road. Cal Trans has in the past let the freeways deteriorate to try and drive ridership onto the toll roads - this is unacceptable.

Thank you for your time.



November 16, 2017

To: Legislative and Communications Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Status Report of State Legislation Enacted in 2017

Overview

At the conclusion of the 2017 legislative session, 859 bills were signed and chaptered by Governor Jerry Brown, while 118 bills were vetoed. A report containing an analysis of legislation relevant to the Orange County Transportation Authority is provided.

Recommendation

Receive and file as an information item.

Discussion

2017 Legislative Session Adjourns

Following the State Legislature's adjournment, Governor Jerry Brown had until October 15, 2017, to either sign or veto all legislation submitted to his office. Of the 977 bills sent to the Governor in 2017, 118 bills were vetoed; about 12 percent of the total number of bills presented to his office. This is consistent with the 13 percent average veto rate dating back to 1967, and is lower than the 15 percent he vetoed in 2016. This was the fourth highest number of bills he has had to consider as Governor since 2011.

The Orange County Transportation Authority (OCTA) Board of Directors (Board), legislative staff, and advocates were successful in advancing many of OCTA's interests in 2017. A detailed summary of legislation relevant to OCTA is included as Attachment A. Among the bills considered this session were the following transportation proposals:

Status of Legislation Considered in 2017 - Bills Signed**AB 28 (Chapter 4, Statutes of 2017): National Environmental Policy Act (NEPA) Delegation**

Position: Support

Sponsored by the Self-Help Counties Coalition (SHCC), AB 28 (Chapter 4, Statutes of 2017) authorized the state to continue to perform federal environmental responsibilities for highway projects under NEPA for an additional three years. The authority previously would have expired at the beginning of 2017, threatening to delay implementation of several critical infrastructure projects. Recognizing the potential impacts, the author, Assembly Member Frazier (D-Oakley), moved the bill quickly through the Legislature, thereby meeting all relevant federal deadlines and preventing any delay impacts to projects across the State.

AB 179 (Chapter 787, Statutes of 2017): California Transportation Commission (CTC)

Position: Neutral (previously an “oppose” position)

When OCTA first adopted an “oppose” position on AB 179 (Chapter 787, Statutes of 2017), the bill would have required the vast majority of members of the CTC to have backgrounds in the area of air quality, public health, or experience in disadvantaged communities. It would have also required increased joint meetings between the CTC and the California Air Resources Board, and the formation of an Environmental Justice Advisory Committee. However, after opposition came forward from multiple transportation agencies, SHCC, and the California Association of Councils of Government (CALCOG), the author decided to craft amendments to address concerns that the CTC would become too focused on specific issue areas, while not allowing for experience in other issues important to the transportation project funding and delivery. OCTA went neutral on the bill after amendments were adopted to require the Governor and the Legislature, in appointing members to the CTC, to ensure a diverse membership with experience in transportation issues, taking into consideration factors such as professional experience and socioeconomic background.

AB 805 (Chapter 658, Statutes of 2017): San Diego Association of Governments (SANDAG) Reorganization

Position: Oppose Unless Amended

AB 805 (Chapter 658, Statutes of 2017) significantly changes the voting and governance structure for the SANDAG Board of Directors, and provides additional requirements for SANDAG to meet in funding and delivering projects related to greenhouse gas emissions, disadvantaged communities, and project

labor agreements. The author originally pursued the bill after it became public that SANDAG was not open about changing sales tax projections associated with a 2016 ballot measure. While OCTA had expressed concerns to the author about the precedent this bill could create for other agencies, the author decided not to pursue amendments to address those concerns. In addition, prior to the Governor's signature, SANDAG had stated that they would potentially consider pursuing a ballot measure next year to allow the public to decide how the governance structure of SANDAG would be composed in the future. It is unclear right now whether this currently remains the plan.

AB 1069 (Chapter 753, Statutes of 2017): Local Government: Taxicab Transportation Services

Position: Neutral (previously an "oppose" position)

Sponsored by the Taxicab Paratransit Association of California, in its original form, AB 1069 (Chapter 753, Statutes of 2017) would have mandated county transportation agencies in ten counties, including Orange County, to assume the full regulatory and administrative functions for taxicab services. This would have significantly expanded OCTA's existing responsibilities under the Orange County Taxi Administration Program (OCTAP), and potentially led to increased liabilities. OCTA, CALCOG, and other transportation agencies worked with the sponsor and author to craft amendments that removed the mandate language on countywide transportation agencies. The final version signed into law by the Governor, states that a city or county shall be deemed to have a taxicab company or driver substantially located within its jurisdiction if the city or county has enacted a resolution to either enter into a joint exercise of powers agreement (JPA) or enter into an agreement with a transit agency for the purpose of regulating and administering taxicab service. Only those cities and counties can permit taxicabs, unless a JPA is formed or all cities and counties request the administrative functions be done by the county's respective transit agency or county transportation agency. With these amendments, OCTA went neutral on the bill. However, under AB 1069, OCTA will no longer be able to administer OCTAP in its current form starting January 1, 2019, and will have to work with the members of OCTAP to prepare for new efforts in maintaining taxicab service, which may include the formation of a JPA or an alternative administrative agreement.

AB 1113 (Chapter 86, Statutes of 2017): State Transit Assistance Reform

Position: Support

Sponsored by the California Transit Association, AB 1113 (Chapter 86, Statutes of 2017) clarifies several provisions of the existing law that govern the administration and allocation of State Transit Assistance (STA) program funds. The legislation built on SB 838 (Chapter 339, Statutes of 2016),

which temporarily put on hold the implementation of several State Controller's Office (SCO) reinterpretations of STA statutes that were released in early 2016, which were done without a public process or consultation with transit agencies. The reinterpretations significantly expanded the scope of STA eligibility and impacted the calculation of STA revenue shares for transit agencies. AB 1113 resulted after extensive collaboration with transit agencies, including OCTA and the SCO office. AB 1113 moved quickly through the Legislature to allow the guidance to become effective with fiscal year 2017-2018 STA allocations.

AB 1282 (Chapter 643, Statutes of 2017): Permitting Streamlining Task Force
Position: Support if Amended

AB 1282 (Chapter 643, Statutes of 2017) creates a Transportation Permitting Task Force (Task Force) to streamline permit approvals for transportation projects. In its original form, the bill would have limited members of the Task Force to state agencies. In adopting a "Support if Amended" position, OCTA requested language to ensure that regional transportation agencies and transit agencies would also be included on the Task Force, since often those agencies are the lead agency for permitting processes. While Assembly Member Mullin (D-San Mateo) did include language that would authorize other public entities to be part of the Task Force, there is no language specifically referencing local transportation agencies or transit agencies. In discussing the language with the author, he noted it was the intent of that added language to allow for local transportation and transit agencies to be included, as well as other local permitting agencies. He has pledged to continue to work with OCTA and other stakeholders as the Task Force is formed to ensure that the intent of AB 1282 is met.

SB 150 (Chapter 646, Statutes of 2017): Regional Transportation Plans
Position: Neutral (previously an "oppose" position)

In its original form, SB 150 (Chapter 646, Statutes of 2017) would have required a prioritization of projects within each region's sustainable communities strategy (SCS) developed pursuant to SB 375 (Chapter 728, Statutes of 2008) based on a project's ability to reduce emissions and vehicle miles traveled (VMT), aligning this prioritization with funding programming actions. This would have shifted the regional nature of an SCS to a project by project analysis. Furthermore, SB 150 would have put in place a requirement to reduce VMT by 15 percent by 2050, shifting the focus of SB 375 from greenhouse gas emission reductions to VMT reductions. After extensive conversations with the author's office in conjunction with CALCOG and metropolitan planning organizations throughout the state, amendments were accepted which limited the focus of the bill to facilitating a reporting and assessment process for regional progress in meeting the goals of SB 375, allowing an opportunity to determine what resources are necessary to

achieve the overall state goals. With these amendments, OCTA and other transportation agency stakeholders went neutral.

Additional Bills of Interest – Two-Year Bills

The following bills that OCTA took a position on failed to make it to the Governor for consideration:

AB 278 (Steinorth, R-Rancho Cucamonga): California Environmental Quality Act (CEQA): Exemption: Transportation

Position: Support

AB 278 (Steinorth, R-Rancho Cucamonga) would have exempted various transportation projects, or the issuance of a permit for those projects, from CEQA if the project was located within an existing right-of-way. Eligible projects included the inspection, maintenance, repair, rehabilitation, replacement, or removal of existing transportation infrastructure, including, but not limited to, highways, roadways, bridges, transit systems, bikeways, and paths serving pedestrians. While the provisions of AB 278 did not apply to projects that added additional motor vehicle lanes, it could have applied to the addition of auxiliary lanes. The provisions of AB 278 were identical to AB 1569 (Steinorth, R-Rancho Cucamonga) that OCTA supported last year. Neither bill was able to pass out of its initial policy committee, both failing on a party line vote. Committee analysis raised concerns about expanding CEQA exemptions, believing existing exemptions were broad enough.

AB 302 (Gipson, D-Carson): South Coast Air Quality Management District: Fleets

Position: Oppose

AB 302 (Gipson, D-Carson) would have authorized the Governing Board of the South Coast Air Quality Management District (SCAQMD) to create requirements for the use of zero-and near-zero emission technology in public fleets to the maximum extent feasible in the south coast region. While AB 302 would have required the SCAQMD in adopting the regulations to consult with the California Department of Transportation (Caltrans), the California Highway Patrol, and the transportation commissions within their region, it would have presented significant implications for OCTA's existing transit services and financial plans. OCTA has embarked on numerous efforts to further reduce emissions through the integration of low-NOx engines, use of renewable natural gas, and the testing of a zero-emission hydrogen fuel cell bus. Additional requirements would have decreased OCTA's available funding needed to operate its current service. Due to these concerns and others expressed by the League of California Cities and

the California Trucking Association, the author pulled the bill before it could be heard in a policy committee.

AB 344 (Melendez, D-Lake Elsinore): Toll Evasion Violations

Position: Oppose

AB 344 (Melendez, D-Lake Elsinore) would have required a person contesting a notice of toll evasion violation or notice of delinquent toll evasion to only have to pay the penalty after exhausting all potential forms of appeal. Existing law states that if the person contesting the violation is not satisfied with the results of the initial investigation, then that person, within 15 days of the mailing of the results of the investigation, must deposit the full amount of the toll evasion penalty and request an administrative review. OCTA, as owner and operator of the 91 Express Lanes, receives about 5,500 challenges annually to toll violations. If OCTA continues with the enforcement of the toll penalty after the investigative stage of an appeal, the contestant can appeal the results to an administrative hearing, which requires a person to deposit the total amount of the toll violation plus penalties. Currently, it is estimated that OCTA has about 17-18 cases each year that move forward with an administrative action, which costs on average about \$450 per hearing. AB 344 would have provided an incentive to challenge the penalty and go to later stages of the appeal process without a deposit, which would have increased associated costs for OCTA and impacted OCTA's ability to enforce toll policies. AB 344 was set to be heard in the Senate Transportation and Housing Committee, but was ultimately cancelled at the request of the author due to the opposition presented from toll agencies statewide and concerns expressed by committee staff.

AB 686 (Santiago, D-Los Angeles): House Discrimination: Further Fair Housing

Position: Oppose

AB 686 (Santiago, D-Los Angeles) would have established an affirmatively furthering fair housing obligation within the California Fair Employment and Housing Act, requiring public agencies in California, such as OCTA, to administer programs and activities relating to housing and community development in a manner that would affirmatively further fair housing. In addition, the bill would have required any public agency required to adopt a housing element or SCS to include an analysis of the barriers that restrict access to fair housing opportunities, and a commitment to specific meaning actions to affirmatively further fair housing. This would have created a legal loophole to challenge transportation funding, planning, programming, and construction activities, even when the transportation agency has no jurisdiction over housing and land use decisions. AB 686 could have also conflicted with other state goals, including those related to job creation, the environment, and disadvantaged communities. Given these concerns and opposition from CALCOG, the

Southern California Association of Governments, Riverside County Transportation Commission, and others, the author pulled the bill before it could be heard in its initial policy hearing. The author has indicated his intent to bring the bill forward again next year, with amendments attempting to address various concerns raised by stakeholders.

AB 1454 (Bloom, D-Santa Monica) and SB 768 (Allen, D-Santa Monica)
Transportation Projects: Lease Agreements
Position: Support

AB 1454 (Bloom, D-Santa Monica) and SB 768 (Allen, D-Santa Monica) would have extended the authority for Caltrans and regional transportation authorities to enter into public-private-partnership (P3) agreements for projects on the state highway system. SB 2X-4 (Chapter 2, Statutes of 2009) had previously authorized Caltrans and regional transportation agencies to enter into an unlimited number of P3 agreements, but the authority expired on January 1, 2017. Initially, the provisions of AB 1454 and SB 768 were nearly identical, but AB 1454 was later amended to just include intent language. Neither bill moved out of its respective Appropriations Committee, with strong opposition from the Professional Engineers in California Government. In addition, the Administration has stated its desire to first see what authority may be included in any federal transportation infrastructure package before moving forward with statewide P3 authority. OCTA will continue to monitor both bills and remain active in discussions moving forward.

AB 1640 (Garcia, D-Coachella): Transportation Funding: Low Income Communities
Position: Oppose

AB 1640 (Garcia, D-Coachella) would have required the State Transportation Improvement Program and Regional Transportation Improvement Program funding to be prioritized for low income and transportation disadvantaged communities. While addressing the mobility and safety needs of these communities is important and necessary, AB 1640 would have created arbitrary thresholds of prioritization, potentially jeopardizing currently programmed projects and other funding sources associated with those projects. AB 1640 would have also undermined the discretion of regional transportation agencies and the state to determine the projects necessitating investment to meet regional connectivity and maintenance needs. Due to these concerns, the bill was never heard in a policy committee and has become a two-year bill.

SB 264 (Nguyen, R-Garden Grove): High-Occupancy Toll Lanes: Interstate 405
Position: Oppose

SB 264 (Nguyen, R-Garden Grove) would have detailed allocation requirements for the net excess toll revenues from the high-occupancy toll lanes on OCTA's Interstate 405 Improvement Project, superseding the process outlined under AB 194 (Chapter 687, Statutes of 2015). The excess revenues would have been allocated as follows: 20 percent to OCTA, 70 percent to project corridor jurisdictions along the project corridor, and ten percent to project corridor jurisdictions not along the corridor. However, pursuant to AB 194, OCTA has already executed a toll operating agreement with Caltrans on terms and conditions related to the toll facility, including operational management and use of revenues. This bill would have significantly infringed upon the local control granted by AB 194 to regional transportation agencies implementing toll facilities, regardless of the fact that these agencies are taking on the risk of investing and operating such a facility. In addition, the bill would have prohibited investment in many multi-modal improvements in the corridor, including transit services and active transportation purposes to further alleviate congestion. SB 264 was set to be heard in the Senate Transportation and Housing Committee, but was ultimately cancelled at the request of the author. Staff continues to engage the author's office in all discussions related to the implementation of the project to try to ensure opportunities for any concerns to be presented.

SB 268 (Mendoza, D-Artesia): Los Angeles County Metropolitan Transportation Authority (LA Metro)

Position: Oppose unless Amended

SB 268 (Mendoza, D-Artesia) would have revised the composition of the LA Metro Board of Directors. In its original form, the bill would have created a precedent which would have been concerning for other public agencies, where a board composition could be changed without thorough consultation with the public agency. SB 268, similar to SB 522 (Mendoza, D-Artesia) and SB 1472 (Mendoza, D-Artesia) of 2016, which would have also increased the number of members on LA Metro's board, was pulled by the author from the policy committee to allow for further discussions to occur with LA Metro and other stakeholders.

Summary

A summary report on all state legislation enacted in 2017 affecting OCTA is provided for review by the Board.

