



AGENDA

Legislative and Communications Committee Meeting

Committee Members

Laurie Davies, Chair
Lisa A. Bartlett, Vice Chairwoman
Barbara Delgleize
Michael Hennessey
Gene Hernandez
Tim Shaw
Gregory T. Winterbottom

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

Thursday, November 21, 2019 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 Hennessey

1. Public Comments

Special Calendar

There are no Special Calendar matters.



Consent Calendar (Item 2)

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.

2. Approval of Minutes

Approve the minutes of the Legislative and Communications Committee meeting of October 17, 2019.

Regular Calendar

3. Status Report of State Legislation Enacted in 2019

Alexis Leicht/Lance M. Larson

Overview

At the conclusion of the 2019 legislative session, 870 bills were signed and chaptered by the Governor, while 172 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.

4. Orange County Transportation Authority 2019-20 State and Federal Legislative Platforms

Dustin J. Sifford/Lance M. Larson

Overview

The final drafts of the revised 2019-20 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 2019-20 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. Performance Evaluation of Federal Legislative Advocate, Potomac Partners, DC**
Kristin Jacinto/Lance M. Larson

Overview

The firm Potomac Partners, DC provides federal legislative advocacy services for the Orange County Transportation Authority in Washington, DC. 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.

- 6. Performance Evaluation of Sacramento Legislative Advocate, Platinum Advisors, LLC**
Kristin Jacinto/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. Chief Executive Officer's Report**
- 8. Committee Members' Reports**
- 9. Closed Session**

There are no Closed Session items scheduled.



AGENDA

Legislative and Communications Committee Meeting

10. Adjournment

The **9:00 a.m. Thursday, December 19, 2019**, meeting of the Legislative and Communications Committee has been cancelled.

The next regularly scheduled meeting of this Committee will be held at **9:00 a.m. on Thursday, January 16, 2020**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room – Conference Room 07, Orange, California.



Committee Members Present

Laurie Davies, Chair
Lisa A. Bartlett, Vice Chairwoman
Michael Hennessey
Gene Hernandez
Tim Shaw
Gregory T. Winterbottom

Staff Present

Darrell E. Johnson, Chief Executive Officer
Ken Phipps, Deputy Chief Executive Officer
Laurena Weinert, Clerk of the Board
Olga Prado, Assistant Clerk of the Board
Cassie Trapesonian, Assistant General Counsel
OCTA Staff and members of the General Public

Committee Members Absent

Barbara Delgleize

Call to Order

The October 17, 2019 regular meeting of the Legislative and Communications (L&C) Committee was called to order by Committee Chair Davies at 9:01 a.m.

Pledge of Allegiance

Committee Chair Davies led in the Pledge of Allegiance.

1. Public Comments

There were no public comments received.

Special Calendar

2. Conference Call with State Legislative Advocate Moira Topp

Moira Topp, Sacramento Advocate, reported on the following:

- On October 13th, the 2019 California State Legislature session concluded and was the last day Governor Newsom had to sign, or veto bills the Legislature passed on or before September 13th.
- Governor Newsom vetoed more bills than speculated, and the Governor kept former Governor Brown's theme of fiscal prudence.
- The following bills were monitored:
 - Senate Bill (SB) 277, introduced by Senator Beall, related to a SB 1 program focused on incentivizing self-help counties, and how the funds should be allocated that are supported by Orange County Transportation Authority (OCTA). The bill was vetoed by the Governor.
 - The Governor's SB 277 veto message is that the State has a role in allocating those resources, and the benefits bring additional competitive funds to rural communities.

2. (Continued)

- SB 127, introduced by Senator Weiner, proposed to use transportation funding to meet environmental goals through investment of active transportation projects. The bill was vetoed by the Governor.
 - The Governor felt SB 127 was problematic because it had prescriptive requirements.
- In January 2020, the Legislature returns for the second part of the two-year session.
- In late September 2019, an Executive Order was released by the Governor about climate change.
- The transportation funding portion of the Executive Order leaves a lot of questions, notes redirecting \$5 billion in transportation funding to fewer road projects, and calls for reducing vehicle miles traveled.

A discussion ensued regarding:

- The Orange County delegation is interested on how the Executive Order impacts Orange County.
- The State Transportation Agency Secretary, David S. Kim, issued a press release about the Executive Order and SB 1.
- The Governor has opinions about leveraging SB 1 funds to ensure cities follow the Housing Element and Regional Housing Need Allocation mandate.

Ms. Topp also reported on the California High-Speed Rail (CHSR) as follows:

- Orange County and Los Angeles County delegations question the current proposal and want to review of all segments including the Anaheim to Burbank segment.
- Assembly Member Daly has been vocal at public hearings and in the legislation about spending the CHSR funds for larger populations such as Southern California.

A discussion ensued regarding:

- SB 50, introduced by Senator Weiner, proposes to allow developers to upzone and develop further in “transit-rich” areas, especially within half-mile of a rail station. The legislative leadership has been soliciting feedback about SB 50, which will return in February 2020.
- At the Monday, October 28th OCTA Board of Directors (Board) meeting, Moira Topp will provide, in person, a report to the Board.
- The Governor’s Executive Order, at this point, does not harm any SB 1 funds for OCTA projects in construction or about to go into construction.



2. (Continued)

- Staff will monitor the California Transportation Commission adoption of new guidelines for the next SB 1 call for projects.

Consent Calendar (Items 3 and 4)

3. Approval of Minutes

A motion was made by Director Hernandez, seconded by Director Hennessey, and declared passed by those present, to approve the minutes of the Legislative and Communications Committee meeting of August 15, 2019.

4. Agreement for Transportation Needs Assessment

A motion was made by Director Hernandez, seconded by Director Hennessey, and declared passed by those present, to:

- A. Approve the selection of Moore and Associates, Inc., as the firm to conduct a transportation needs assessment.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1505 between the Orange County Transportation Authority and Moore and Associates, Inc., in the amount of \$426,558, to provide a transportation needs assessment for an 18-month term.

Regular Calendar

5. Federal Legislative Status Report

Dustin J. Sifford, Senior Government Relations Representative, reported on the following:

- A budget deal was reached between the President and Congress; however, there have been no funding bills that have made it through the legislative process.
- A continuing resolution was signed through November 21st. The House and Senate have both drafted versions of transportation funding bills; however, differences between the two bills have not been resolved. Staff will keep the L&C Committee and Board apprised on the updates.