Attachment

- A. Orange County Transportation Authority 2017 End of Year Legislative Report

Prepared by:



Jaymal Patel
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(714) 560-5475

Approved by:



Lance M. Larson
Executive Director
External Affairs
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ORANGE COUNTY TRANSPORTATION AUTHORITY 2017 END OF YEAR LEGISLATIVE REPORT

LEGISLATION ENACTED

I. Active Transportation

AB 390 (Santiago, D-Los Angeles) Pedestrian Crossing Signals (Chapter 402, Statutes of 2017)

AB 390 would authorize a pedestrian facing a flashing “DON’T WALK” or “WAIT” or “Upraised Hand” symbol to proceed so long as he or she completes the crossing prior to the display of the steady symbol or message. In addition, clarifies that a pedestrian who has partially crossed a roadway may complete the crossing while a steady symbol or message is still being displayed.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. Operators of Orange County Transportation Authority (OCTA) vehicles should be aware of the provisions outlined in AB 390 to ensure pedestrian safety.*

AB 1218 (Obernolte, R-Hesperia) California Environmental Quality Act: Exemption (Chapter 149, Statutes of 2017)

AB 1218 extends until January 1, 2021, an exemption from the California Environmental Quality Act (CEQA) for bicycle transportation plans for an urbanized area for restriping of streets and highways, bicycle parking and storage, signal timing to improve street and highway intersection operations, and related signage for bicycles, pedestrians, and vehicles. Also extends the sunset date of an exemption from CEQA for a project that consists of the restriping of streets and highways for bicycle lanes in an urbanized area.

OCTA Position – Monitor

Impact on OCTA: *When the California Department of Transportation (Caltrans), OCTA or a local city or county undertakes a restriping project for bicycle lanes, this exemption can be used if the project is consistent with a bicycle transportation plan prepared by a city or county pursuant to existing provisions within the Streets and Highways Code. In addition, OCTA develops a Commuter Bikeways Strategic Plan every five years, in part, to establish planning and design guidelines for bikeway infrastructure and assist local jurisdictions in qualifying for state and federal funding. AB 1218 would allow bicycle transportation plans stemming from these efforts to be adopted in an expedited manner.*

SB 672 (Fuller, R-Bakersfield) Traffic Actuated Signals: Motorcycles and Bicycles (Chapter 432, Statutes of 2017)

SB 672 removes the sunset on the requirement that cities and counties, when installing traffic-actuated signals, install and maintain systems that can detect bicycles and motorcycles, thereby making the requirement permanent.

OCTA Position – *Monitor*

Impact on OCTA: *SB 672 requires that any traffic-actuated signals installed by OCTA must be able to detect bicycles and motorcycles. According to Caltrans, signals compliant with this bill cost an average of \$7,500 more per intersection.*

II. Audits, Records, Reports and Litigation

AB 459 (Chau, D-Monterey Park) Public Records: Video or Audio Recordings: Crime (Chapter 291, Statutes of 2017)

AB 459 specifies that public agencies are not required to disclose a video or audio recording that was created during the commission or investigation of the crimes of rape, incest, sexual assault, domestic violence, or child abuse that depicts the victim of the incident. The bill would also require the public agency to justify withholding such a video or audio recording by demonstrating that it is in the greatest public interest to not disclose it. In addition, the bill requires public agencies to permit a victim of a crime depicted in such videos to inspect the recording and obtain a copy.

OCTA Position – *Monitor*

Impact on OCTA: *OCTA public record disclosure procedures will need to be reviewed, and amended to comply with the requirements set forth in AB 459.*

AB 804 (Garcia, D-Bell Gardens) Controller: Internal Control Guidelines (Chapter 317, Statutes of 2017)

AB 804 allows the State Controller's Office (SCO) to audit any local agency for purposes of determining whether the agency's internal controls are adequate to detect and prevent financial errors and fraud. The Controller sponsored this bill after finding that certain agencies failed to comply with the auditing standards, as required under AB 1248 (Chapter 190, Statutes of 2013), that would have revealed significant financial deficiencies. AB 804 gives the Controller the ability to proactively monitor and assess an agency's preparedness to spend public funds as required by law.

OCTA Position – *Monitor*

Impact on OCTA: *OCTA may be subject by proactive audits conducted by the Controller to ensure that the agency's financial reporting standards comply with AB 1248 (Chapter 190, Statutes of 2013).*

AB 1455 (Bocanegra, D-San Fernando Valley) The California Public Records Act: Exemptions (Chapter 560, Statutes of 2017)

AB 1455 extends exemptions under the California Public Records Act that are currently only applicable to state agencies' collective bargaining documents, to local public agencies' collective bargaining documents. The bill extends this exemption because negotiations between Orange County and the Association of Orange County Deputy Sheriffs became public when the superior court did not find a convincing reason to prevent the disclosure. AB 1455 is meant to give local agencies the ability to protect their deliberative processes, impressions, valuations, opinions, recommendations, meeting minutes, research, work products, and other deliberative or confidential materials.

OCTA Position – *Monitor*

Impact on OCTA: *AB 1455 exempts OCTA from disclosing, under the California Public Records Act, potentially sensitive materials relating to labor negotiations. This bill only provides a limited exception for labor relations work products and does not provide a catch-all exemption, nor does it limit disclosure requirements with respect to other records relating to employee relations.*

SB 448 (Wieckowski, D-Fremont) Local Government: Organization: Districts (Chapter 334, Statutes of 2017)

SB 448 requires the California State Controller, on or before November 1, 2018, and every year thereafter, to create a list of special districts that are inactive based upon received financial reports, which shall be published on the Controller's Internet Web Site. Requires the Controller to notify the local agency formation commissions (LAFCO) of the counties on the inactive list, and establishes a process for LAFCOs to dissolve the inactive special districts. Requires the Controller, on or before July 1, 2019, to publish on its Internet Web site a comprehensive list of independent special districts, and requires those districts to file annual audits with the LAFCO in the county or counties in which the district is located.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*

III. Autonomous Vehicles

AB 669 (Berman, D-Coachella) Department of Transportation: Vehicle Testing (Chapter 472, Statutes of 2017)

AB 669 extends until January 1, 2020, the repeal date for Caltrans in coordination with the California Highway Patrol, to test technologies that enable drivers to safely operate motor vehicles with less than 100 feet between each vehicle or combination of vehicles. Prohibits a person from operating a motor vehicle participating in testing unless the person holds a valid driver's license of the appropriate class for the participating vehicle.

Requires Caltrans to submit an updated report to the Legislature on or before July 1, 2019, on the findings from the testing.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 1444 (Baker, R-Dublin) Livermore Amador Valley Transit Authority (Chapter 719, Statutes of 2017)

AB 1444 authorizes the Livermore Amador Valley Transit Authority to conduct a shared autonomous vehicle demonstration project for the testing of autonomous vehicles not equipped with a steering wheel, brake pedal, accelerator, or operator. The pilot program is limited to the City of Dublin and to an operating speed of 35 miles per hour. The bill also requires that certain information, such as project specifics and insurance information, be submitted to the Department of Motor Vehicles (DMV). Similarly, nothing in the bill limits the authority of the DMV to promulgate regulations on autonomous vehicles.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*

SB 145 (Hill, D-San Mateo) Autonomous Vehicles: Testing on Public Roads (Chapter 725, Statutes of 2017)

SB 145 cleans up SB 1298 (Chapter 570, Statutes of 2012), which required the DMV to adopt regulations for the operation of autonomous vehicles on California's public roads. SB 145 deletes the requirement that the DMV notify the Legislature of the approval of an application from a manufacturer seeking to operate autonomous vehicles without the presence of a driver on public roads for non-testing purposes, and the requirement that prohibits an application from becoming effective any sooner than 180 days after an application is submitted. Requires the DMV to post a public notice on its Internet Web site when it adopts regulations governing autonomous vehicles. In addition, repeals the 120 day prohibition against limiting or expanding the authority to operate autonomous vehicles, and instead prohibits the DMV from approving a submitted application until 30 days after the required public notice is provided.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

IV. Employment Terms and Conditions

AB 44 (Reyes, D-San Bernardino) Workers' Compensation: Medical Treatment: Terrorist Attacks: Workplace Violence (Chapter 736, Statutes of 2017)

AB 44 requires that employers shall provide immediate support from a nurse case manager for employees injured by an act of domestic terrorism. Requires employers to assist injured employees in obtaining the necessary medical treatment and to assist providers of medical services in seeking authorization and payment of medical treatment. Only applies if the Governor has declared a state of emergency in connection with the act of terrorism. Requires employers that have been notified of a claim for compensation arising out of the acts that resulted in the Governor's declaration, to provide a notice within three days to the claimant advising the claimant of the necessary medical services.

OCTA Position – Monitor

Impact on OCTA: *OCTA's workers' compensation program will need to be reviewed and amended to comply with the provisions outlined in AB 44.*

AB 168 (Eggman, D-Stockton) Employers: Salary Information (Chapter 688, Statutes of 2017)

AB 168 prohibits an employer from using the salary history of an applicant for employment as a factor in determining whether to make an employment offer or what salary to offer the applicant. The employer is not prohibited from using salary information voluntarily disclosed by the applicant.

OCTA Position – *Monitor*

Impact on OCTA: *OCTA will be required to comply with the provisions of AB 168 in employment decisions, which will potentially require updates to employment application forms and internal processes.*

AB 450 (Chiu, D-San Francisco) Employment Regulation: Immigration Worksite Enforcement Actions (Chapter 492, Statutes of 2017)

AB 450 imposes various requirements on public and private employers regarding federal immigration agency worksite enforcement actions. The bill prohibits an employer from providing voluntary consent to an immigration enforcement agent to enter nonpublic areas of a place of labor without a warrant. It also prohibits an employer or other person acting on the employer's behalf from providing voluntary consent to an immigration enforcement agent to obtain employee records without a subpoena or court order. Employers are also prohibited from reverifying the employment eligibility of a current employee at a time or in a manner not required by specified federal law. Failure to adhere to these new requirements can result in penalties of up to \$10,000 per violation.

OCTA Position – *Monitor*

Impact on OCTA: *AB 450 prohibits OCTA from giving federal immigration enforcement officials access to nonpublic areas of work without a warrant. Similarly, OCTA must have proof of a subpoena or court order before turning over employment records to federal immigration officials. Also, OCTA may not reverify the employment eligibility of a current employee unless required by federal law.*

AB 551 (Levine, D-San Rafael) Political Reform Act of 1974: Postemployment (Chapter 196, Statutes of 2017)

AB 551 prohibits certain local government officials – a local elected official; a chief administrative officer of a county, city manager; or a general manager or chief administrator of a special district – from appearing before or communicating with their former agency – or any committee, subcommittee, or present member of that local government agency, or any officer or employee of the local government agency – for compensation as an independent contractor for another government agency within a year after leaving that position. The prohibition includes working to influence agency decisions on rules or regulations that the employee’s former agency may be considering.

OCTA Position – *Monitor*

Impact on OCTA: *OCTA must be aware of the restrictions on hiring independent contractors retaining anyone that would perform work, under the scope of the contract, with a government agency that had previously been his or her employer within the last year.*

AB 1008 (McCarty, D-Sacramento) Employment Discrimination: Conviction History (Chapter 789, Statutes of 2017)

AB 1008 makes it unlawful under the California Fair Employment and Housing Act for an employer with five or more employees to inquire about and consider a job applicant’s conviction history prior to a conditional offer of employment. Provides that if the employer makes a preliminary decision that the applicant’s conviction history disqualifies the applicant from employment, the employer shall notify the applicant in writing. Provides the applicant with five business days to respond to the notice before an employer can make a final decision. In addition, provides that, if the applicant notifies the employer within five business days in writing that the applicant disputes the accuracy of the conviction history report and is taking steps to obtain evidence in support of that assertion, then the applicant shall have five additional business days to respond to the notice.

OCTA Position – *Monitor*

Impact on OCTA: *OCTA hiring and salary determination practices will need to be reviewed and amended to comply with the provisions set forth in AB 1008.*

**AB 1556 (Stone, D-Monterey Bay) Employment Discrimination: Unlawful Employment Practice
(Chapter 799, Statutes of 2017)**

AB 1556 replaces each gender specific term in the California Fair Employment and Housing Act and the Moore-Brown-Roberti Family Rights Act with gender neutral terms. Allows for more inclusive statutes that clarify that all Californians are protected against discrimination in employment and housing, including discrimination against female employees on the basis of pregnancy or a pregnancy-related medical condition.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. OCTA must ensure consistency with the provisions outlined in AB 1556, in employment practices.*

**SB 31 (Lara, D-Bell Gardens) California Religious Freedom Act: State Agencies: Disclosure of Religious Affiliation Information
(Chapter 826, Statutes of 2017)**

SB 31, known as the California Religious Freedom Act, prohibits a state or local agency, or a public employee from initiating, participating in, or assisting with any program to create a religious list, registry, or database that requires information about an individual's religious belief, practice, or affiliation, national origin, or ethnicity for law enforcement or immigration purposes. Prohibits state and local law enforcement agencies from assisting or collecting this information, except as part of a targeted investigation when it may be relevant. Provides that an agency or employee will only be deemed to be in violation of the bill if the agency or employee acted with actual knowledge that the information shared would be used for purposes prohibited by these provisions.

OCTA Position – Monitor

Impact on OCTA: *OCTA, as a public agency, must comply with the provisions outlined in SB 31.*

**SB 63 (Jackson, D-Santa Barbara) Unlawful Employment Practice: Parental Leave
(Chapter 686, Statutes of 2017)**

SB 63 prohibits an employer of 20 or more employees, from refusing to allow an employee with more than 12 months of service with the employer, who has at least 1,250 hours of service with the employer during the previous 12-month period, and who works at a location in which the employer employs at least 20 employees within 75 miles, to take up to 12 weeks of parental leave to bond with a new child within one year of the child's birth, adoption, or foster care placement. Prohibits an employer from refusing to maintain and pay for group health coverage of an eligible employee during the duration of the parental leave. Requires the employer to provide a guarantee of employment in the same or comparable position upon return. Allows the employee to utilize accrued vacation pay, paid sick time, other paid time off, or other paid or unpaid time off negotiated with the employer, during the period of leave. Authorizes the employer to grant simultaneous leave if the employer employs both parents.

OCTA Position – Monitor

Impact on OCTA: *OCTA already has a leave of absence policy in effect, which will need to be reviewed, and amended to comply with the new provisions set forth in SB 63.*

**SB 65 (Hill, D-San Mateo) Vehicles: Alcohol and Marijuana: Penalties
(Chapter 232, Statutes of 2017)**

SB 65 makes drinking an alcoholic beverage or smoking or ingesting marijuana, or any marijuana product while driving, or while riding as a passenger in a motor vehicle upon a highway or on any lands punishable as an infraction.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. OCTA already has a Drug and Alcohol Policy manual with regulations and compliance requirements in effect, which can be reviewed, and if needed, amended to be consistent with the provisions of SB 65.*

**SB 285 (Atkins, D-South Park/Golden Hill) Public Employers: Union Organizing
(Chapter 567, Statutes of 2017)**

SB 285 expands labor protections in current law by prohibiting public employers from deterring or discouraging membership by public employees in an employee organization. The bill delegates jurisdiction over violations of this new protection to the Public Employment Relations Board.

OCTA Position – *Monitor*

Impact on OCTA: *OCTA policies and procedures related to employee participation in unions are to be consistent with these provisions.*

**SB 396 (Lara, D-Bell Gardens) Employment: Gender Identity, Gender Expression,
and Sexual Orientation
(Chapter 858, Statutes of 2017)**

SB 396 requires employers with 50 or more employees to include, in existing sexual harassment training and education for supervisors, training on harassment based on gender identity, gender expression, and sexual orientation. Requires each employer to post a poster developed by the Department of Fair Employment and Housing regarding transgender rights. Expands the definition of an “individual with employment barriers” to include transgender and gender nonconforming individuals.