5. (Continued)

- An update and discussion on the Safer Affordable Fuel Efficient (SAFE) Vehicles Rule was provided as follows:
 - Part one of the SAFE Vehicles Rule is now in the federal register;
 - Revoked the legal authority for California's Clean Air Act preemption waiver;
 - Did not specifically invalidate the air quality model;
 - Different set of statutory and regulatory grace periods depending on Part Two of the SAFE Vehicles Rule, and the next step will be a challenge;
 - On November 27th, the 60-day comment period ends;
 - Staff has been working with California Association Councils of Governments and Southern California Association of Governments about OCTA's concerns;
 - The California lawsuit about the SAFE Vehicles Rule complicates matters even further; and
 - The new Secretary of Transportation, David S. Kim, is aware of the concerns.
- Last month, there were two House hearings in Washington, D.C.:
 - At one of the hearings, Representative Rouda reported, with pride, on how he worked with OCTA, and also discussed the streamlining of the Transportation Infrastructure Finance and Innovation Act.
 - Stephanie Wiggins, Metrolink CEO, discussed, at a hearing, the need for continued implementation of positive train control, safety equipment, and the need for Metrolink to receive additional federal funding.

No action was taken on this receive and file information item.

6. Draft Revisions to Orange County Transportation Authority's 2019-20 State and Federal Legislative Platforms

Lance M. Larson, Executive Director of External Affairs, provided opening comments, and Dustin J. Sifford, Senior Government Relations Representative, reported on the following:

- The section on Transportation Development Act funding was streamlined and highlighted in bullets in order to efficiently administer the transit dollars.
- A section was added to ensure self-help counties can deliver on promises made to the taxpayers, without State interference, when implementing local sales tax measures.
- Included a section to ensure that OCTA staff can efficiently work with the California Department of Motor Vehicles to streamline the hiring process.

6. (Continued)

A motion was made by Director Hennessey, seconded by Director Hernandez, and declared passed by those present, to authorize staff to integrate the recommended revisions to the Orange County Transportation Authority's 2019-20 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.

Discussion Items

7. Orange County Transportation Authority Marketing Update

Lance M. Larson, Executive Director of External Affairs, provided opening comments, and Stella Lin, Manager of Marketing and Customer Engagement, provided a PowerPoint presentation for this item as follows:

- Sun & Fun Pass – Bus;
- Sun & Fun Pass Sales and Ridership Results;
- “Your City, Your Ride” Targeted Ridership Promotion;
- College Pass Program;
- October Service Change Ridership Marketing;
- OC Flex – New Ridership Campaign;
- Metrolink Weekend Promotions;
- Rideshare Week 2019;
- Vanpool Marketing, Outreach and Sales; and
- OC Streetcar Brand Video (a short video was shown).

A discussion ensued regarding:

- Staff can provide the Board Members a marketing “tool kit” to use online or for social media, as well as provide a link to the video.
- Staff was complimented for a great marketing job, and the College Pass Program is an example of how the marketing has been successful.
- Today, the video will be shown at annual Santa Ana State of the City event.
- Committee Chair Davies asked if the presentation can be shown at next week's 5th District Mayor's Forum.



8. Chief Executive Officer's Report

Darrell E. Johnson, Chief Executive Officer, reported on the following:

Beach Boulevard Corridor Study (Study) -

- OCTA is in the final round of collecting public feedback for the Study.
- Comments can be submitted online now through October 26th at **octa.net/beachstudy**.
- The Study will be completed in February 2020.

State Route (SR) 55 Public Hearing -

- Last night, OCTA hosted a Public Hearing, along with the California Department of Transportation, to solicit feedback on the proposed improvements to the SR-55 freeway between Interstate 5 and SR-91.
- Approximately 75 people attended and OCTA collected good feedback.

American Public Transportation Association (APTA) -

- Earlier this week, he was in New York for the annual APTA conference.
- The keynote speakers and attendance were highlighted.
- Senator Jim Beall was recognized by APTA.
- Next year, OCTA will host the annual APTA conference in Orange County.

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 9:42 a.m.

The next regularly scheduled meeting of this Committee will be held at **9:00 a.m. on Thursday, November 21, 2019**, at the Orange County Transportation Authority Headquarters, 550 South Main Street, Board Room - Conference Room 07, Orange, California.

ATTEST

Laurie Davies
Committee Chair

Laurena Weinert
Clerk of the Board



November 21, 2019

To: Legislative and Communications Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Status Report of State Legislation Enacted in 2019

Overview

At the conclusion of the 2019 legislative session, 870 bills were signed and chaptered by the Governor, while 172 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

2019 Legislative Session Adjourns

Following the State Legislature's adjournment, Governor Gavin Newsom had until October 13, 2019, to either sign or veto all legislation submitted to his office. Of the 1,042 bills sent to the Governor in 2019, 172 bills were vetoed, or 16.5 percent of the total number of bills presented to his office. Although this veto percentage tracks as the same percentage of former Governor Jerry Brown's final bill disposal in 2018, Governor Gavin Newsom acted on 175 fewer bills this year.

The Orange County Transportation Authority (OCTA) Board of Directors (Board), legislative staff, and advocates were successful in advancing many of OCTA's interests in 2019. 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 2019 - Bills SignedAB 147 (Chapter 5, Statutes of 2019): Use Taxes: Collection: Marketplace Facilitators

Position: Support

Sponsored by State Treasurer Fiona Ma and supported by OCTA, AB 147 (Chapter 5, Statutes of 2019) was introduced in response to the U.S. Supreme Court's 2018 ruling in *South Dakota v. Wayfair, Inc.* The Wayfair case overturned previous case law that prevented states from collecting sales and use taxes from retailers without any kind of physical presence in the state or locality. Under AB 147, a retailer selling more than \$500,000 worth of goods statewide in the preceding or current calendar year would be required to collect and remit sales and use taxes, with previously uncollected revenues distributed according to existing law. AB 147 required that businesses meeting this definition, register with the California Department of Tax and Fee Administration by October 1, 2019. AB 147 was chaptered on April 25, 2019 as an urgency measure.