OCTA Position – Monitor

Impact on OCTA: *All OCTA employees are currently responsibly for adhering to the OCTA workplace harassment and discrimination prevention policy. Supervisors and managers are responsible for participating in harassment and discrimination prevention training and taking appropriate action to enforce the policy. OCTA’s prevention policy and*

hiring practices will need to be reviewed, and if needed, amended to comply with the provisions set forth in SB 396.

SB 306 (Hertzberg, D-Sherman Oaks) Retaliation Actions: Complaints: Administrative Review (Chapter 460, Statutes of 2017)

SB 306 grants the Labor Commissioner the authority to authorize an investigation of an employer without receiving a formal retaliation complaint. The Labor Commissioner may seek immediate injunctive relief if there is reasonable cause to believe that the employer is engaged in unlawful retaliation. This bill also gives the Labor Commissioner authority to issue citations and penalties directly to enforce retaliation claims, rather than exclusively through the courts.

OCTA Position – *Monitor*

Impact on OCTA: SB 306 empowers the Labor Commissioner new, expedited authority to investigate and stop retaliation against employees who report violations of the law. The Labor Commissioner is allowed to step in even before the employee files a complaint, and the Commissioner may issue penalties against an employer without going to court first. Similarly, the bill makes it much easier for injunctive relief to be awarded against an employer for unlawful retaliatory actions.

SB 671 (Moorlach, R-Costa Mesa) County Employees' Retirement: Retirement Funds (Chapter 76, Statutes of 2017)

SB 671 clarifies that the governing body of a county or district is authorized to make an advance payment of the estimated annual retirement contributions for the year, or part of the year, as long as the advance payment is made no later than 30 days after the commencement of the fiscal year for which the advance payment is made. The bill is meant to clarify that the prepayment authorization given to San Bernardino County in state law is explicitly granted to every county and district statewide.

OCTA Position – *Monitor*

Impact on OCTA: The Orange County Employees Retirement System (OCERS) has offered plan sponsors prepayment authority each year since FY 2005-06. As such, SB 671 does not grant any new authority to OCTA. Instead, the bill clarifies, in statute, that the prepayment authorization is available statewide.

V. Environment

AB 28 (Frazier, D-Oakley) Department Of Transportation: Environmental Review Process: Federal Pilot Program (Chapter 4, Statutes of 2017)

AB 28 allows Caltrans to make decisions pertaining to the National Environmental Policy Act (NEPA) review process until January 1, 2020. Federal law created a pilot program allowing up to five states to assume responsibility for the U.S. Department of Transportation's role in the NEPA decision-making process, which is often referred to as NEPA delegation. California started utilizing this authority in 2007, but the Legislature failed to reauthorize the state's participation in the program before the January 1, 2017 statutory sunset. In passing this bill, California rejoins the program until January 1, 2020.

Urgency bill – Effective Immediately

OCTA Position – *Support*

Impact on OCTA: Authorizes continuation of the existing process delegating NEPA authority for highway projects to Caltrans instead of the Federal Highway Administration (FHWA). According to Caltrans, the pilot program resulted in a median time savings of 10.7 months in approving draft Environmental Assessment documents and a nearly 23-month time savings in finalizing draft Environmental Impact Statements. Absent the extension of NEPA delegation authority, numerous locally-funding OCTA freeway projects would be delayed, including improvements to State Route (SR) 91, SR-57, SR-55, and Interstate 405. OCTA estimates that approximately \$2.1 billion in infrastructure investments could be delayed if NEPA delegation expired indefinitely.

AB 246 (Santiago, D-Los Angeles) Environmental Quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2011 (Chapter 522, Statutes of 2017)

AB 246 extends until January 1, 2020, the authority of the Governor, under the Jobs and Economic Improvement Through Environmental Leadership Act of 2011, to certify a residential, retail, commercial, sports, cultural, or recreational use project that will not have a significant effect on the environment. Provides that the certification expires and is no longer valid if the lead agency fails to approve a certified project before January 1, 2021. Establishes procedures for expedited judicial review, which requires courts to resolve CEQA lawsuits within 270 days from the date the certified record of proceedings is filed with the court. Requires contractors and subcontractors to pay all construction workers at least the general prevailing rate of per diem wages and provides for the enforcement of this requirement.

OCTA Position – *Monitor*

Impact on OCTA: For informational purposes. Two potential projects relating to residential, commercial, retail, and recreational purposes have shown interest in obtaining

this authority: the Millennium Hollywood mixed-use project in Hollywood, and the Facebook Willow Campus Master Plan in Menlo Park.

**AB 355 (Chu, D- Fremont) Water Pollution: Enforcement
(Chapter 524, Statutes of 2017)**

AB 355 authorizes the State Water Board to impose a civil penalty on an owner of an underground storage tank for failure to comply with permitting, reporting, and operating requirements on underground storage tank management. Requires the executive director of the State Water Board to consult with the appropriate local agency or agencies before issuing a complaint.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. With underground storage tanks located at OCTA's five bus bases, OCTA should be aware of the civil liabilities outlined in AB 355 to ensure appropriate underground storage tank management.

**AB 398 (Garcia, D-Coachella) Emissions: Compliance Mechanisms: Tax Exemptions
(Chapter 135, Statutes of 2017)**

AB 398 extends California's cap-and-trade program through 2030. Requires the California Air Resources Board (ARB) to establish a price ceiling on greenhouse gas (GHG) emission allowances. Adds new conditions governing the management and allocation of allowances and reduces the limits on compliance offsets. Requires the ARB to update the scoping plan, and authorizes all GHG emissions rules and regulations to be consistent with the scoping plan. Establishes priorities for cap-and-trade expenditures with regards to air quality, low-and-zero carbon transportation alternatives, sustainable agricultural practices, climate pollutants, healthy forests, urban greening, and climate and clean energy research.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: With the extension of cap-and-trade until 2030, continuous appropriations from the Greenhouse Gas Reduction Fund (GGRF) will be provided for formula programs like the Low Carbon Transit Operations Program (LCTOP), and competitive programs like Transit and Intercity Rail Capital Program (TIRCP), which provides opportunities for OCTA to pursue funding in support of OCTA projects. In addition, OCTA will remain eligible to compete for discretionary funding in other programs provided by the GGRF, such as the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), Carl Moyer Program, and various clean freight programs. However, a long-term expenditure plan for the remaining excess revenues has yet to be adopted by the legislature.

AB 617 (Garcia, D-Bell Gardens) Nonvehicular Air Pollution: Criteria Air Pollutants (Chapter 136, Statutes of 2017)

AB 617 requires the ARB to develop a uniform system for reporting of emissions of criteria air pollutants and toxic air contaminants for use by stationary sources. Requires the ARB to prepare a plan regarding technologies for monitoring criteria air pollutants and toxic air contaminants. Requires the ARB to prepare a statewide strategy to reduce emissions of toxic air contaminants and criteria pollutants in impacted and disadvantaged communities. Authorizes the ARB to establish a statewide clearinghouse that identifies the best available control technology, best available retrofit technology for criteria air pollutants, and related technologies for the control of toxic air contaminants.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. Provides a number of new programs, such as a state clearinghouse of best available retrofit control technology in response to concerns about the disproportionate air quality burdens faced by disadvantaged communities.*

AB 733 (Berman, D-Palo Alto) Enhanced Infrastructure Financing Districts: Climate Change (Chapter 657, Statutes of 2017)

AB 733 adds climate change projects to the existing list of projects that may be undertaken by Enhanced Infrastructure Financing Districts. Specifically, the bill envisions projects that help communities address higher average temperatures, decreased air and water quality, the spread of diseases, extreme weather events, sea level rise, flooding, heat waves, wildfires, and drought.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes. AB 733 authorizes additional projects that can be utilized by EFIDs.*

AB 739 (Chau, D-Monterey Park) State Vehicle Fleet: Purchases (Chapter 639, Statutes of 2017)

AB 739 requires that, beginning December 31, 2025, at least 15 percent of newly purchased vehicles with a gross vehicle weight rating of 19,000 pounds or more purchased by the Department of General Services for the state fleet be zero-emission. The bill also requires that, beginning December 31, 2030, at least 30 percent of those vehicles to be zero-emission. If the Department cannot meet these goals, the bill requires that it hold a public hearing on or after December 31, 2026 to disclose the reasons why. The Department must also disclose these findings to the Legislature.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes. AB 739 illustrates the commitment of the state to zero-emission vehicles (ZEVs), specifically as it affects any vehicle procurement done by the Department of General Services on behalf of Caltrans.*

**ACA 1 (Mayes, R-Yucca Valley) Greenhouse Gas Reduction Reserve Fund
(Chapter 105, Statutes of 2017)**

ACA 1 would, if approved by voters in June of 2018, require a two-thirds vote in each house for any appropriation from the cap-and-trade program after January 1, 2024. The intent is to create a one-time two-thirds vote requirement sometime between now and the expiration of the cap-and-trade program on January 1, 2031, as outlined in AB 398 (Chapter 135, Statutes of 2017).

OCTA Position – *Monitor*

Impact on OCTA: *Funding that OCTA receives through the cap-and-trade program, including through the LCTOP, will be threatened if this constitutional amendment becomes law. Absent the two-thirds vote required by the measure, moneys could not be appropriated from the GGRRF. If approved by the voters, there is still a chance that cap-and-trade funding is not interrupted, assuming that a legislative deal supported by two-thirds of the Legislature passes before January 1, 2024.*

VI. Funding

**AB 56 (Holden, D-Pasadena) California Infrastructure and Economic Development Bank: Housing
(Chapter 289, Statutes of 2017)**

AB 56 clarifies the definition of housing-related infrastructure for the purposes of programs administered through the California Infrastructure and Economic Development Bank, including projects funded through the Infrastructure State Revolving Fund. Specifically, the bill ensures that the Infrastructure and Economic Development Bank can finance house-related infrastructure, such as streets, drainage, water supply, and flood control facilities

OCTA Position – *Monitor*

Impact on OCTA: *AB 56 broadens the pool of potential uses for funds expended by the Infrastructure and Economic Development bank by allowing for additional infrastructure projects relating to housing development, including transportation-related projects.*

**AB 467 (Mullin, D-South San Francisco) Local Transportation Authorities: Transactions and Tax
(Chapter 640, Statutes of 2017)**

AB 467 exempts a county elections official from including, on a measure to impose a retail transactions and use tax, the entire transportation expenditure plan in the voter information guide as long as the authority posts the plan on its website. The authority must ensure that the sample ballot and the voter information guide sent to voters include

information on viewing an electronic version of the plan on the website as well as instructions for how to obtain a printed copy of the plan if a voter so desires.

OCTA Position – *Monitor*

Impact on OCTA: Allows an agency pursuing a retail transaction and use tax, to post the full transportation expenditure plan online rather than posting printed versions in the voter information guide. The agency must take the necessary steps to ensure that the sample ballot and voter information guide give voters instructions on accessing the website and how to, if they prefer, obtain a printed version of the expenditure plan. There may be some concern that if an expenditure plan is not included in the voter information guide, that voters may not understand that those projects are to be funded by the measure and are also included in the vote. Additional outreach may be required.

AB 805 (Gonzalez Fletcher, D-Sherman Heights) County of San Diego: Transportation Agencies (Chapter 658, Statutes of 2017)

AB 805 imposes state-mandated changes to the governing structure and voting authority of the San Diego Association of Governments (SANDAG). The bill mandates that the mayor and city council president of San Diego serve on the SANDAG Board while removing a provision requiring that the chair of the County of San Diego Board of Supervisors serve on the Board. It also creates a weighted vote process, institutes an audit committee, requires SANDAG to submit an annual report to the Legislature, allows the San Diego Metropolitan Transit System and the North County Transit District to institute taxes, and implement certain project labor agreement requirements. The bill also requires that the regional comprehensive plan address greenhouse gas emissions reduction targets set by the Air Resources Board, including a specific requirement that the plan contain strategies that provide for a modal shift to public transportation.

OCTA Position – *Oppose*

Impact on OCTA: AB 805 shows the willingness of the state to ignore the broad and sustained collaboration necessary to drive regional participation in transportation planning. Instead, the state stepped in to reduce local prerogative over regional transportation funding, creating a top-down mandate that could complicate transportation planning efforts in San Diego.

AB 1113 (Bloom, D-Santa Monica) State Transit Assistance Program (Chapter 86, Statutes of 2017)

AB 1113 revises the State Transit Assistance (STA) program to clarify several ambiguities. AB 1113 ensures that only STA-eligible operators can receive an allocation from the portion of program funds based on transit operator revenues. The bill also requires the SCO to design and adopt a uniform system of accounts and records under which operators prepare and submit annual reports of their operation. The reports must be submitted within seven months after the end of the fiscal year and must contain underlying data from audited financial statements.

Urgency bill – Effective Immediately

OCTA Position – *Support*

Impact on OCTA: *AB 1113 standardizes the eligibility and reporting requirements for STA funding. This legislation was passed to pre-empt guidance from the SCO that would have reinterpreted longstanding practices pertaining to this funding. AB 1113 will provide uniformity in eligibility standards for future funding that will prevent OCTA's share of the funding from being decreased by an influx of entities not eligible under current law. In addition, the new reporting framework provides certainty as to what kind of information OCTA will be required to report in order to receive this funding.*

**AB 1189 (Garcia, D-Coachella Valley) Riverside County Transportation Commission
(Chapter 642, Statutes of 2017)**

AB 1189 authorizes the Riverside County Transportation Commission (RCTC) to impose, subject to voter approval, a maximum tax rate for transportation purposes of one percent instead of one-half of one percent. The bill also specifies that the tax rate imposed by RCTC would not be considered for purposes of the two percent countywide limit.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*

**AB 1613 (Mullin, D-South San Francisco) San Mateo County Transit District: Retail Transaction
(Chapter 231, Statutes of 2017)**

AB 1613 authorizes the board of the San Mateo County Transit District, subject to voter approval, to implement a transactions and use tax above the two percent countywide limit in current law. The new tax cannot exceed a 0.5 percent rate. The San Mateo County Transit District loses this new authority if San Mateo County uses their existing authority to implement a transactions and use tax. The San Mateo County Transit District has until January 1, 2026 to implement the new tax.

Urgency bill – Effective Immediately

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*

**ACA 5 (Frazier, D-Oakley) Motor Vehicle Fees and Taxes: Expenditure Restriction
(Chapter 30, Statutes of 2017)**

ACA 5 would, if approved by voters in June of 2018, add an article to the California Constitution requiring that revenues derived from vehicle fees imposed be used solely for transportation purposes. ACA 5 would prohibit these revenues from being used for the

payment of principal and interest on state transportation general obligation bonds and would require that portions of the sales and use tax on diesel fuel be used for certain transportation planning or mass transportation purposes.

OCTA Position – *Monitor*

Impact on OCTA: *If this measure is approved by voters, ACA 5 would ensure that certain motor vehicle fees and taxes are used for transportation projects and not diverted for other uses. Passed as part of the SB 1 package, this measure would prevent the Legislature from diverting the new transportation funding for non-transportation purposes*

SB 1 (Beall, D-San Jose) Transportation Funding (Chapter 5, Statutes of 2017)

SB 1 increases both gasoline and diesel taxes, while also creating a value-based transportation improvement fee and a new ZEV registration fee to raise over \$5 billion annually in new transportation revenues. Requires tax rates and fees, excluding the diesel sales tax, to be adjusted annually based on the California Consumer Price Index. Resets the price based excise tax on July 1, 2019, and provides that \$706 million in outstanding loans made to the General Fund be repaid over three years. Creates the Road Maintenance and Rehabilitation program and deposits the revenue into the Road Maintenance and Rehabilitation Account. Prioritizes investments towards fix-it-first purposes on local street and roads and highways, transit operations and maintenance, capital investments, and active transportation. Provides new revenues for 18 new and existing programs administered by the California Transportation Commission (CTC), the California State Transportation Agency (CalSTA), Caltrans, SCO, the Workforce Development Board and the Joint Legislative Transportation and Budget Committees. In addition, expands reporting requirements on project performance and delivery status, and creates the position of Transportation Inspector General within Caltrans to audit and investigate state and local projects to ensure expenditures are made in conformance with existing law. Also creates and funds an Advance Mitigation Program (AMP), administered by Caltrans to protect natural resources and advance project delivery.