OCTA took a support position on this legislation because it captures sales tax revenue previously uncollected by out-of-state retailers, resulting in two types of funding increases for OCTA. First, there will be an increase in the portion of Bradley-Burns sales tax revenues dedicated to transportation through the Local Transportation Fund (LTF). The increase in LTF revenues will provide additional funding capacity for transit, which have historically funded about half of OCTA's bus operations. There will also be an increase in Measure M2 revenues.

AB 252 (Chapter 160, Statutes of 2019): Department of Transportation: Environmental Review

Position: Support

Sponsored by the Self-Help Counties Coalition (SHCC), of which OCTA is a member, and supported by the California Transportation Commission (CTC) as well as transportation agencies across the state, AB 252 (Chapter 160, Statutes of 2019) removes the 2020 sunset date on the authority for the California Department of Transportation (Caltrans) to carry out the National Environmental Policy Act (NEPA) Assignment Program for highway projects. The NEPA Assignment Program allows states to take on federal responsibility for NEPA actions while also assuming associated risks. This decision-making role increases streamlining and cost savings for transportation projects.

Without this extension, numerous locally-funded OCTA projects that are subject to the traditional NEPA review process would have been delayed resulting in cost increases. The Senate Appropriations Committee analysis estimates Caltrans will save approximately \$13.4 million annually with this authority.

AB 784 (Chapter 684, Statutes of 2019): Sales and Use Taxes: Exemption: California Hybrid and Zero-Emission truck and Bus Voucher Incentive Program: Transit Buses.

Position: Support

OCTA, the California Transit Association, and a wide-range of transit agencies supported AB 784 (Chapter 684, Statutes of 2019) which provides a sales tax exemption for the purchase of zero-emission transit buses until January 1, 2024. AB 784 explicitly lists traditional transit buses, articulated buses, cutaways, shuttles, trolleys, and other types of bus vehicles as eligible for the exemption. AB 784 only applies to sales tax liability and does not extend to use taxes, property taxes, or other dedicated revenue sources. OCTA estimates it will cost an additional \$442 million to convert its current bus fleet to zero-emission technology. AB 784 provides much-needed financial assistance to facilitate the adoption of this new technology, saving OCTA as much as \$80,000 on each zero-emission bus purchase.

AB 1475 (Chapter 289, Statutes of 2019): Construction Method: Transportation Projects

Position: Support

Sponsored by Contra Costa Transportation Authority and supported by OCTA and various labor organizations, AB 1475 (Chapter 289, Statutes of 2019) expands the authorization for regional transportation agencies to use the construction manager/general contractor project-delivery method. This legislation will allow OCTA to take advantage of the cost and time saving benefits this project delivery tool offers for various projects, such as local streets and roads (LSR) improvements, rail fixed-guideways, and bus-rapid transit.

Additional Bills of Interest – Vetoed

SB 127 (Wiener, D-San Francisco): Transportation Funding: Active Transportation: Streets

Position: Neutral (Originally Oppose)

SB 127 (Wiener, D-San Francisco) would have required Caltrans, commencing with the 2022 State Highway Operation and Protection Program (SHOPP), when undertaking a specified capital improvement project on a state highway or a local street crossing a state highway funded through the SHOPP, to include new

pedestrian and bicycle facilities, or improve existing facilities, as part of the project. SB 127 would have also added bicycle and pedestrian performance metrics to the CTC's SHOPP asset management plan. The asset management plan guides the SHOPP project selection process, ensuring that SHOPP projects meet applicable state and federal requirements.

OCTA initially took an oppose position when SB 127 included provisions that reprioritized how transportation funding should be used, required vehicle miles traveled (VMT) reduction metrics to be included in funding decisions, and required analysis of such things as the removal of lanes in future projects. After the author agreed to take all of OCTA's suggested amendments, OCTA's position changed to neutral. Ultimately, Governor Gavin Newsom vetoed the legislation citing concerns about the bill's prescriptive nature and potential for increased costs. The Governor also cited his recent Executive Order N-19-19, which seeks to direct state transportation funds toward efforts to reduce greenhouse gas (GHG) emissions and VMT. The Governor notes his Executive Order will increase and accelerate Caltrans investments in active transportation.

SB 277 (Beall, D-Campbell): Road Maintenance and Rehabilitation Program
Position: Support

Supported by a coalition of transportation agencies including OCTA and the SHCC, SB 277 (Beall, D-Campbell) would have amended the SB 1 (Chapter 5, Statutes of 2017) Local Partnership Program (LPP) funding distribution to better align the program with its original intent of rewarding self-help counties for passing sales tax measures. In its final form, SB 277 would have distributed 85 percent of LPP funding by formula and 15 percent on a competitive basis. This funding structure was developed in close coordination with the SHCC and was agreed to by transportation agencies representing more than 96 percent of the population of California's self-help counties. Of the Southern California share, 75 percent would have been allocated based on the county's population, with the other 25 percent distributed based on the county's share of transportation sales tax revenue in comparison to the total amount of transportation sales tax revenue in southern California.

OCTA and other self-help counties worked closely with all stakeholders involved, including the CTC, to allow for amendments to address technical language concerns and SB 1 accountability goals. This work allowed for the bill to pass unanimously out of both the Senate and the Assembly. Unfortunately, Governor Newsom vetoed the legislation in the final days of his signing deadline. In his veto message, the Governor reaffirmed the current approach to administer the LPP, noting the need to afford flexibility to the CTC in administering the program to achieve state goals.

Additional Bills of Interest – Two-Year Bills

The following bills on which OCTA took a position failed to make it to the Governor for consideration this year, but will have the opportunity to advance in 2020:

ACA 13 (Obernolte, R-Big Bear): Local Sales Taxes: Online Sales

Position: Support

ACA 13 (Obernolte, R-Big Bear) would allow statutory changes to be pursued that provide for a more equitable distribution of revenues provided under Bradley-Burns taxes by allowing revenues to flow to the place of distribution of goods sold, rather than point-of-sale, as current law provides. OCTA is likely receiving an estimated \$2-3 million less in LTF revenues annually because of the way revenues are currently distributed. This revenue shortfall directly impacts OCTA's ability to provide sustained transit operations throughout the county. If ACA 13 is successful, OCTA would receive a more equitable share of LTF funding, and extreme fluctuations due to the expected increase in online sales would be mitigated. ACA 13 is currently pending committee assignment.

AB 1402 (Petrie-Norris, D-Costa Mesa) and SB 152 (Beall, D-Campbell): Active Transportation Program

Position: Sponsor/Support

OCTA co-sponsored AB 1402 (Petrie-Norris, D-Costa Mesa) with the Orange County Business Council and supported SB 152 (Beall, D-Campbell), sponsored by the Metropolitan Transportation Commission, both of which would make reforms to the Active Transportation Program (ATP) to reduce the program's complexity and prioritize local decision-making without undermining existing policy priorities. Both AB 1402 and SB 152 would allocate 75 percent of ATP funding to large metropolitan planning organizations (MPO), 15 percent to the state's competitive program for small and rural areas, and ten percent in the statewide competitive program. This distribution would provide roughly the same amount of funding most agencies are currently receiving, but with more consistency between programming cycles, allowing project sponsors to better plan for future projects. Due to opposition from various advocacy groups and concerns raised from the CTC and certain transportation agencies about impacts to rural areas, SB 152 was held in the Senate Appropriations Committee, while AB 1402 was never heard in policy committee. As of the writing of this staff report, there are no plans by either author to move these bills forward next year.

AB 1568 (McCarty, D-Sacramento): Housing Law Compliance: State Grants
Position: Oppose

OCTA took an oppose position on AB 1568 (McCarty, D-Sacramento), which would require the Department of Housing and Community Development (HCD) to review any action or failure to act by a city or county that it determines is inconsistent with an adopted housing element or a specified provision of the Housing Element Law. It prohibits a city or county, found to be in violation of state law, from applying for a state grant, unless the eligibility of the city or county to apply is protected by the California Constitution, or the state grant funds, if awarded to the city or county, would assist in compliance with housing element requirements.

In its initial form, AB 1568 set a concerning precedent, requiring cities and counties to comply with the Housing Element Law to be eligible for funding from the SB 1 LSR funding program. This could have impacted transportation planning, programming, and construction activities for cities, counties, and agencies, such as OCTA, looking to compete for funding and deliver critical infrastructure projects. Even though this bill did not move forward, similar language was ultimately adopted in the primary housing budget trailer bill, AB 101 (Chapter 159, Statutes of 2019). Specifically in AB 101, localities deemed by HCD to have adopted “pro-housing” policies, defined as policies facilitating the planning, approval, or construction of housing, will receive additional points in the scoring of applications for specific state funding programs, including the Affordable Housing and Sustainable Community Strategy, the Transformative Climate Communities Program, and the Infill Grant Program of 2007. The bill also allows other state programs to award additional bonus points for pro-housing policies.

SB 526 (Allen, D-Santa Monica): Regional Transportation Plans: Greenhouse Gas Emissions

Position: Oppose

OCTA opposed SB 526 (Allen, D-Santa Monica), which requires each MPO to submit data to the California Air Resources Board describing how transportation funds have been spent in relation to their sustainable communities strategy and whether that spending has led to an increase or decrease in VMT. SB 526 would also establish an interagency working group, to be administered by the Strategic Growth Council, to develop and implement a State Mobility Action Plan for Health Communities, which would detail various recommendations including an investment strategy to assist local governments with meeting GHG emission reduction targets. The bill would require the working group to submit the plan to the Legislature by December 31, 2020.

While the author took many amendments to SB 526 put forward by OCTA, there is still concern that SB 526 significantly changes the bottoms-up approach envisioned by SB 375 (Chapter 728, Statutes of 2008), which allowed regional flexibility in the meeting of the regional GHG reduction targets, and shifts the focus to project-by-project analysis and VMT reductions. SB 526 is currently in the Assembly Appropriations Committee. The author has pledged to continue to work with OCTA and other stakeholders next year.

SB 664 (Allen, D-Santa Monica): Electronic Toll and Transit Fare Collection Systems

Position: Support

Supported by OCTA and other California toll agencies, SB 664 (Allen, D-Santa Monica) will clarify existing law to ensure toll operators statewide can meet interoperability requirements, enforce toll policies and issue toll violations, without weakening existing privacy protections for the use of personally identifiable information. Without these clarifications, the operation of toll facilities within the state will be jeopardized.

While SB 664 enjoyed bipartisan support with a broad coalition of support from toll operators across the state, opposition did come from various privacy groups, who often included representatives involved in litigation being pursued against toll operators within the state. Due to concerns raised by privacy committee staff at the end of session, the bill was held to allow for further discussions and to take place while the Legislature is out of session. This legislation is currently pending in the Assembly where it has been re-referred to the Assembly Privacy and Consumer Protection Committee and the Assembly Judiciary Committee. Staff will continue to work with stakeholders and the coalition to keep this bill moving forward.

SB 732 (Allen, D-Santa Monica): South Coast Air Quality Management District

SB 732 (Allen, D-Santa Monica) would create a new taxing district, which would facilitate the ability for the South Coast Air Quality Management District (SCAQMD) Board to impose a transactions and use tax within the boundaries of its district. The new special voting district would cover the SCAQMD jurisdiction, which includes all of Orange County and portions of Los Angeles, Riverside, and San Bernardino Counties. SB 732 would authorize the pursuit of a ballot initiative for a new sales tax, as high as one percent, on all purchases of tangible personal property in the district in order to fund air quality improvements.

SB 732 does not include any type of requirement for an expenditure plan or a requirement for equitable distributions of the revenues within the taxing district.

Orange County, it is difficult to properly evaluate the proposal without a detailed expenditure plan outlining the role that county transportation commissions would play in allocating these funds and how much of the funding would benefit each county. It is anticipated that SCAQMD will continue to pursue this bill next year to allow for a ballot measure in 2020. This bill is currently located in the Senate Appropriations Committee.

Summary

A summary report on all state legislation enacted in 2019 affecting OCTA is provided for review by the Board.