Urgency Bill – Effective Immediately

OCTA Position – *Monitor*

Impact on OCTA: *It is expected that SB 1 will provide increased funding for Orange County and OCTA as follows, over a 10-year period: a doubling of Local Streets and Roads (LSR) funds for each city and the county that is to be focused on projects such as rehabilitation and maintenance, grade separations, safety projects, complete street components, and traffic control devices. \$741 million in new funds for the State Highway Operation and Protection Program (SHOPP) for Orange County, based on estimates provided by Caltrans, with the same eligibility parameters, guidelines, and reporting requirements as that provided for LSR funding. Over \$18 million in new transit funding per year for Orange County, with about \$13 million eligible for transit capital or operations*

purposes, and over \$5 million annually for capital purposes. The stabilizing of the State Transportation Improvement Program (STIP), which could allow OCTA to reprogram projects previously delayed or prevented from being programmed and will add about \$53 million over previous estimates to the STIP, based on estimates provided by Caltrans. In addition, as an eligible recipient, OCTA can compete for the new programs, including the Trade Corridor Enhancement Program, Solutions for Congested Corridor Program (SCCP), AMP, and the Local Partnership Program (LPP).

SB 797 (Hill, D-San Mateo) Peninsula Corridor Joint Powers Board: Use Tax (Chapter 653, Statutes of 2017)

SB 797 authorizes the Peninsula Corridor Joint Powers Board, subject to voter approval, to implement a transactions and use tax above the two percent countywide limit in current law in order to fund operating and capital expenses on the Caltrain rail service. The tax must be approved by the Peninsula Corridor Joint Powers Board; by two-thirds of voters in the Counties of San Francisco, San Mateo, and Santa Clara; and by a majority vote of each transportation agency's governing board, including the San Francisco Municipal Transportation Agency, the San Mateo County Transit District, and the Santa Clara Valley Transportation Authority. The new tax cannot exceed a 0.125 percent rate.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*

VII. Information Systems

AB 22 (Bonta, D-Alameda) Secretary Of State: Storing and Recording Media (Chapter 834, Statutes of 2017)

AB 22 requires the Secretary of State to adopt uniform statewide standards for the purpose of storing and recording permanent and nonpermanent documents in electronic media, including the use of "cloud computing," that are in keeping with the standards established by the American National Standards Institute. Specifically, the bill includes a requirement that a "trusted system" be utilized.

OCTA Position – *Monitor*

Impact on OCTA: *The guidelines that the Secretary of State will develop could create additional requirements pertaining to OCTA's video surveillance equipment at all facilities, including bases, buses, and stations, as well as documents stored in Halogen, Granicus, or any other electronic media. Staff will monitor the guidelines to determine their effect on OCTA operations.*

VIII. Managed Lanes/Toll Facilities

AB 544 (Bloom, D-Santa Monica) Vehicles: High Occupancy Vehicle Lanes (Chapter 630, Statutes of 2017)

AB 544 creates a new program after the Clean Air Vehicle (CAV) Program sunsets on September 30, 2019. CAV Program enables particular low-emission vehicles to access high-occupancy vehicle (HOV) lanes with a single occupant. The new program will grant, until September 30, 2025, federal inherently low emission vehicles and transitional ZEVs access to HOV lanes, regardless of the vehicle occupancy level. Allows green or white HOV access stickers issued prior to January 1, 2017, to expire on January 1, 2019. Allows motorists with green and white stickers issued between January 1, 2017, and January 1, 2019, to apply to the DMV for a new sticker that shall be valid until January 1, 2022. Provides that HOV access stickers issued on or after January 1, 2019, will be valid until January 1 of the fourth year after the year of issuance, and requires the new stickers to be distinguishable from prior stickers. Prohibits applicants from receiving an HOV access decal if the applicant has received a rebate pursuant to the Clean Vehicle Rebate Project, unless the applicant meets the income criteria.

OCTA Position – Monitor

Impact on OCTA: *The creation of a new program to enable greater access to HOV lanes will further incentivize the purchase of vehicles that qualify as low-emission vehicles or ZEVs, increasing the number of single occupant vehicles that utilize Orange County's HOV lane network, which has the potential to further degrade the throughput of the County's HOV lane network.*

SB 406 (Leyva, D-Chino) Vehicles: High Occupancy Vehicle Lanes: Exemptions (Chapter 392, Statutes of 2017)

SB 406 allows blood transport vehicles such as a vehicle owned and operated by the American Red Cross or a blood bank, to use HOV lanes, regardless of occupancy. Provides that blood transport vehicles are not exempt from paying tolls. Requires the FHWA and Caltrans to make a determination that the use of HOV lanes by these vehicles will not cause a reduction in federal aid funds for highways or otherwise be inconsistent with federal law or regulations, or with any agreement between the state and a federal agency or department.

OCTA Position – Monitor

Impact on OCTA: *As owner and operator of the 91 Express Lanes, blood transport vehicles under SB 406's provisions would still be subject to the existing fee structure that governs vehicles when they utilize the 91 Express Lanes. In addition, if Caltrans and the FHWA approve of this exemption, continued discussions will be needed on overall solutions to the continued degradation of the HOV system.*

SB 595 (Beall, D-San Jose) Metropolitan Transportation Commission: Toll Bridge (Chapter 650, Statutes of 2017)

SB 595 requires the City and County of San Francisco and the other eight counties in the San Francisco Bay Area to place a third regional measure (RM3) on the ballot to increase the toll rate by \$3 on state-owned toll bridges. If approved by the voters, authorizes the Bay Area Toll Authority to phase in the toll increase, six months after the election, over a

period of time that can be adjusted to inflation based on the California Consumer Price Index. Allows for revenue to be expended on bridge maintenance and rehabilitation, and other projects and programs, such as the San Francisco Bay Area Rapid Transit District (BART) extension to San Jose, the Caltrain Downtown Extension, and other corridor improvements in the Bay Area region that will be known as the RM3 expenditure plan. Sets aside 16 percent of increased revenues, up to \$60 million annually, for transit operating assistance. SB 595 also modifies provisions related to a HOT lane between the Counties of Santa Clara and San Mateo, and requires excess revenues to be used for purposes outlined in an expenditure plan adopted by the City and County Association of Governments of San Mateo, and the San Mateo County Transportation Authority. Establishes an independent oversight committee to ensure RM3 toll revenues are expended consistent with the authority being granted.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

IX. Planning

AB 179 (Cervantes, D-Riverside) California Transportation Commission (Chapter 737, Statutes of 2017)

AB 179 requires the Governor, when appointing members of the CTC, to use every effort to ensure that the CTC has a diverse membership with expertise in transportation issues. Specifically, the Governor must take into consideration factors such as socioeconomic background and professional experience, including experience working in, or representing, disadvantaged communities. The bill also requires that the Commission hold at least two joint meetings with the ARB to coordinate the implementation of transportation policies.

OCTA Position – *Neutral*

Impact on OCTA: *The version of AB 179 signed into law only gives the Governor factors to consider when appointing CTC members rather than prescribing specific requirements for appointees. OCTA must be aware of the socioeconomic background and professional experience of any appointee, including work done in disadvantaged communities, in order to inform members of the State Senate, who confirm these appointments. Also, OCTA must be aware of the increased coordination between the ARB and the CTC, and potential for that to influence future transportation policy.*

AB 184 (Berman, D-Pal Alto) Sea Level Rise Planning: Database (Chapter 338, Statutes of 2017)

AB 184 postpones until January 1, 2023, the repeal of existing law, which requires the Natural Resources Agency to create and post on an Internet Web site a Planning for Sea Level Rise Database describing the steps being taken throughout the state by public agencies and private entities to prepare and plan for sea level rise.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 515 (Frazier, D-Oakley) State Highway System Management Plan
(Chapter 314, Statutes of 2017)**

AB 515 requires Caltrans to share a draft of the 10-year State Highway System Management Plan, conducted in coordination with Caltrans' activities related to maintenance and the SHOPP, to regional transportation agencies for review and comment. The bill also requires Caltrans to respond to the comments provided by regional transportation agencies.

OCTA Position – *Monitor*

Impact on OCTA: *In finalizing the 10-year State Highway System Management Plan, Caltrans is now required to share a draft of the plan with OCTA and give the agency a chance to comment on the draft. The bill also requires Caltrans to respond to OCTA's comments. This process is intended to ensure that the asset management plan is better aligned with the planning efforts of the regional transportation agencies like OCTA.*

**AB 1282 (Mullin, D-San Mateo) Transportation Permitting Taskforce
(Chapter 643, Statutes of 2017)**

AB 1282 directs the Secretary of CalSTA, in consultation with the Secretary of the National Resources Agency, to create a Transportation Permitting Task Force (Task Force) to streamline permit approvals for transportation projects. The Task Force includes certain state agencies, regional water quality control boards, and other relevant state or public entities. Requires the Secretary of CalSTA to prepare and submit a report of the Task Force's findings to the appropriate legislative policy and fiscal committees by December 1, 2019.

OCTA Position – Support if Amended

Impact on OCTA: *Whether OCTA, Caltrans, or another entity is the lead agency for a transportation project, a significant amount of time is spent on securing the necessary permits for a particular project. There are at least 23 different variations of permits that could be required for a specific project depending on the location, resources impacted, and the mitigation needs of a specific project. Each of these permits is processed through a different entity, adding additional time and cost to a particular project. The inability to obtain a specific permit is one of the primary reasons a project can be delayed. AB 1282 offers an opportunity for regional transportation agencies or transit agencies, like OCTA, which may be a lead agency in project delivery to provide insight on where existing barriers and delays most often occur. This coordination could potentially allow for streamlined project delivery and a clearer, more consistent process for obtaining needed project permits. Although there is no language in the bill specifically referencing local transportation agencies or transit agencies, the author has noted that it was the intent of*

the bill to include these agencies under “other relevant state or public entities.” He has pledged to continue to work with OCTA and other stakeholders as the Task Force is formed, to ensure that the intent of AB 1282 is met.

**SB 150 (Allen, D-Santa Monica) Regional Transportation Plans
(Chapter 646, Statutes of 2017)**

SB 150 requires the ARB to prepare a report to assess the progress of metropolitan planning organizations (MPOs) in meeting GHG targets under SB 375 (Chapter 728, Statutes of 2008). Requires the ARB to prepare the report on or before September 1, 2018, and every four years thereafter to align with the target setting process under SB 375. Requires the report to include changes to GHG emissions in each region and data-supported metrics for the strategies utilized to meet the targets, and also a discussion of best practices and challenges faced by the MPOs in meeting the targets, including the effects of state policies and funding. Requires the report to be developed in consultation with the MPOs and affected stakeholders. In addition, SB 150 amends the process for setting GHG emission targets under SB 375, to also take into account additional state greenhouse gas emission reduction goals, including that in SB 32 (Chapter 249, Statutes of 2016), which set the statewide GHG reduction target at 40 percent below 1990 levels by 2030.

OCTA Position – Neutral

Impact on OCTA: SB 150 allows relevant stakeholders such as OCTA to work in close consultation with MPOs and the ARB in developing the report. In addition, the bill provides for a comprehensive approach that will assist in implementation and allow for regional flexibility to meet the state’s overall climate goals, as originally intended under SB 375.

**SB 498 (Skinner, D-Berkeley) Vehicle Fleets: Zero-Emission Vehicles
(Chapter 628, Statutes of 2017)**

SB 498 requires the ARB, in consultation with stakeholders, to review all state programs related to light-duty, medium-duty, and heavy-duty ZEVs, and make policy recommendations to the Legislature no later than July 1, 2019, on how to increase the use of ZEVs in a manner that results in greenhouse gas or air quality improvements. Requires the ARB to hold a public hearing to consider public comments on a draft report of its recommendations at least 30 days before they submit the report to the Legislature. Authorizes the ARB to modify the draft report based on the public comments it receives. Requires the Department of General Services, beginning no later than FY 2024-2025, to ensure that at least 50 percent of the light-duty vehicles purchased for the state vehicle fleet each year are ZEVs.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. SB 498 provides OCTA with the opportunity to provide comments and feedback on future policy recommendations by the ARB on state programs related to ZEVs.

X. Public Works

AB 92 (Bonta, D-Oakland) Public Contracts: Payment (Chapter 37, Statutes of 2017)

AB 92 extends until January 1, 2023, the operation of existing law which prohibits a public agency from retaining more than five percent of a contract price from the original contractor or subcontractor until final completion of a public works project. In addition, the bill extends the provision that provides an exception to the retention limit by allowing a public agency to withhold more than five percent of a contract price if a project is deemed to be substantially complex, provided that the bid documents explain the basis for the finding and the actual retention amount.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. Allows public agencies, such as OCTA, to maintain a degree of control over projects to ensure contractors perform the work well and on time, without making it difficult for them to meet their financial obligations.

AB 262 (Bonta, D-Alameda) Public Contracts: Bid Specifications (Chapter 816, Statutes of 2017)

AB 262 requires the Department of General Services to establish, and publish in the State Contracting Manual, a maximum acceptable global warming potential for each category of materials in contracts entered into on or after July 1, 2019. Categories of materials are defined as: carbon steel rebar, flat glass, mineral wool board insulation, and structural steel. The bill also mandates that an awarding authority require a successful bidder to submit a current Environmental Product Declaration, developed in accordance with specified standards, for those materials covered in the bill.

OCTA Position – *Monitor*

Impact on OCTA: AB 262 requires a more robust environmental impact study for certain contracts on public works projects granted by state agencies. The standards will go into effect on July 1, 2019. OCTA staff will track the development of these standards to determine the impact that they will have on OCTA's operations.

AB 581 (McCarty, D-Sacramento) Apprenticeships on Public Works Projects (Chapter 553, Statutes of 2017)

AB 581 requires apprenticeship programs funded by grants from the California Apprenticeship Council keep adequate records that document the expenditure of the grant funds in order to remain eligible for grant funding. In addition, the bill requires that these records remain available for the California Apprenticeship Council to verify that the grants are used solely for training apprentices. If the Council finds that funds are used for a purpose other than funding apprenticeships, it is authorized to initiate the process of rescinding the apprenticeship program's registration.

OCTA Position – *Monitor*

Impact on OCTA: *Any OCTA contractors or subcontractors that have grant-funded apprenticeship programs are required by AB 581 to keep adequate records on the grants they receive to operate the apprenticeship program. If a contractor or subcontractor does not keep these records or is found to be using grant funds for purposes other than hiring apprentices, the California Apprenticeship Council can take action to rescind that apprenticeship program, which could increase the cost of the contract.*

**AB 1066 (Aguiar-Curry, D-Winters) Public Works: Definition
(Chapter 616, Statutes of 2017)**

AB 1066 expands the definition of a public works project to include tree removal work done in the execution of the project. With passage of this bill, tree removal work is subject to prevailing wage requirements.