Attachment

- A. Orange County Transportation Authority 2019 End of Year Legislative Report

Prepared by:



Alexis Leicht
Associate Government Relations Representative,
External Affairs
(714) 560-5475

Approved by:



Lance M. Larson
Executive Director,
External Affairs
(714) 560-5908



ORANGE COUNTY TRANSPORTATION AUTHORITY 2019 END OF YEAR LEGISLATIVE REPORT

LEGISLATION ENACTED

I. Active Transportation

AB 1266 (Rivas, R., D-Salinas) Traffic Control Devices: Bicycles (Chapter 221, Statutes of 2019)

AB 1266 allows for a bicycle to move straight through a right or left-hand turn lane when an official traffic control device indicates the movement is permitted. This bill directs California Department of Transportation (Caltrans) to develop standards for lane striping, pavement marking, and appropriate signage for bicyclists.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

II. Audits, Records, Reports, and Litigation

AB 902 (Levine, D-San Rafael) Political Reform Act of 1974: Fair Political Practices Commission: Regulations (Chapter 312, Statutes of 2019)

AB 902 codifies various regulations promulgated by the California Fair Political Practices Commission (FPPC). The legislation codifies two existing regulations for lobbyist employers. First, the legislation codifies an existing regulation subjecting lobbyist employers to disclosure requirements for participating in lobbying coalitions. Second, the bill codifies a regulation that requires lobbyists to obtain written authorization to lobby for lobbyist employers who are not required to register with the Secretary of State. AB 902 also codifies a regulation specifying that a gift is considered “accepted” when the public official, or the official’s immediate family member, knowingly takes possession of the item. In addition, AB 902 codifies existing FPPC regulations regarding the scope of audits, campaign finance disclosure for measures or candidates raising more than \$1 million, disclosure of leasehold interests, and other existing FPPC regulations.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. As a lobbyist employer, OCTA is subject to many of the provisions of the bill. Since the bill only codifies existing regulations, the bill does not create any new requirements that did not already exist in state law.*

**AB 903 (Levine, D-San Rafael) Political Reform Act of 1974
(Chapter 909, Statutes of 2019)**

AB 903 makes clarifying changes to the Political Reform Act of 1974. The most relevant clarification concerns the use of public funds in media communications made in connection to a political cause. Current law exempts from political reporting requirements communications made in the course of newsgathering activities. AB 903 clarifies that public funds used by a state or local agency to create public service announcements or other news communications in connection to a political cause are considered political expenditures, triggering political reporting requirements.

OCTA Position – Monitor

Impact on OCTA: *The FPPC has examined multiple instances of public agencies conducting public outreach on issues connected to political initiatives. Specifically, the FPPC has found that public agencies conducting outreach about transportation improvements did so in coordination with a political initiative that would provide additional transportation funding. The FPPC has focused on specific wording used in both the outreach efforts and the campaign, and as a result, minor fines have been assessed. While there is uncertainty about the implications of these FPPC actions, AB 903 provides statutory clarity that public funds used in connection to a political cause are considered political expenditures, which trigger political reporting requirements.*

III. Employment Terms and Conditions

**AB 5 (Gonzalez, D-San Diego) Worker Status: Employees and Independent Contractors
(Chapter 296, Statutes of 2019)**

AB 5 provides statutory guidance to implement the California Supreme Court's decision in *Dynamex Operations West, Inc. v. Superior Court of Los Angeles*. AB 5 creates a presumption that paid workers are considered employees and not independent contractors. To establish that a worker is an independent contractor, an employer must demonstrate that the employer is not directing or controlling how the work is performed, that the work being performed is outside the employer's usual business, and that the worker is customarily engaged in an independent trade performing the type of work in question. AB 5 specifies various exemptions for certain industries. Notably, the legislation provides a multi-factor test to determine if subcontractors performing work on construction contracts are considered employees. Similarly, the bill lays out a different multi-factor legal test to determine if paid work on contracts for "professional services" should be classified as employment.

OCTA Position – Monitor

Impact on OCTA: *There is significant uncertainty about how AB 5 will impact public agencies. Staff will monitor impacts on various industries, notably transportation network companies, construction providers, and other sectors affected by AB 5, to determine whether there are impacts to the classification of workers in current and future OCTA*

contracts. Should there be additional case law or further legislative efforts expanding the application of policies more broadly to public agencies, OCTA will seek legal clarity on how to classify its multitude of professional workers and contracts.

**AB 17 (Salas, D-Bakersfield) Elections: Vote by Mail Ballots
(Chapter 223, Statutes of 2019)**

AB 17 prohibits an employer from requiring or requesting an employee to bring their vote by mail ballot to work or fill out their vote by mail ballot at work.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. OCTA may need to update its policies accordingly.

**SB 142 (Wiener, D-San Francisco) Employees: Lactation Accommodation
(Chapter 720, Statutes of 2019)**

SB 142 requires that employers provide employees with lactation rooms or access to spaces for lactation purposes that meet the bill's requirements. Under SB 142, a lactation room cannot be a bathroom and must be close to the employee's work area, shielded from view, and free from intrusion. The lactation room must also be free from hazardous materials and contain a surface for personal items, a place to sit, and a source of electricity. While multipurpose rooms are allowed under the bill, the main purpose of the room must be for lactation. SB 142 also requires that employers provide employees with access to refrigerators or other similar cooling devices. In addition, the bill requires that employers have a policy outlining how employees request access to lactation facilities.

OCTA Position – Monitor

Impact on OCTA: SB 142 requires that OCTA provide its employees with access to lactation rooms or other spaces that can be used for lactation purposes, assuming they meet the requirements in the bill. Under the bill, OCTA must also update its policies to outline how employees can request access to lactation facilities.

**SB 188 (Mitchell, D-Los Angeles) Discrimination: Hairstyles
(Chapter 58, Statutes of 2019)**

SB 188 amends the definition of "race" related to anti-discrimination provisions of the Education Code and the Fair Employment and Housing Act. Defines "race" to include hair texture and protective hairstyles, including braids, locks, and twists.

OCTA Position – Monitor

Impact on OCTA: This bill would require OCTA to revise policies as appropriate to include updated language and definitions.

SB 778 (Senate Labor, Public Employment, and Retirement Committee) Employers: Sexual Harassment Training: Requirements (Chapter 215, Statutes of 2019)

SB 778 makes clarifying changes to address concerns raised from SB 1343 (Chapter 956, Statutes of 2018), which inadvertently caused some employees to participate in sexual harassment training twice in a two-year-period. Specifically, this bill extends the training deadline to January 2021 for specified employers who offered compliant training in 2019. The training requires an employer with five or more employees to provide at least two hours of classroom or other effective interactive training and education regarding sexual harassment to all supervisory employees and at least one hour of classroom or other effective interactive training and education regarding sexual harassment to all nonsupervisory employees in California within six months of their assumption of a position.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. OCTA should review its timeline for sexual harassment training to adhere to the new deadlines set forward in this bill.*

IV. Environment

AJR 10 (Reyes, D-San Bernardino) Federal Clean Air Act (Chapter 182, Statutes of 2019)

AJR 10 is a nonbinding resolution stating that the Legislature unequivocally supports California's existing fuel economy and greenhouse gas emissions (GHG) standards. AJR 10 explicitly urges the rejection of the Safer Affordable Fuel-Efficient Vehicles Rule in order to preserve California's Clean Air Act pre-emption waiver. If this waiver is revoked, California cannot enforce its more stringent air quality laws, threatening the air quality model used for transportation planning purposes as well as environmental approvals for transportation projects. AJR 10 specifically cites the voluntary agreement between the California Air Resources Board (ARB) and automobile manufacturers as justification for California's more stringent air quality laws. AJR 10 also discusses how California must maintain and continue to enact vehicle emissions standards for the protection of public health, California residents, and the economy.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 252 (Daly, D-Anaheim) Department of Transportation: Environmental Review (Chapter 160, Statutes of 2019)

AB 252 removes the 2020 sunset on the authority that provides Caltrans the ability to carry out the National Environmental Policy Act (NEPA) Assignment Program for highway projects. The NEPA Assignment Program allows states to take on federal responsibility

for NEPA actions while also assuming associated risks. This decision-making role increases streamlining and cost savings for Caltrans transportation projects.

OCTA Position – Support

Impact on OCTA: If NEPA delegation authority was not extended, numerous locally-funded OCTA projects that are subject to the traditional NEPA review process would have been delayed, resulting in cost increases. These projects include improvements to major arterials and numerous freeways in Orange County, including State Route 91, State Route 57, State Route 55, and Interstate 5. In total, it is estimated that approximately \$1.07 billion in infrastructure investments planned over the next decade would have been delayed if NEPA delegation was not extended.

AB 782 (Berman, D-Los Altos) Environmental Quality Act: Exemption: Land Transfers

(Chapter 181, Statutes of 2019)

AB 782 codifies existing regulations to allow a public agency to fund, acquire, sell, or transfer interests in land without first going through a California Environmental Quality Act (CEQA) analysis for the purposes of: preservation of natural conditions existing at the time of transfer, including plant and animal habitats; restoration of natural conditions, including plant and animal habitats; continuing agricultural use of the land; prevention of encroachment of development into flood plains; preservation of historical resources; preservation of open space or lands for park purposes. This was a response to the current uncertainty public agencies face when seeking to acquire sensitive and threatened lands for open space and other conservation purposes.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. AB 782 will help streamline or reinforce that a categorical exemption would apply for the purchase of lands intended for preservation. Recent lawsuits have created roadblocks for some public entities. Therefore, streamlining and allowing a purchase of land without having to navigate an initial study, negative declaration, or an environmental impact review will allow more funds to be allocated toward land preservation resources.

AB 1197 (Santiago, D-Los Angeles) California Environmental Quality Act

(Chapter 340, Statutes of 2019)

AB 1197 creates an exemption, until January 1, 2025, from CEQA for activities related to development of emergency shelters and supportive housing projects approved or carried out by the City of Los Angeles (LA). Eligible public agencies include: the county of LA, the LA Unified School District, the LA Metropolitan Transportation Authority, the Housing Authority of the City of LA, the LA Homeless services Authority, the LA Community College District, the successor agency for the former Community Redevelopment Agency of the City of LA, Caltrans, and the Department of Parks and Recreation.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes*

AB 1560 (Friedman, D-Glendale) CEQA: Transportation: Major Transit Stop (Chapter 631, Statutes of 2019)

AB 1560 revises the definition of a “major transit stop” to include a bus rapid transit station and ferry terminal served by bus or rail service. Presently, residential projects on infill sites that meet certain requirements are eligible for various CEQA streamlining provisions, including projects located within a half-mile of a major transit stop.

OCTA Position – Monitor

Impact on OCTA: *By expanding the definition of “major transit stop,” this may have unintended consequences for other statutory provisions, that reference this definition as criteria for such things as permitting, funding, and development streamlining.*

AB 1824 (Assembly Natural Resources Committee) California Environmental Quality Act: Exemption for Closure of Railroad Grade Crossing (Chapter 466, Statutes of 2019)

AB 1824 provides an exemption from CEQA for projects to close railroad grade crossings presenting a threat to public safety, as determined by the California Public Utilities Commission (CPUC). AB 1824 explicitly states that the CEQA exemption is not available to grade crossings that are part of high-speed rail or for any crossing project carried out by the California High-Speed Rail Authority. When utilizing the exemption authorized in AB 1824, the implementing agency must file a notice with the Office of Planning and Research, and local agencies must also file an additional notice with the county clerk in each county in which the project is located. The exemption expires on January 1, 2025.