OCTA Position – *Monitor*

Impact on OCTA: *AB 1066 requires that OCTA must pay prevailing wages for any contracted tree removal work.*

**AB 1223 (Caballero, D-Salinas) Construction Contract Payments: Web Site Posting
(Chapter 585, Statutes of 2017)**

AB 1223 requires state agencies that maintain an Internet Web site to post information about construction contract payments valued at \$25,000 or more on their Internet Web sites within ten days of making the payment. Requires the state agency to include the project for which the payment was made, the name of the construction contractor or company paid, the date the payment was made, the payment application number, and the amount of the payment.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*

**AB 1523 (Oberholte, R-Hesperia) San Bernardino County Transportation Authority
(Chapter 154, Statutes of 2017)**

AB 1523 authorizes the San Bernardino County Transportation Authority, upon approval of its board of directors, to use the design-build contracting process for local agencies to award a contract for the construction of the Mt. Vernon Avenue Viaduct project in the City of San Bernardino.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*

AB 1701 (Thurmond, D-Richmond) Labor Related Liabilities: Original Contractor (Chapter 804, Statutes of 2017)

AB 1701 holds general contractors and subcontractors jointly liable for nonpayment of wages, fringe or other benefit payments or contributions. Extends this liability, for contracts entered into on or after January 1, 2018, and applies the liability to both public and private work. Provides that the Labor Commissioner may enforce against a direct contractor the liability for unpaid wages or through a civil action. In addition, provides that only a third party owed fringe or other benefits, or a joint labor-management committee are allowed to bring a civil action against a direct contractor to enforce the liability.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. AB 1701 would place a greater burden on general contractors in monitoring the payrolls of their subcontractors, all while forcing them to be more cautious against litigation that could result from work stoppage, an increase in construction costs, or an increase in change order requests.*

SB 418 (Hernandez, D-West Covina) Public Contracts: Skilled and Trained Workforce (Chapter 393, Statutes of 2017)

SB 418 revises the definition of a “skilled and trained workforce” to specify that on or after January 1, 2018, the 40, 50, and 60 percentage graduation rate of skilled journeypersons employed to perform work on public contracts shall not apply to work performed in the following occupations: acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 486 (Monning, D-Carmel) Contractors State License Law: Letter of Admonishment (Chapter 308, Statutes of 2017)

SB 486 authorizes the Contractors State License Board (CSLB) to issue letters of admonishment, rather than a citation, to an applicant, licensee, or registrant for violations that do not involve financial harm or serious illness or injury. Provides constraints for the instances in which the CSLB may issue a letter of admonishment. Allows parties that receive a letter to contest, address violations, and write a corrective action plan, but establishes procedures for doing so. In addition, an issued letter of admonishment must be disclosed for a period of one year.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. Helps to ensure contractors aren't burdened by additional costs for minor violations, and as a result, limits the potential for increased project costs.*

**SB 496 (Canella, R-Ceres) Indemnity: Design Professionals
(Chapter 8, Statutes of 20176)**

SB 496 makes provisions related to liability for contractors applicable to all contracts for design professional services, defined as licensed or registered architects, landscape architects, engineers, or land surveyors, entered into after January 1, 2018. The bill deems that indemnity provided by the design professional for claims made against the indemnitee are limited to negligence, recklessness, or willful misconduct of the design professional. The bill also limits the costs charged to a design professional for legal defense to the design professional's proportional share of fault.

OCTA Position – *Monitor*

Impact on OCTA: *OCTA must be aware of the new indemnity structure when contracting with design professional services, specifically architecture and engineering firms. By prohibiting commonplace indemnity agreements, AB 496 would potentially force OCTA to use taxpayer dollars to defend any claims and litigation, and as a result, the agency would have to wait until after the issue is resolved to seek reimbursement from the design professional, placing the burden on OCTA to prove the amount of reimbursement required from the design professional.*

XI. Rail

**AB 695 (Bocanegra, D- Pacoima) Avoidance of On-Track Equipment
(Chapter 110, Statutes of 2017)**

AB 695 defines on-track equipment as any locomotive or any other car, rolling stock, equipment, or other device that is operated on stationary rail. Adds on-track equipment to the requirements for vehicles or pedestrians to safely cross a railroad, rail transit grade crossing, or a railroad grade crossing, and requires them to stop at no less than 15 feet away from the nearest rail before proceeding safely. In addition, requires vehicles such as buses and commercial vehicles to stop no less than 15 nor more than 50 feet away from the nearest rail, and requires them to track, listen, and look in both directions before proceeding safely.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes. OCTA bus operators must also comply with the requirements regarding on-track equipment while crossing a railroad, rail transit grade crossing, or a railroad grade crossing. However, there are potential safety improvements for pedestrians and vehicles at rail crossings, resulting from this bill.*

**AB 758 (Eggman, D-Stockton) Transportation: Tri-Valley-San Joaquin Valley Regional Rail Authority
(Chapter 747, Statutes of 2017)**

AB 758 creates the Tri-Valley-San Joaquin Valley Regional Rail Authority (Authority) for the purposes of planning, developing, and delivering transit connectivity between the BART system and the Altamont Corridor Express (ACE) commuter rail service in the Tri-Valley. Requires the Authority's governing board to be comprised of 15 representatives from the respective cities, counties, and transit authorities. Requires the Livermore Amador Transit Authority to provide administrative support to the Authority for 18 months. Transfers all unencumbered local funds programmed for the BART Livermore extension project or connectivity of ACE and BART to the discretion of the Authority. Requires the Authority by July 1, 2019, to develop one project feasibility report that provides recommendations for expediting the BART to ACE connection, a funding plan, a proposed schedule of completion, a preliminary design for the project, and the identification of preferred entity to delivery transit connectivity.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

XII. State Budget

**AB 97 (Ting, D-San Francisco) Budget Act of 2017
(Chapter 14, Statutes of 2017)**

AB 97 makes \$125.1 billion worth of appropriations to support the state government for FY 2017-18, which is \$1.1 billion higher than the May Revise. The bill also includes funding to bring the state's rainy day fund to \$8.5 billion. The bill appropriates \$1.5 billion in transportation funding pursuant to SB 1 (Chapter 5, Statutes of 2017), the Road Repair and Accountability Act of 2017, including:

- \$280 million of STA funding on top of the \$305 million of base funding;
- \$445.4 million for LSR;
- \$845.4 million for the SHOPP and bridge and culvert maintenance;
- \$330 million for the TIRCP;
- \$250 million for the SCCP;
- \$200 million for the LPP;
- \$199.8 million for the Trade Corridor Enhancement Account (TCEA);
- \$100 million for the Active Transportation Program;
- \$25 million for intercity and commuter rail;
- \$25 million for Freeway Service Patrol; and
- \$25 million for local planning grants.

Urgency bill – Effective Immediately

OCTA Position – *Monitor*

Impact on OCTA: *AB 97 appropriates OCTA's share of SB 1 funds for FY 2017-18. OCTA is expected to receive \$16.5 million in base State Transit Assistance funding plus an additional \$15.1 million from the funding increase in AB 97, although these amounts might change depending on fuel revenue receipts. OCTA's share of SB 1 funding will also depend on the implementation of the guidelines for competitive funding programs being developed under the public process laid out in AB 115 (Chapter 20, Statutes of 2017). According to estimates compiled by the California State Association of Counties for FY 2017-18, Orange County will receive approximately \$51.7 million in base funding for the local streets and roads plus an additional \$14.5 million due to the funding increases in SB 1. According to estimates provided by the California League of Cities for FY 2017-18, SB 1 will result in approximately \$17.2 million in additional funding for local streets and roads for Orange County's cities, which is in addition to the \$70.1 million that the cities will receive in base funding.*

AB 102 (Assembly Budget Committee) Taxpayer Transparency and Fairness Act: Tax and Fee (Chapter 16, Statutes of 2017)

AB 102 establishes the state Department of Tax and Fee Administration (DTFA) and transfers to it certain duties currently under the jurisdiction of the State Board of Equalization (BOE). The legislation rededicates the BOE to those duties outlined in the California Constitution, namely the assessing of a narrowly-defined set of taxes. As a result, the DTFA will be the agency with jurisdiction over any issues pertaining to the motor vehicle tax and local sales taxes. As part of the transition, the BOE will adjust the rate of the motor vehicle tax through FY 2018-19. AB 102 also establishes the Office of Tax Appeals and transfers to it certain duties from the BOE related to conducting tax appeals hearings.

Urgency bill – Effective Immediately

OCTA Position – *Monitor*

Impact on OCTA: *The rededication of the BOE means that issues pertaining to motor vehicles taxes and local sales taxes will be administered by the DTFA after the statutory transition period. OCTA will need to ensure that the transition of these administrative duties does not result in additional fees or burdens in the execution of local sales tax measures or threaten appropriations related to the collection of the motor vehicles taxes, either of which would be counter to the legislative intent of restoring faith in the state's revenue collection efforts.*

AB 115 (Assembly Budget Committee) Transportation (Chapter 20, Statutes of 2017)

AB 115 serves as one of the budget trailer bills for transportation. The bill ensures that LPP funding authorized in SB 1 is allocated to local or regional transportation agencies that have secured voter approval for local sales tax measures or have imposed fees for transportation purposes. AB 115 also requires Caltrans and CalSTA, in developing SB 1

guidelines, to post formal drafts online and hold at least two public workshops 30 days before adoption. The bill also makes other technical and non-substantive changes to SB 1. AB 115 also authorizes Construction Manager/General Contractor (CMGC) project delivery authority for up to 12 additional projects delivered by Caltrans, with two projects reserved for RCTC. The bill also allows RCTC to use the CMGC authority for grade separation and bridge rehabilitation projects and to utilize “cost-plus-time” bidding procedure for projects they were provided funding under SB 132 (Chapter 7, Statutes of 2017), a companion bill to SB 1.

Urgency bill – Effective Immediately

OCTA Position – *Monitor*

Impact on OCTA: *The legislation ensures that the LPP funds included in SB 1 go to transportation agencies rather than counties. Also, the bill creates a public comment process for SB 1 implementation, giving OCTA a chance to track and comment on any guidance pertaining to this new transportation funding. For informational purposes, the bill also authorized RCTC to utilize various policies, supported by OCTA, to accelerate project delivery that are not yet available statewide.*

**AB 119 (Assembly Budget Committee) State Government
(Chapter 21, Statutes of 2017)**

AB 119 serves as one of the budget trailer bills for state government operations. Among its provisions, the bill prohibits the release of personal email addresses as part of a public record request under the California Public Records Act. There is an exception for email addresses used for public purposes. AB 119 also clarifies that only lead agencies are required to prepare an environmental impact report under CEQA. As such, the bill exempts from CEQA actions provided by the State Public Works Board and the Department of Finance pertaining to bond issuances, capital outlay projects, or real estate transactions. AB 119 also mandates that public employers provide the exclusive representative of its employee organizations mandatory access to its new employee orientations and at least 10 days notice for any orientation, unless a specific agreement is reached between the employer and the exclusive representative. The bill also requires public employers to provide the exclusive representatives with information about new hires within 30 days of employment.

Urgency bill – Effective Immediately

OCTA Position – *Monitor*

Impact on OCTA: *OCTA may not release an email address as part of any public record request unless the email address is used for public purposes. The bill also requires that OCTA provide its employee organization with information about new hires and new employee orientations in the timelines described above.*

**AB 134 (Assembly Budget Committee) Budget Act of 2017
(Chapter 254, Statutes of 2017)**

AB 134 serves as the budget trailer bill acting as the expenditure plan for the cap-and-trade program. The bill appropriates \$900 million GGRF revenues to the ARB for an array of programs. Of note, the bill appropriates \$180 million for ARB's HVIP, with \$35 million guaranteed for zero-emission bus purchases. The bill also appropriates \$250 million to local air districts for the Carl Moyer program, with \$107.5 million for the Southern California Air Quality Management District. Each air district may use up to 40 percent of these funds for clean truck programs, consistent with ARB's Proposition 1B guidelines. The bill also contains \$240 million for various clean freight programs.

Urgency bill – Effective Immediately

OCTA Position – *Monitor*

Impact on OCTA: AB 134 represents a marked increase, \$162 million over FY 2016-17 levels, for low-emission vehicles and ZEVs. OCTA is eligible to compete for this new funding. Specifically, the \$35 million minimum for the purchase of new buses increases OCTA's chances of receiving funding to continue modernizing its bus fleet. In addition, OCTA is also eligible to receive funding under the Carl Moyer Program.

**AB 135 (Assembly Budget Committee) Transportation
(Chapter 255, Statutes of 2017)**

AB 135 serves as one of the budget trailer bills for transportation. Among its provisions, the bill expands and clarifies the use of LONP authority for the TIRCP, SCCP, LPP, and the TCEA. Provides a 90-day grace period after the CTC project list deadline for cities and counties to submit their project lists to become eligible for SB 1 funding. Allows cities and counties the option to adopt a project list through a resolution at a regularly scheduled public hearing to establish eligibility for LSR funding. Amends existing reporting requirements to include all SB 1 expenditures of LSR funds in a given fiscal year. Allows transportation planning agencies to receive from Caltrans a single advance payment of no more than \$300,000 for programming, planning, and monitoring activities. Appropriates \$274.5 million from the Federal Trust Fund to Caltrans for the FY 2017-2018 and allows CalSTA to assume responsibilities under NEPA for any railroad, public transportation or multimodal project.

Urgency Bill – Effective Immediately

OCTA Position – *Monitor*

Impact on OCTA: As an eligible recipient, OCTA plans to compete for the funding provided by the TIRCP, SCCP, TCEA, and LPP. AB 135 will allow OCTA to advance other funds for approved projects and seek reimbursement with SB 1 funds when funding becomes available. AB 135 will also provide the County of Orange and its cities, additional flexibility in financing and advancing local transportation projects. While the details of the NEPA assignment program provision are still being discussed, CalSTA has indicated that

they plan to work with transit agencies, such as OCTA, to develop implementation guidelines. However, CalSTA must be granted the authority by the Federal Railroad Administration and the Federal Transit Administration before NEPA delegation can be assumed.

**SB 96 (Senate Budget and Fiscal Review Committee) State Government
(Chapter 28, Statutes of 2017)**

SB 96 serves as a budget trailer bill for state government. Among its provisions, the bill requires that contractors and subcontractors engaged in a public works project to register as a public works contractor for work on or after January 1, 2018, regardless of the contract date. Raises the registration fee, and only requires registration for projects over \$25,000 for new construction and \$15,000 for maintenance. Allows the Labor Commission to fine or serve a stop order until the contractor or subcontractor is registered. In addition, clarifies that employees that report an injury that does not relate to a specific Occupational Safety and Health Act complaint or worker's compensation claim are still protected from retaliation or discharge. Increases the civil penalties for any employer who violates any occupational safety or health standard.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *Potential for increases to total project costs in the event that a stop order is issued by the Labor Commissioner. In addition, OCTA's workers' compensation program will need to be reviewed, and if needed, amended to comply with the provisions outlined in SB 96.*

**SB 103 (Senate Budget and Fiscal Review Committee) Transportation
(Chapter 95, Statutes of 2017)**

SB 103 serves as a budget trailer bill for transportation. Among its provisions, the bill authorizes Caltrans to implement the AMP, including, among other things, purchasing or funding the purchase of mitigation credits from mitigation banks, conservation banks, or in-lieu fee programs approved by a regulatory agency to pay for the mitigations of environmental impacts of transportation projects. Revises and recasts the requirements of the Trade Corridors Improvement Fund and makes them applicable to the TCEA created by SB 1. Requires the CTC to allocate 60 percent of available funding from the TCEA to projects nominated by regional transportation agencies for infrastructure improvements along trade corridors that have a high volume of freight movement, with the remaining 40 percent to be allocated for eligible projects nominated by Caltrans. Requires Caltrans to develop and share with the Legislature a detailed outreach plan intended to increase procurement opportunities for new and limited contracting small business enterprises, in all the transportation programs. Requires Caltrans to achieve a minimum of 25 percent small business participation in state-funded contracts and procurements.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *As an eligible recipient, OCTA plans to compete for the funding provided by TCEA for corridor-based freight projects. In addition, OCTA should be aware of the provisions outlined in SB 103 when contracting out with disadvantaged business enterprises.*

**SB 112 (Senate Budget & Fiscal Review Committee) State Government
(Chapter 363, Statutes of 2017)**

SB 112 serves as one of the budget trailer bills for state government operations. Of its provisions, the bill clarifies that elected officials may continue to receive their retirement benefits under the County Employees Retirement Law while they hold public office. This clarification provides parity to the retired California Public Employees' Retirement System members who are able to receive retirement benefits while receiving a salary as a public employee.

Urgency bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *Under current law, beneficiaries of the OCERS system were not able to receive retirement benefits while holding public office. Under SB 112, retired OCTA employees may draw retirement while holding public office.*

**SB 132 (Senate Budget & Fiscal Review Committee) Budget Act of 2017
(Chapter 7, Statutes of 2017)**

SB 132 serves as a trailer bill to appropriate certain items, including: \$100 million for a Caltrans project at the University of California, Merced; \$400 million for the extension of the Altamont Corridor Express to Ceres and Merced; \$180 million for the 91 Toll Connector to the I-15; and \$199.15 million for grade separation projects in Riverside County. The bill also convenes a task force of state, local, and private sector experts to examine the authorizations given in AB 115 to accelerate project delivery in Riverside County.

Urgency bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

XIII. Transit

AB 468 (Santiago, D-Los Angeles) Transit Districts: Prohibition Orders (Chapter 192, Statutes of 2017)

AB 468 adds the Los Angeles County Metropolitan Transportation Authority to the list of transit districts authorized to issue prohibition orders to disruptive passengers on transit facilities, and extends the application of these provisions to the San Francisco Bay Area Rapid Transit District indefinitely.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 673 (Chu, D-Fremont) Public Transit Operators: Bus Procurement: Safety (Chapter 126, Statutes of 2017)

AB 673 requires a public transit operator, before the procurement of a new bus, to take into consideration recommendations of, and best practice standards provided by an organization that represents bus operators of the transit operator for the purpose of reducing the risk of assault on bus operators, preventing accidents caused by blind spots created by bus equipment or design, and enhancing the safety of bus operators, passengers, and other vehicles and pedestrians. Provides that a transit operator is not required to implement the provisions outlined in the bill.

OCTA Position – Monitor

Impact on OCTA: *OCTA, Orange County's primary operator of public transit services, already consults with represented employees prior to the procurement of new buses on aspects related to safety.*

AB 730 (Quirk, D-Hayward) Transit Districts: Prohibition Orders (Chapter 46, Statutes of 2017)

AB 730 repeals the sunset on the prohibition order authority granted to BART. Under current law, BART's prohibition order authority expired on January 1, 2018. As such, AB 730 gives BART permanent authority to issue prohibition orders for various offenses, including the interfering with the operation of a train, committing acts that may injure a person or property, and willfully disturbing a transit facility, among the various violations listed in the bill.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes, AB 730 gives BART permanent prohibition order authority to combat growing behavioral issues on the Bay Area's transit system.*

**AB 1073 (Garcia, D-Coachella) Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program
(Chapter 632, Statutes of 2017)**

AB 1073 extends until January 1, 2020, the requirement that the ARB dedicate no less than 20 percent of the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program to support the early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. The ARB is currently in the process of drafting a regulatory proposal for zero-emission buses and is expected to set forth requirements for transit agencies to procure a certain percentage of such buses. As a provider of transit services, OCTA is eligible to receive funding from this program for the purposes of procuring zero-emission buses. However, given the amount of available funding under this program, there may be limited capacity and flexibility for implementation.*

**AB 1222 (Quirk, D-Hayward) Vehicles: Electric Wireless Communications Devices
(Chapter 297, Statutes of 2017)**

AB 1222 removes “specialized mobile radio device” and “two way messaging device” from examples of an “electronic wireless communications device” that is prohibited from being used while driving a motor vehicle.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**SB 20 (Hill, D-San Mateo) Vehicles: Buses: Seatbelts
(Chapter 593, Statutes of 2017)**

SB 20 requires bus drivers and passengers to wear safety belts in buses that are equipped with safety belts. Requires bus drivers to inform passengers of the safety belt requirement and the associated fine for violating the requirement or allow for posted signs to be placed in the bus detailing the requirements and penalties. Exempts school buses, which already require the use of safety belts.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. These provisions may apply to any OCTA bus with seatbelts.*

SB 614 (Hertzberg, D-Sherman Oaks) Public Transportation Agencies: Penalties (Chapter 219, Statutes of 2017)

SB 614 caps the administrative penalties for fare evasion and other misconduct violations at \$125 for the first and second violation and \$200 for the third and subsequent violations. This bill ensures that the administrative penalties generated from the fare evasion or misconduct violations are to be deposited with the public transportation agency that issued the citation. The bill also requires an administrative hearing to determine if community service is needed for minors and people facing financial hardship, although the community service can be waived in certain situations pertaining to repeat offenders.

OCTA Position – *Monitor*

Impact on OCTA: *AB 614 ensures that funds generated by administrative penalties for fare evasion and passenger misconduct would be directed to OCTA and not Orange County.*

SB 680 (Wieckowski, D-Fremont) San Francisco Bay Area Rapid Transit District (Chapter 100, Statutes of 2017)

SB 680 extends the allowable distance for BART to engage in transit-oriented joint development projects from one-quarter mile to one-half mile. Defines transit oriented-joint development as a commercial, residential, or mixed-use development project that is undertaken with transit facilities located a half mile or less.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 810 (Senate Transportation and Housing Committee) Transportation: Omnibus Bill (Chapter 397, Statutes of 2017)

SB 810 is the transportation omnibus bill that makes technical and non-controversial changes to various sections of law pertaining to transportation. Among its provisions, the bill prohibits a person holding a class A, class B, or class C driver's license from operating a vehicle hauling highway route controlled quantities of radioactive materials, unless the person possesses the appropriate class license and training. Requires a person seeking to operate a commercial motor vehicle to fulfill the applicable federal training requirements, and forward a completed application and a record of training to the Department of the California Highway Patrol. In addition, requires all type one and type two school buses purchased or leased for use in California, unless specifically prohibited by the National Highway Traffic Safety Administration, to be equipped at all designated seating positions with a combination pelvic and upper torso passenger restraint system.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

XIV. Transportation Network Companies/Taxicab Services

AB 1069 (Low, D-Campbell) Local Government: Taxicab Transportation Services (Chapter 753, Statutes of 2017)

AB 1069 requires beginning January 1, 2019, a city or county, except the City and County of San Francisco, to regulate taxicab transportation service only if the taxicab operates and is substantially located within its jurisdiction. Defines “substantially located,” as the jurisdiction where the primary business address is located and the jurisdiction in which the trips originating in that jurisdiction account for the largest share of that company or driver’s total number of trips over the past year and determined every five years thereafter. Requires that a city or county shall be deemed to have a taxicab company or driver substantially located within its jurisdictions if the city or county has enacted a resolution of intention to either enter into a joint exercise of powers agreement for the purpose of regulating or administering taxicab service, or enter into an agreement with a transit agency for the purpose of regulating or administering taxicab service. In addition, AB 1069 requires a taxicab company to obtain a permit in every county in which that provider is substantially located. Taxicabs must also collect trip data to determine in what jurisdiction each company and driver are substantially located, beginning January 1, 2018. Allows a taxicab company to set fares or charge a flat rate, but allows a city or county to set a maximum rate.

OCTA Position – Neutral

Impact on OCTA: AB 1069 will have a significant effect on the Orange County Taxi Administration Program (OCTAP), which coordinates taxicab service, permitting, and other administrative functions, and is currently administered by OCTA on behalf of the cities and the County of Orange. OCTA under AB 1069, will no longer be able to administer OCTAP in its current form starting January 1, 2019, and will have to work with the members of OCTAP to prepare for new efforts in maintaining taxicab service.

SB 182 (Bradford, D-Gardena) Transportation Network Company: Participating Drivers: Single Business License (Chapter 769, Statutes of 2017)

SB 182 prohibits a local jurisdiction from requiring a driver of a transportation network company (TNC) to obtain more than one business license, regardless of the number of local jurisdictions in which the driver operates. Requires the driver to obtain a business license in the local jurisdiction in which the driver is domiciled. However, if the local jurisdiction does not require a business license to operate as a driver for a TNC, the driver shall not be required to obtain a business license for any other jurisdiction. Requires each TNC to notify its drivers of the obligations set forth in this bill.

OCTA Position – Monitor

Impact on OCTA: For informational purposes.

XV. Other Legislation

AB 332 (Bocanegra, D-San Fernando Valley) Vehicles: Local Regulations: Street Closures

(Chapter 34, Statutes of 2017)

AB 332 expands a local authority's ability to temporarily close, in conjunction with law enforcement and traffic engineers, a highway under its jurisdiction in order to curb illegal dumping. The highway may not be a through highway or arterial street, the traffic must contribute to the criminal activity, and the closure must not adversely affect traffic. The bill limits the amount of time a highway may remain closed.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes, OCTA may work with cities in Orange County and local law enforcement to close a highway if illegal dumping becomes a serious problem.*

AB 660 (Rubio, D-Baldwin Park) Public Agencies: Unlawful Interference

(Chapter 381, Statutes of 2017)

AB 660 makes it a misdemeanor for a person to intentionally interfere with the business of a public agency by obstructing or intimidating public employees or people there to transact business with the public agency. By law, an officer manager or supervisor at the public agency must request that the person interfering in the agency's business leave the premises. In these situations, it is also a misdemeanor for a person interfering with public agency business to make material misrepresentations to people doing business with the agency.

OCTA Position – *Monitor*

Impact on OCTA: *People interfering with OCTA's public business by obstructing or intimidating public employees or OCTA customers, or by making material misrepresentations to OCTA customers, can be found guilty of a misdemeanor. An OCTA officer manager or supervisor must ask the interfering person to leave, and that person must refuse OCTA's request.*

AB 765 (Low, D-Campbell) Local Initiative Measures: Submission to the Voters

(Chapter 748, Statutes of 2017)

AB 765 eliminates the requirement that a special election be held to vote on a local initiative measure and allows for the measure to be submitted to voters at a regularly scheduled election.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*

**AB 1094 (Choi, R-Irvine) Vehicles: Automated Traffic Enforcement Systems
(Chapter 555, Statutes of 2017)**

AB 1094 provides that a red light violation at freeway or highway on ramps be included as a general violation of traffic signals at a place other than an intersection. Provides that violators running a red light at on-ramps be subject to the base fine of \$35 for general infractions rather than the \$100 base fine that applies to red light violations at intersections.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. Operators of OCTA vehicles should be aware of the provisions outlined in AB 1094.*

**AB 1127 (Calderon, D-Whittier) Baby Diaper Changing Stations
(Chapter 755, Statutes of 2017)**

AB 1127 requires state and local agencies, and facilities open to the public to provide one of the following: at least one safe, sanitary, convenient, and publicly accessible baby diaper changing station that is accessible in both women and men's restrooms, or at least one baby diaper changing station that is accessible to both men and women. Applies to all new construction and to all renovations of bathrooms in which the estimated cost of the new construction or renovation is \$10,000 or more. Exempts the installation of these stations if a local building permitting entity or building inspector determines that it is not feasible or would result in a failure to comply with building standards governing the right of access for persons with disabilities.

OCTA Position – Monitor

Impact on OCTA: *Unknown costs for OCTA to comply with the requirements of AB 1127. Costs would depend upon qualifying renovations in existing buildings where installations are feasible, as well as the ongoing costs to maintain, repair, and replace publicly accessible baby diaper changing stations.*

**AB 1633 (Frazier, D- Discovery Bay) State Highways: Exit Information Signs
(Chapter 158, Statutes of 2017)**

AB 1633 adds a business offering electric vehicle charges facilities to the list of specific roadside businesses eligible for an information sign under the Caltrans Business Logo Sign Program.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**SB 52 (Newman, D-Fullerton) State Route 39
(Chapter 423, Statutes of 2017)**

SB 52 authorizes the CTC, upon a determination that it is in the best interests of the state to do so, and upon an agreement between Caltrans and the City of Anaheim, to relinquish the segment of SR-39 that is within the city limits of Anaheim from the Anaheim/Stanton city limit north of Starr Street to the Anaheim/Buena Park city limit at North Stanton Avenue. Requires the City of Anaheim to maintain signs within its jurisdiction directing motorists to the continuation of SR-39.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**SB 225 (Stern, D-Canoga Park) Human Trafficking: Notice
(Chapter 565, Statutes of 2017)**

SB 225 would require that human trafficking notices, developed by the Department of Justice, specify that a person can text a specified number for services and support. The bill also requires that the Department revise and update the notice by January 1, 2019. Any business or establishment required to post the model notice is not required to post the updated model notice until on and after January 1, 2019.

OCTA Position – *Monitor*

Impact on OCTA: *SB 225 does not require that the Department of Justice's model human trafficking notice be posted until January 1, 2019. Starting on that date, OCTA must post the model notice conspicuously in public entrances, as required by law, in conformance with these new requirements.*

**SB 400 (Portantino, D-La Canada) Highways: Surplus Residential Property
(Chapter 568, Statutes of 2017)**

SB 400 prohibits Caltrans from increasing the rent of tenants in Caltrans' Affordable Rent Program within the State Route 710 corridor. The bill freezes rents for the 123 tenants in the program until January 1, 2020.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*

**SB 611 (Hill, D-San Mateo) Vehicles
(Chapter 485, Statutes of 2017)**

SB 611 would require an applicant for a special license plate, a distinguishing placard, or a temporary distinguishing placard to provide proof of his or her full name and date of birth when submitting an application to the DMV. Requires the DMV to conduct a quarterly random audit of applications for disabled person placards, with the cooperation of the Medical Board of California or the appropriate regulatory boards. Requires permanent placard holders to renew their placard every six years.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 622 (Wiener, D-Castro) Local Agency Public Construction Act: Golden Gate (Chapter 396, Statutes of 2017)

Among its provisions, SB 622 allows the Golden Gate Bridge, Highway, and Transportation District to increase the bid threshold from \$20,000 to \$1,000,000; remove bid thresholds for insurance procurements; increase an informal bidding ordinance for construction, repair, maintenance, and alteration work from \$5,000 to \$50,000; enact an informal bidding ordinance for contracted work under \$50,000; and award public works contracts below \$50,000 to the lowest responsible bidder.

OCTA Position – *Monitor*

Impact on OCTA: *For informational purposes.*



November 16, 2017

To: Legislative and Communications Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Performance Evaluation of Sacramento Legislative Advocate, Platinum Advisors, LLC

Overview

The firm Platinum Advisors, LLC provides state legislative advocacy services for the Orange County Transportation Authority in Sacramento. A staff evaluation of the services provided this session is presented to the Board of Directors for consideration and further comment.

Recommendation

Receive and file the staff evaluation as an information item and provide any additional comments.

Background

From December 2002 until March 2014, the Orange County Transportation Authority (OCTA) contracted with Sloat Higgins Jensen and Associates (SHJA) for state legislative advocacy services. On March 10, 2014, the OCTA Board of Directors (Board) voted to end the contract with SHJA and directed staff to procure interim state advocacy services, while simultaneously beginning the process to release a new request for proposals for advocacy services to coincide with the 2015-16 legislative session. On April 4, 2014, a contract for interim state advocacy services was entered into with Platinum Advisors, LLC (Platinum), with a scheduled contract completion date of July 31, 2014. As part of the interim contract, the services of Topp Strategies, LLC as a subcontractor were included, with Moira Topp serving as the lead legislative advocate for OCTA. Since 2007, Moira Topp served as OCTA's primary legislative advocate through her former employment with SHJA, and as a subcontractor on the current contract with Platinum.

On June 23, 2014, the OCTA Board awarded an agreement for state legislative advocacy services to Platinum. This contract became effective after the

completion of the interim state legislative advocacy contract. The initial term of the agreement began on August 1, 2014, and extended to July 31, 2016. The agreement also included two, two-year option terms, at the discretion of the Board, to exercise at a future date. On April 25, 2016, the OCTA Board exercised the first of these options and extended its term to coincide with the 2017-2018 legislative session. This term will expire on December 31, 2018.

Discussion

Annually, OCTA staff evaluates the services provided by the Sacramento legislative advocate with respect to major issues addressed and general services provided. Staff's evaluation of the services provided by Platinum is included in Attachment A. The major issues and general services provided by Platinum have been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Staff has rated Platinum's efforts overall as "excellent" based on responsiveness, advancing OCTA's positions and policies, and assisting in building cooperative relationships with legislators and members of various state departments, boards, and commissions. Staff has rated Platinum's outcomes overall as "excellent" based on the outcomes of the issues discussed.