OCTA Position – Monitor

Impact on OCTA: *AB 1824 provides flexibility in the environmental process for certain rail grade crossings throughout Southern California.*

SB 44 (Skinner, D-Oakland) Medium- and Heavy-duty Vehicles: Comprehensive Strategy (Chapter 297, Statutes of 2019)

SB 44 requires that, by January 1, 2021, the ARB work with Caltrans, the State Energy Resources Conservation and Development Commission, and the Governor’s Office of Business and Economic Development (GO-Biz) to create a strategy for the deployment of medium- and heavy-duty vehicles that will bring California into compliance with federal air quality standards while also reducing GHG emissions. As part of the bill, ARB must recommend reasonable and achievable goals for reducing emissions by 2030 and 2050. Such solutions must align with the California Freight Plan, consider both technological feasibility and cost-effectiveness, and provide advantages to fleets that reduce GHG

emissions earlier than required by law. SB 44 also authorizes ARB to establish, via a public process, medium- and heavy-duty vehicle segments that can more quickly reduce emissions consistent with the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 400 (Umberg, D-Santa Ana) Reduction of Greenhouse Gas Emissions: Mobility Options

(Chapter 271, Statutes of 2019)

SB 400 relates to the Clean Cars 4 All Program, which is administered by ARB and aims to reduce GHG emissions and improve air quality. Clean Cars 4 All is funded through California's cap-and-trade program and offers vouchers to low-income residents who retire their high polluting vehicles and choose to purchase cleaner vehicles or utilize alternative mobility options such as public transit or ridesharing services. The bill expands the eligible modes of transportation for which "mobility option" vouchers may be used to include bike sharing and electric bicycles.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 576 (Umberg, D-Santa Ana) Coastal Resources: Climate Ready Program and Coastal Climate Change Adaptation, Infrastructure, and Readiness Program

(Chapter 374, Statutes of 2019)

SB 576 establishes the Climate Ready Program, administered by the State Coastal Conservancy, to provide grants to local agencies and nonprofits for projects that reduce GHG emissions, address extreme weather events, and protect against other hazards that threaten coastal communities and infrastructure. Grant awards are to prioritize projects that use natural infrastructure to adapt to climate change and have multiple public benefits. SB 576 also requires the Ocean Protection Council (OPC) to implement a coastal climate adaption, infrastructure, and readiness program to recommend strategies to improve the resiliency of the state's coastal communities, habitats, and infrastructure. The bill requires that the OPC to collaborate with California State University, Long Beach and other climate scientists to facilitate information sharing related to coastal climate change adaption, infrastructure, and readiness.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

V. Funding

AB 116 (Ting, D-San Francisco) Local Government (Chapter 656, Statutes of 2019)

AB 116 authorizes Enhanced Infrastructure Financing Districts (EIFD) to issue debt without voter approval, mimicking financing tools that redevelopment agencies once held. Additionally, AB 116 specifies that an EIFD must hold three public hearings prior to issuing debt and if between 25 percent and 50 percent of eligible landowners and residents in the EIFD protest the issuance during those hearings, they must hold an election for voter approval of the proposed debt. The debt issuance must be canceled if the majority protest.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 147 (Burke, D-Inglewood) Use Taxes: Collection: Retailer Engaged in Business in this State: Marketplace Facilitators (Chapter 5, Statutes of 2019)

AB 147 creates a new definition of retailer for the purposes of both sales taxes and use taxes, providing statutory clarity in California's implementation of the U.S. Supreme Court's *South Dakota v. Wayfair, Inc.* decision. Under AB 147, a retailer selling more than \$500,000 worth of goods statewide in the preceding or current calendar year would be required to collect and remit sales and use taxes, with previously uncollected revenues distributed according to existing law. AB 147 requires that businesses meeting this definition register with the California Department of Tax and Fee Administration (CDTFA) by October 1, 2019. The bill also contains language making its provisions severable should additional court cases affect the legal precedence of the *Wayfair* case.

Urgency Bill – Effective Immediately

OCTA Position – Support

Impact on OCTA: *AB 147 recaptures sales tax revenue lost to out-of-state retailers, resulting in two types of funding increases. First, there will be an increase in the portion of Bradley-Burns sales tax revenues dedicated to transportation through the Local Transportation Fund (LTF). The increase in LTF revenues will provide additional funding capacity for transit, which have historically funded about half of OCTA's bus operations. There will also be an increase in Measure M2 revenues. Based on the latest projections, Measure M2 revenues over the life of the measure are expected to increase from \$13.1 billion to \$13.4 billion, thanks in part to the passage of AB 147. Moreover, both of the funding increases will continue to grow as e-commerce continues plays a bigger role in the economy.*

**AB 176 (Cervantes, D-Corona) Alternative Energy Advances Transportation Financing: Sales and Use Taxes: Exclusions
(Chapter 672, Statutes of 2019)**

The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) provides a sales and use tax program for specified projects, including for manufacturers of alternative source technology used for renewable electricity generation or advanced transportation, through a project application process. Existing law requires the CAEATFA to evaluate a project application based on, among other criteria, the extent to which the project will create new permanent jobs in the state. AB 176 would instead require the CAEATFA to evaluate a project based on the extent to which the project will create new, or result in the loss of, permanent, full-time jobs in the state.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 485 (Medina, D-Riverside) Local Government: Economic Development Subsidies
(Chapter 803, Statutes of 2019)**

AB 485 creates new disclosure requirements regarding economic development subsidies for warehouse distribution centers. The bill requires a local agency to provide detailed, written information on its website regarding the beneficiaries of an economic development subsidy. Under the bill, these disclosures must include the name and address of any business entity benefitting from the subsidy; a description of the subsidy, including start and end dates, projected revenue impacts, and an explanation of the subsidy's intended purpose; information about estimated job creation and related employment benefit packages; and any outreach conducted in the hiring of disadvantaged workers, among other information. Before granting such a subsidy, the bill requires that local agencies provide public notice and conduct a hearing on the economic development subsidy as part of the agency's normal public hearing process. For subsidies granted after January 1, 2020, AB 485 requires that the local agency issue an annual report, available on its website, for each year the subsidy is in effect, and the required annual reports must update the information provided in the initial report. Both the initial report and annual reports must be provided to GO-Biz in order to be posted on its website.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. AB 485 includes additional transparency requirements for economic incentives for distribution warehouses that have led to a distortion in Bradley-Burns sales tax revenues due to situs requirements that businesses assess sales tax at the distribution center rather than at the purchase address.*

**AB 723 (Quirk, D-Hayward) Transactions and Use Taxes: Santa Cruz Metropolitan Transit District
(Chapter, Statutes of 2019)**

AB 723 provides clarity on whether certain transactions and use taxes in Alameda County are subject to the two percent countywide cap on transactions and use taxes. AB 723 specifies that the existing transportation taxes imposed by the Bay Area Rapid Transit District (BART) and the Santa Cruz Metropolitan Transit District (Santa Cruz Metro) in Alameda County are not subject to the two percent transactions and use tax cap. The bill also clarifies that two general purpose taxes in Alameda County are not subject countywide cap, explicitly stating the treatment of these taxes is a declaration of existing law.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 784 (Mullin, D-San Mateo) Sales and Use Taxes: Exemption: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: Transit Buses
(Chapter 684, Statutes of 2019)**

AB 784 provides a sales tax exemption for the purchase of zero-emission transit buses until January 1, 2024. The exemption provided by the bill applies to the purchase of any bus that is eligible for funding under the California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project. AB 784 explicitly lists traditional transit buses, articulated buses, cutaways, shuttles, trolleys, and other types of bus vehicles as eligible for the exemption. AB 784 only applies to sales tax liability and does not extend to use taxes, property taxes, or other dedicated revenue sources. The bill also requires that the Legislative Analyst's Office work with CDTFA to assess the effectiveness of the sales tax exemption in incentivizing the adoption of zero-emission buses.