Priorities for Platinum for next year will include advancement of OCTA's positions on legislation; actively participating in state budget discussions, including the development of an expenditure plan for cap-and-trade funding and the implementation of SB 1 (Chapter 5, Statutes of 2017); providing input in discussions surrounding the development of environmental regulations under SB 32 (Chapter 249, Statutes of 2016), including any zero-emission vehicle mandates; and any follow-up required from State Auditor findings related to internet and non-taxable goods sales on local transportation funds.

To assist the Board in fully evaluating Platinum, the legislative advocate's current scope of work is included as Attachment B.

Summary

An evaluation of state legislative advocacy services performed by Platinum is presented to the Board for information and further comment.

Attachments

- A. Staff Evaluation of Services Provided by Platinum Advisors, LLC for 2017
- B. Sacramento Legislative Advocacy and Consulting Services Scope of Work

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**Staff Evaluation of Services Provided by
Platinum Advisors, LLC for 2017**

The following narrative provides specific information with respect to major issues addressed by Platinum Advisors, LLC (Platinum) in 2017 and general services provided. Each issue has been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Major Legislation – Joint Legislative Audit Request

Effort: Excellent; Outcome: Excellent

Over the last two years, the Orange County Transportation Authority (OCTA) has engaged with various tax experts and participated in meetings with the Board of Equalization (BOE) to determine why the growth rates associated with the Local Transportation Fund (LTF) have not kept pace with sales tax revenues from other local transportation sales taxes. The LTF has historically funded about 50 percent of OCTA's bus operations, and based on new forecasting is expected to decrease from \$5.4 billion to \$4.4 billion over the next 20 years. While it is believed that this change is largely associated with the proliferation of online sales and sale of nontaxable goods, data provided by the BOE was incomplete as to why these impacts were occurring and where they were being felt most dramatically.

In order to attempt to gather more information on this issue, OCTA sponsored a Joint Legislative Audit Committee (JLAC) request. Platinum worked with OCTA staff to secure Assembly Member Tom Daly (D-Anaheim) as the author of the request. When Assembly Member Daly requested a co-author to demonstrate additional geographic interest in the issue, Platinum was able to secure Assembly Member Todd Gloria (D-San Diego) as a second author, in a very expeditious manner. On March 3, 2017, Assembly Member Tom Daly and Assembly Member Todd Gloria submitted a request to the JLAC to analyze the assessment and distribution of the LTF, including how various exemptions and exclusions may be impacting the distribution of funds. Specifically, the request will also analyze the impact the point-of-sale determination for internet sales is having on LTF revenues and their distribution. The JLAC approved the request unanimously. The State Auditor is expected to release their findings by the end of 2017. Throughout the process, Platinum has been able to keep OCTA engaged, and communicate any updates. This process has set the stage for not only any necessary clean-up legislation, but also provided an opportunity for OCTA to be able to take a leadership role in communicating this issue statewide.

Major Legislation – SB 1 (Chapter 5, Statutes of 2017)

Effort: Excellent; Outcome: Excellent

SB 1 resulted from over three years of efforts by the Administration and Legislature to pass legislation to provide additional transportation funding stability, focusing on fix-it-first priorities. SB 1 is the largest influx of new funding for transportation since the passage of Proposition 1B, and is the first increase in the state gas tax for that purpose in about 30 years. Resulting from these efforts, it is expected that OCTA and other

transportation agencies will see a doubling in funding available for transit and local street and road purposes, increased predictability in funding available for the State Transportation Improvement Program (STIP), additional funding for highway maintenance purposes, and several new competitive programs for transportation purposes which agencies like OCTA are eligible to compete within. In addition, various new reform provisions were included that allow increased transparency in the use of the funds and a proposed constitutional amendment to protect new funding streams from diversion.

While the OCTA Board did not take a position on SB 1, Platinum did communicate OCTA transportation priorities, issues, and potential impacts with delegation members and key members of the Administration and Legislature throughout the process. Through these conversations, it was pointed out that previous iterations of the bill did not authorize new transit funds to be expended for operations purposes. This was ultimately changed in the enacted bill, thereby saving agencies like OCTA from having to enact service cuts and/or fare increases to their transit systems. Platinum also arranged meetings with the Administration and key members of the Legislature to discuss projects OCTA will consider for future grant funding, laying the groundwork for future applications. This work could be invaluable as these processes are implemented.

Major Legislation – AB 28 (Chapter 4, Statutes of 2017)

Effort: Excellent; Outcome: Excellent

Sponsored by the Self-Help Counties Coalition (SHCC), AB 28 authorized the state to continue to perform federal environmental responsibilities for highway projects under National Environmental Policy Act for an additional three years. The authority previously would have expired at the beginning of 2017, threatening to delay implementation of several critical infrastructure projects, including potential impacts to the Interstate 405 Improvement Project and improvements to State Route 55. Recognizing the potential impacts, Platinum remained engaged with the author's office, SHCC, and relevant committee staff to ensure that the bill met all the relevant deadlines to ensure passage by the applicable federal deadline of April 1, 2017. This effort included communicating lists of projects that would be impacted without this authority and past successes in the use of the authority. The expeditious nature with which this bill was able to move through both houses of the Legislature is extremely rare and demonstrates the effectiveness of the communication of Platinum, SHCC, and other stakeholders. This will hopefully also lay the groundwork for further extension of this authority in two years when it once again expires.

Major Legislation – AB 1069 (Chapter 753, Statutes of 2017)

Effort: Excellent; Outcome: Very Good

Sponsored by the Taxicab Paratransit Association of California, in its original form, AB 1069 (Chapter 753, Statutes of 2017) would have mandated county transportation agencies in ten counties, including Orange County, to assume the full regulatory and administrative functions for taxicab services. This would have significantly expanded OCTA's existing responsibilities under the Orange County Taxi Administration Program (OCTAP), and potentially led to increased

liabilities. Originally, the author communicated that this proposal was supposed to be based on the OCTAP model. With this communicated, Platinum, in conjunction with other transportation stakeholders, met very early with the author and sponsor to communicate the deficiencies associated with the bill. This resulted in numerous conference calls with the author's office and other stakeholders to find compromise amendments on key issues associated with the bill. Ultimately, amendments were accepted after these efforts that removed the mandate language on countywide transportation agencies and helped clarify language regarding the formation of a future joint powers authority or countywide administration services. While the final version still has several identified issues that may create hurdles in implementation, the primary issues facing OCTA were removed. With these amendments, OCTA went neutral on the bill. Because of Platinum's efforts on this legislation, and OCTA's commitment to attempt to find a workable solution that suited all parties while trying to save the OCTAP model to the extent possible, as the legislation is implemented, OCTA will continue to be looked at as a key advisor in future implementation and legislative efforts.

Major Legislation – AB 1113 (Chapter 86, Statutes of 2017)

Effort: Excellent; Outcome: Excellent

Sponsored by the California Transit Association (CTA), AB 1113 clarifies several provisions of the existing law that govern the administration and allocation of State Transit Assistance (STA) program funds. The legislation built on SB 838 (Chapter 339, Statutes of 2016), which temporarily put on hold the implementation of several State Controller's Office (SCO) reinterpretations of STA statutes that were released in early 2016, which were done without a public process or consultation with transit agencies. The reinterpretations significantly expanded the scope of STA eligibility and impacted the calculation of STA revenue shares for transit agencies. AB 1113 resulted after extensive collaboration with transit agencies, including OCTA and the SCO office. Platinum helped arrange applicable meetings with SCO and delegation members to understand any Orange County-specific impacts both under SCO's original interpretation and what would occur once AB 1113 was implemented. Through this work, OCTA was able to ensure that there would not be negative impacts, and worked closely with CTA to ensure AB 1113 moved quickly through the Legislature to allow the guidance to become effective with fiscal year 2017-2018 STA allocations.

Major Legislation – SB 150 (Chapter 646, Statutes of 2017)

Effort: Excellent; Outcome: Excellent

In its original form, SB 150 (Chapter 646, Statutes of 2017) would have required a prioritization of projects within each region's sustainable communities strategy (SCS) developed pursuant to SB 375 (Chapter 728, Statutes of 2008) based on a project's ability to reduce emissions and vehicle miles traveled (VMT), aligning this prioritization with funding programming actions. This would have shifted the regional nature of an SCS to a project by project analysis. Furthermore, SB 150 would have put in place a requirement to reduce VMT by 15 percent by 2050, shifting the focus of SB 375 from greenhouse gas emission reductions to VMT reductions. After extensive conversations had by Platinum and OCTA with the author's office, in conjunction with California Association of Councils of Government (CALCOG) and metropolitan planning

organizations throughout the state, amendments were accepted which limited the focus of the bill to facilitating a reporting and assessment process for regional progress in meeting the goals of SB 375, allowing an opportunity to determine what resources are necessary to achieve the overall state goals. With these amendments, OCTA and other transportation agency stakeholders went neutral. In attempting to find amendments to remove transportation stakeholder opposition, the author of the bill specifically acknowledged Platinum and OCTA, and his commitment to resolve those issues, demonstrating the relationship Platinum developed with his office early in the process.

Major Legislation – SB 264 (Nguyen, R-Garden Grove)

Effort: Excellent; Outcome: Excellent

SB 264 would have detailed allocation requirements for the net excess toll revenues from the high-occupancy toll lanes on OCTA's Interstate 405 Improvement Project, superseding the process outlined under AB 194 (Chapter 687, Statutes of 2015). This bill would have significantly infringed upon the local control granted by AB 194 to regional transportation agencies implementing toll facilities, regardless of the fact that these agencies are taking on the risk of investing and operating such a facility. In addition, the bill would have prohibited investment in many multi-modal improvements in the corridor, including transit services and active transportation purposes to further alleviate congestion. Prior to the introduction of the bill, Platinum proactively reached out to the author's office to communicate OCTA's plans for the project, attempting to ensure any concerns by the author were addressed. When the bill was introduced, Platinum repeatedly reached out to the author's office, detailing the impacts the legislation could have on near-term financing of the project, and future financial issues. With the pledge that OCTA would continue to update the author's office on activities related to the project, and discussions with any cities along the corridor, the author removed the bill from consideration for this year.

Other Significant Legislation

Effort: Very Good; Outcome: Very Good

AB 1282 (Chapter 643, Statutes of 2017): AB 1282 creates a Transportation Permitting Task Force (Task Force) to streamline permit approvals for transportation projects. In its original form, the bill would have limited members of the Task Force to state agencies. In adopting a "Support if Amended" position, OCTA requested language to ensure that regional transportation agencies and transit agencies would also be included on the Task Force, since often those agencies are the lead agency for permitting processes. Platinum worked closely with both the author and sponsor of the bill, the California Transportation Commission (CTC), to communicate how this amendment would improve the outcome of the Task Force. While Assembly Member Mullin (D-San Mateo) did include language that would authorize other public entities to be part of the Task Force, there is no language specifically referencing local transportation agencies or transit agencies. In discussing the language with the author, he noted it was the intent of that added language to allow for local transportation and transit agencies to be included, as well as other local permitting agencies. After further discussions with Platinum, he pledged to continue to

work with OCTA and other stakeholders as the Task Force is formed to ensure that intent is met.

AB 179 (Chapter 787, Statutes of 2017): When OCTA first adopted an “oppose” position on AB 179, the bill would have required the vast majority of members of the CTC to have backgrounds in the area of air quality, public health, or experience in disadvantaged communities. It would have also required increased joint meetings between the CTC and the California Air Resources Board, and the formation of an Environmental Justice Advisory Committee. Prior to OCTA’s adoption of an “oppose” position, Platinum met with the author’s office to ensure OCTA’s concerns were communicated, developing an early working relationship. After opposition came forward from multiple transportation agencies, OCTA, SHCC, and the CALCOG, the author worked to craft amendments to address concerns that the CTC would become too focused on specific issue areas, while not allowing for experience in other issues important to the transportation project funding and delivery. In its current form, AB 179 would require the Governor and the Legislature, in appointing members to the CTC, to ensure a diverse membership with experience in transportation issues, taking into consideration factors such as professional experience and socioeconomic background. With these amendments, OCTA withdrew its opposition.

AB 344 (Melendez, R-Lake Elsinore): AB 344 would have required a person contesting a notice of toll evasion violation or notice of delinquent toll evasion to only have to pay the penalty after exhausting all potential forms of appeal. AB 344 would have provided an incentive to challenge the penalty and go to later stages of the appeal process without a deposit, which would have increased associated costs for OCTA and impacted OCTA’s ability to enforce toll policies. Platinum engaged in regular meetings with the author’s office and committee staff, in conjunction with other state toll agencies, to communicate the issues associated with the bill. Through these meetings, the author ultimately appeared open to developing compromise language, but pulled it at the last minute. However, these meetings also led to strong concerns being expressed by committee staff. Ultimately, due to committee opposition to AB 344 in its current form, the author pulled the bill from consideration.

AB 1640 (Garcia, D-Coachella): AB 1640 would have required the STIP and Regional Transportation Improvement Program funding to be prioritized for low-income and transportation disadvantaged communities. While addressing the mobility and safety needs of these communities is important and necessary, AB 1640 would have created arbitrary thresholds of prioritization, potentially jeopardizing currently programmed projects and other funding sources associated with those projects. AB 1640 would have also undermined the discretion of regional transportation agencies and the state to determine the projects necessitating investment to meet regional connectivity and maintenance needs. OCTA was one of the first agencies to oppose the bill. Platinum met with both the author’s office and committee staff early in the process to communicate OCTA’s concerns. With these concerns communicated, it became apparent that policy committee members may not be in favor of the bill, leading to the author pulling the bill from consideration this year.

AB 302 (Gipson, D-Carson): AB 302 would have authorized the Governing Board of the South Coast Air Quality Management District (SCAQMD) to create requirements for the use of zero-and near-zero emission technology in public fleets to the maximum extent feasible in the south coast region. This would have presented significant implications for OCTA's existing transit services and financial plans. Platinum led efforts on behalf of OCTA to communicate these concerns to the author and SCAQMD. OCTA was the first transit agency to do this. Due to these concerns, and others expressed by the League of California Cities and the California Trucking Association, the author pulled the bill before it could be heard in a policy committee.

Project Delivery Issues Affecting Transportation

Effort: Excellent; Outcome: Very Good

While 2017 saw one of the most significant new transportation system investments in decades with the passage of SB 1, project delivery streamlining was not a major part of the discussion. While limited Construction Manager/General Contractor, advanced mitigation, and project delivery tools were passed in conjunction with SB 1, these tools were very limited in scope and often were not eligible for use by all regional transportation agencies. Platinum exhaustively met with key delegation members to seek methods to expedite funding or delivery of Orange County projects as part of the passage of SB 1; however, nothing was ultimately included in the final compromise. Platinum continues, however, to meet and arrange meetings with the delegation and Administration to try to advance projects within the competitive funding programs.

OCTA supported legislation to seek expedited permitting processes for projects under AB 1282. Platinum worked with the author to try to secure amendments to ensure that regional transportation agencies were included in the task force created under the bill to identify streamlining mechanisms. While broader language was eventually included, it was not specific to transportation agencies. Platinum gained assurances by the author's office that as the task force is formed, the author will seek to ensure that regional agencies are included, consistent with legislative intent.

OCTA also again supported legislation to extend public-private partnership authority after its expiration earlier in 2017. Due to opposition from the Professional Engineers in California Government and Administration desire to see any authority granted by a federal infrastructure package, no legislation moved forward. However, Platinum ensured OCTA was at the table for these discussions and will continue to do so next year if these bills are considered again.

Platinum also advanced OCTA's positions on several bills to ensure that OCTA's projects can move forward in a timely, cost-effective manner. This included OCTA's support for AB 28, which continued National Environmental Policy Act delegation for highway projects within the state, and OCTA's opposition to AB 1640, which would have reprioritized STIP funding, and OCTA's opposition to SB 264 which would have reprioritized excess revenues for the Interstate 405 Improvement Project. Platinum will continue to be at the table as AB 1640, SB 264, or similar bills, are considered. Already,

they have maintained contact with the authors of these bills to ensure continued engagement moving forward.

State Budget Issues Affecting Transportation

Effort: Excellent; Outcome: Excellent

Transportation funding was again one of the most discussed issues in 2017, leading to the passage of SB 1, the first significant increase in transportation funding since the passage of Proposition 1B in 2006. The passage of SB 1 provided additional stability to the STIP, allowing for additional capacity to program projects in future years, allowed for an almost doubling in STA funding, with an expanded eligibility for capital and operations purposes, preventing significant decreases in transit service and/or fare increases statewide, and provided for several new grant programs within which OCTA is eligible to compete. With the passage of SB 1, the state budget saw significant new funds for transportation and overall increased program stability. After the passage of SB 1, the focus turned to implementing various programs. Platinum was continuously engaged, seeking trailer bill language to ensure the new programs were implemented consistent with existing programs, and ensuring an equitable distribution of funds. Trailer bill language resulted, allowing clarification of fund allocation for the Local Partnership Program, provided clarification and flexibility for local street and road funding, and allowed for letter of no prejudice authority for new grant programs. Platinum was engaged at each effort. While there are still potential challenges in implementation going forward, Platinum's regular meetings with Orange County delegation members and key Legislators have ensured the engagement of these offices and readiness to act if future issues arise.

In 2017, OCTA continued to see decreases in funding provided by the LTF and sales tax measures, likely due to the increase of online sales and nontaxable goods. By securing Assembly Member Daly and Assembly Member Gloria's sponsorship of an audit request to clarify these issues, groundwork may be created for any potential future legislative or regulatory fix that may be needed to provide increased stability.

Environmental Issues Affecting Transportation

Effort: Excellent; Outcome: Very Good

Cap-and-trade discussions were again paramount among environmental policy issues in 2017. After the passage of SB 1, cap-and-trade became one of the major policy actions taken by the Legislature, with the passage of AB 398 (Chapter 135, Statutes of 2017), that extended the cap-and-trade program until 2030. In addition, to any extended environmental benefits of the program, the extension of the program was sought to allow more legal certainty to the overall program, thus allowing increased stability to the revenues generated after the dramatic decrease in revenue seen over the last year. The extension did not change existing ongoing appropriations of funds, including the five percent directed yearly to the Low Carbon Transit Operations Program (LCTOP) and the ten percent directed to the Transit and Intercity Rail Capital Program (TIRCP). With LCTOP directed to transit agencies such as OCTA by formula, this will lead to additional revenues for OCTA for transit purposes, including student fare passes, increased capacity bike racks on buses, and new Bravo! Service. The

additional funds for the TIRCP will provide more funding for a program that has already been awarded to assist in the delivery of the OC Streetcar.

However, the Legislature has yet to act on a long-term expenditure plan for the cap-and-trade revenues not already subject to ongoing appropriations. Platinum worked closely with transit stakeholders like CTA to advocate for a doubling of the annual appropriations for LCTOP and TIRCP. Unfortunately, the Legislature opted to wait until the 2018 legislative session to discuss a long-term expenditure plan. Instead, one-time appropriations were made, including funding for competitive grant programs administered by the California Air Resources Board and SCAQMD, which OCTA may apply for such projects as zero-emission buses.

Related to cap-and-trade, Platinum also made efforts to begin discussions with the Orange County delegation about the guidelines for demonstrating benefit for disadvantaged communities in various grant programs. This issue has severely limited OCTA's ability to fund projects that provide connectivity options for residents of such communities, instead limiting the expenditure of these funds to projects directly located in a disadvantaged community. While no action was taken to help ensure each region can benefit these communities appropriately, ongoing discussions are likely to take place, with other regions in the state being identified as potential partners in any necessary strategy.

General Services

Effort: Excellent; Outcome: Excellent

Platinum has regularly scheduled meetings with legislators, committee consultants, Administration staff, and staff of various state departments, boards, and commissions to discuss issues of importance to OCTA. Members of the Legislature and the Administration consistently rely on Platinum to discuss and provide recommendations on a number of important transportation issues.

Platinum has been responsive to requests by OCTA staff, provided timely information, advice and reports, and provided testimony in legislative committees that accurately reflected Board positions on legislation and policy issues.

Platinum also worked on a number of other issues on behalf of OCTA that were not necessarily contained in legislation, including setting up meetings with key staff within the Administration and Legislature, promptly responding to questions from state delegation members, and relaying important information related to appointments by the Governor.

Specifically, this year Platinum arranged meetings with key members of the Legislature and Administration when OCTA visited Sacramento in 2017, in addition to assisting the scheduling of meetings for advocacy trips done in coordination with Mobility 21. This included multiple meetings with Brian Kelly, the Secretary of the California State Transportation Agency, and Assembly Member Jim Frazier (D-Oakley), the Chair of the Assembly Transportation Committee. In these meetings, OCTA was able to lay the groundwork for future grant applications for transportation projects within the county. In

addition, meetings were arranged with the offices of Orange County delegation members throughout the year to discuss matters of importance including SB 1 implementation, impacts related to the definition of “disadvantaged communities” and sales tax revenue declines due to online sales and sales of non-taxable goods.

Overall Rating

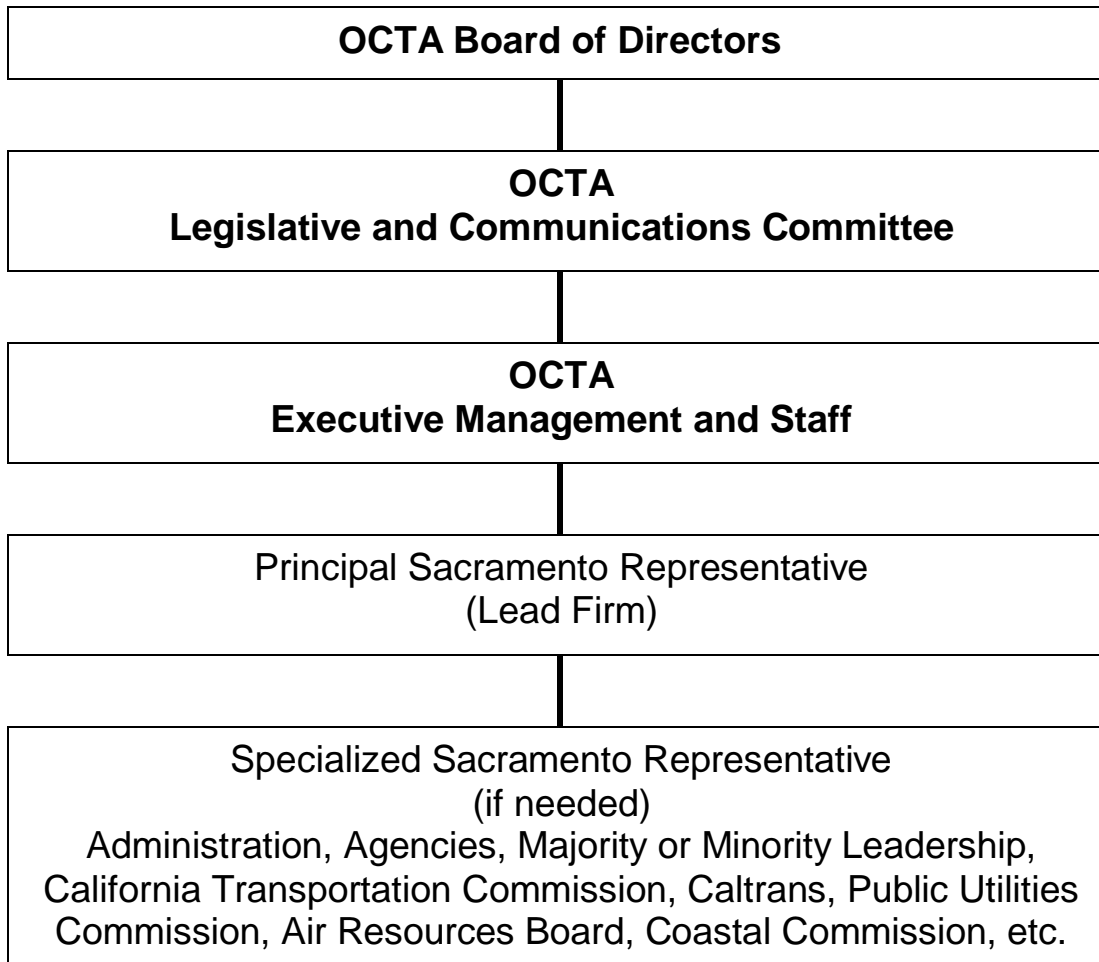
Effort: Excellent; Outcome: Excellent

Platinum’s efforts overall are rated as excellent based on responsiveness, time dedicated to advocating for and advancing of OCTA’s positions and policies, timeliness of information, assisting in building cooperative relationships with legislators and members of various state departments, boards, and commissions, and availability. Platinum’s outcomes overall are rated as excellent based on the outcomes of the issues discussed.

Sacramento Legislative Advocacy and Consulting Services Scope of Work

Reporting Relationship

The Manager of State and Federal Relations and/or his/her designee will be the key contact and will coordinate the work of the CONSULTANT. The Orange County Transportation Authority (OCTA), at its sole discretion, may enter into more than one contract with additional firms with a Reporting Relationship of:



Role of the CONSULTANT

Under the coordination of the Manager of State and Federal Relations and/or his/her designee, the CONSULTANT shall be responsible for implementing the objectives described below.

Objectives

Objective 1: Maintain regular contact with the Governor's office; members of the Legislature and committee staff; and state departments, agencies, boards, commissions, committees, and staff to determine impending changes in laws, regulations, and funding priorities that relate to the OCTA.

- Meet with members of the Governor's office and Legislature to discuss policy issues affecting OCTA.
- Meet with members and staff of the California Transportation Commission on issues that could affect the programming of OCTA projects.
- Attend meetings of the Board of Equalization and report on issues that could affect funding.
- Participate in transportation related meetings with various state departments, including, but not limited to, the Department of Finance; Business, Transportation, and Housing; Department of Transportation; California Highway Patrol; Environmental Protection Agency; and Air Resources Board.

Objective 1 Deliverable:

- Electronic reports of issues that could affect OCTA projects or funding.

Objective 2: Notify OCTA of anticipated, newly introduced or amended state legislation and proposed regulations, which could impact OCTA.

- Provide bill number and brief summary of introduced or amended state legislation via e-mail.
- Provide information relative to legislative hearings.
- Provide information on bills' sponsors, supporters, and opponents.
- Advise OCTA of proposed transportation, environmental, employment, and safety related legislation and regulations which could impact OCTA and provide copies as requested.

Objective 2 Deliverables:

- Copies of legislation, committee analyses, and proposed regulations as requested.
- Electronic notification of introduced bills and amendments, with summaries.
- Notification of legislative hearings.

Objective 3: Advocate OCTA's legislative program and positions on legislation, proposed regulations, and funding and transportation programming priorities as adopted by the Board.

- Participate in the preparation of OCTA's legislative program by informing staff of upcoming legislative proposals, budget forecasts, and potential policy issues.
- Assist in securing authors and drafting language for sponsor bills.
- Assist in drafting amendments to legislation and regulations.
- Build coalitions to support OCTA's positions on significant legislation.
- Testify on behalf of OCTA on Board-adopted positions on legislation at committee and floor hearings, as appropriate.
- Provide copies of all written correspondence, testimony, and position papers given on behalf of OCTA.
- Schedule meetings with legislators, Governor's office, and state departments for OCTA Directors and staff to advocate legislative and funding priorities.
- Participate in transit and transportation lobbying coalitions.
- Analyze and prepare advice on the proposed state budget as it relates to transportation, including, but not limited to, identifying decreases/increases in existing programs, new funding sources, and strategies to enhance transportation funding for OCTA.

Objective 3 Deliverables:

- Copies of all written correspondence, testimony, and position papers given on behalf of OCTA.
- Schedule of meetings with legislators, Governor, and administration.
- Budget analyses.

Objective 4: Provide written and oral reports.

- While the Legislature is in session, highlight significant transportation and related issues in Sacramento of importance to OCTA as needed.
- Submit a monthly written report of advocacy activities and accomplishments.
- As needed, present an in-person report to the Board or the Legislative and Communications Committee during a regular meeting. At least one in-person meeting should occur to develop legislative strategy.
- Once per month, participate via telephone in the Legislative and Communications Committee meeting or other designated committee of the Board.
- Maintain close contact with the Manager of State and Federal Relations on issues of importance.
- Provide electronic updates via e-mail to designated recipients on meetings of the Legislature, transportation issues of importance, press releases, and other issues of importance to OCTA.

Objective 4 Deliverables:

- Written reports highlighting significant transportation and related developments in Sacramento, as needed.
- Monthly written report of advocacy activities and accomplishments.
- As needed, oral presentations to the Board or Legislative and Communications Committee.
- As needed, an in-person legislative strategy session with Members of the Board of Directors.
- Monthly conference calls with the Legislative and Communications Committee or other designated committee.
- Electronic updates on issues of importance.

Objective 5: Maintain Sacramento office.

- Maintain an office in Sacramento, convenient to the State Capitol.
- Provide briefings at office prior to meetings at the Capitol.
- Have available an office for use by Board Members and staff while performing OCTA business in Sacramento.

Objective 5 Deliverable:

- Office in Sacramento.

Objective 6: Provide monthly invoices of services.

- Provide a written summary of meetings attended on behalf of OCTA.
- Provide a list of issues advocated during the month and status.

Objective 6 Deliverable:

- Monthly invoice that includes a written summary of meetings attended on behalf of OCTA and a list and status of the issues advocated for OCTA during the month.



Federal Tax Reform Proposals

Implications on OCTA Operations

Keeping Orange County Moving



Background

- February – President called on Congress to pass tax reform
- June – OCTA sent a letter to the House Committee on Ways and Means supporting bipartisan efforts calling for the inclusion of a Highway Trust Fund fix in a tax reform bill
- September – Congress released broad outline of tax reform bill
- October – House and Senate agreed on a budget resolution that allows a tax bill to pass the Senate by a majority vote as long as it does not increase the deficit by more than \$1.5 Trillion
- November 2, 2017 – House Ways and Means Committee introduced its bill
- November 9, 2017 – House Ways and Means Committee passed its version of the bill, and Senate Committee on Finance introduces its version of bill

Challenges Going Forward

- House is expected to vote on its bill by the end of the week
- The Senate Committee on Finance is marking up its bill this week, which is now significantly different from the House bill
 - Senate reconciliation rules require that any tax bill adhere to the \$1.5 Trillion deficit target and also limit amendments that negatively affect the deficit
 - Violation of these rules trigger a 60-vote threshold
- The differences between the two bills must be resolved, and voted on again in each chamber, before a bill can be signed by the President

Deficit Effects of Each Proposal

	House Bill	Senate Bill
Individual Reforms	\$963 Billion	\$885 Billion
Business Reforms	\$754 Billion	\$683 Billion
International Tax Reforms	\$278 Billion	\$154 Billion
Reforms to Tax Exempt Organizations	\$3 Billion	N/A
Total Cost of Bill	\$1.436 Trillion	\$1.414 Trillion

Provisions Potentially Affecting OCTA

	House Bill	Senate Bill
Highway Trust Fund	No solution for long-term deficit	No solution for long-term deficit
Private Activity Bonds	Taxes interest earned on private activity bonds	No change
Advance Refunding Bonds	Taxes interest earned on advance refunding bonds	Taxes interest earned on advance refunding bonds
Deduction for Commuter Benefits	Repeals employer deduction for transportation benefits	Repeals employer deduction for transportation benefits; repeals bicycle incentive for individuals
Electric Car Credit	Repeals tax credit for electric vehicles	No change
In-Service Pension Distributions	Permits in-service pension distributions at age 59½	No change
Healthcare Individual Mandate	No change	Repeals individual mandate
Repatriation	Repatriates \$293 Billion of foreign corporate earnings	Repatriates \$184 Billion of foreign corporate earnings