OCTA Position – Support

Impact on OCTA: *AB 784 provides a financial incentive for transit agencies to comply with the recently enacted Innovative Clean Transit regulation, which mandates the purchase of zero-emission buses starting in 2023. OCTA estimates it will cost an additional \$442 million to convert its current bus fleet to zero-emission technology. AB 784 provides much-needed financial assistance to facilitate the adoption of this new technology, saving OCTA as much as \$80,000 on each zero-emission bus purchase.*

**AB 945 (McCarthy, D-Sacramento) Local Government: Financial Affairs: Surplus Funds
(Chapter 619, Statutes of 2019)**

AB 945 allows local agencies to hold 50 percent of its surplus funds in commercial banks, savings and loan associations, or credit unions, as opposed to the 30 percent limit in current law. The bill includes safeguards to ensure transparency for a local agency's deposits or investments are not co-mingled with the financial holdings of another agency

in a way that could create a potential conflict of interest. The higher statutory cap on these types of investments will sunset on January 1, 2026.

OCTA Position – Monitor

Impact on OCTA: *AB 945 will allow OCTA to hold more of its investment portfolio in localized financial institutions until this provision sunsets on January 1, 2026.*

**AB 1013 (Obernalte, R-Hesperia) State Agencies: Grant Applications
(Chapter 498, Statutes of 2019)**

AB 1013 institutes a new transparency measure for state grant applications. AB 1013 prohibits state agencies from authorizing a grant evaluator to review a grant application if the evaluator was an employee, representative, or voting member of the applicant organization within the past two years. The bill explicitly does not apply to evaluators coming from public agencies. The bill's prohibition also does not apply to individuals who served in unpaid positions, unless the evaluator served as a voting member.

OCTA Position – Monitor

Impact on OCTA: *AB 1013 institutes measures to protect against potential conflicts of interest in state grant programs to which OCTA applies for funding.*

**AB 1237 (Aguiar-Curry, D-Winters) Greenhouse Gas Reduction Fund: Guidelines
(Chapter 357, Statutes of 2019)**

AB 1237 requires, by January 1, 2021, any state agency that receives funding from the GHG Reduction Fund to post on their website the guidelines for how the funds are allocated. The guidelines must include eligibility criteria, application and award timelines, technical assistance, contact information, and the amount of money allocated to projects located in disadvantaged communities or guidelines required for funding to be allocated in that manner.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. By January 2021, state agencies will need comply with these requirements and OCTA will be able to access the guidelines for allocation via their respective websites, including for programs such as Low Carbon Transit Operations Program (LCTOP), Transit and Intercity Rail Capital Program (TIRCP), etc.*

**AB 1413 (Gloria, D-San Diego) Transportation: Transactions and Use Taxes
(Chapter 758, Statutes of 2019)**

AB 1413 authorizes sub-regional transactions and use tax authority in Placer, Solano, and San Diego Counties. The boundaries of the sub-regional transactions and use taxes authorized by the bill will be determined by the boards of the implementing transportation agency in each county, subject to applicable state law and voter approval. In San Diego County, the sub-regional taxing authority comes with a requirement that any contract

valued at over one-million dollars and funded by sub-regional transactions and use tax revenue must have a valid project labor agreement to facilitate a skilled and trained workforce.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**SB 137 (Dodd, D-Vacaville) Federal Transportation Funds: State Exchange Programs
(Chapter 639, Statutes of 2019)**

SB 137 creates a new exchange program that allows the state to exchange, on a dollar-for-dollar basis, funds from the State Highway Account for federal local assistance funds held by cities and counties. SB 137 specifies that the federal funding sources eligible for the exchange program are the Highway Safety Improvement Program and federal funds apportioned for local bridge projects. Up to \$100 million of federal funds may be exchanged in each federal fiscal year. SB 137 also contains language to prevent the exchange from putting state transportation projects or funding needs at-risk, to ensure that Caltrans does not exceed its limits on federal obligation authority, and to require that federal funds be readily available for state projects. Caltrans is required to consult with the League of California Cities and the California State Association of Counties in the implementation of this program.

OCTA Position – Monitor

Impact on OCTA: *SB 137 provides limited flexibility for certain state and federal funding sources that could make it easier to deliver transportation projects.*

**SB 351 (Hurtado, D-Fresno) Transformative Climate Communities Program
(Chapter 368, Statutes of 2019)**

The Transformative Climate Communities Program (TCCP) was created in 2016 to fund development and infrastructure projects that maximize climate, public health, environmental, workforce, and economic benefits for disadvantaged communities. The TCCP funds two types of grants: implementation and planning. SB 351 requires the Strategic Growth Council (SGC) to consider applicants in disadvantaged communities within unincorporated areas that are seeking funding from the TCCP for implementation of neighborhood-level plans that include multiple coordinated projects that reduce GHG emissions and achieve other community benefits.

OCTA Position – Monitor

Impact on OCTA: *Prior to this legislation, unincorporated areas were able to receive funding to develop plans through the TCCP; however, they were not eligible to secure funding for implementation of those plans. SB 351 closes that loophole and will allow unincorporated areas to be eligible for planning and implementation funding from the TCCP.*

**SB 358 (Senate Transportation Committee) Transportation
(Chapter 643, Statutes of 2019)**

SB 358 makes various technical, clarifying changes to statutes regarding transportation, including clarifying that an apportionment of money from the Highway Users Tax Account (HUTA) shall not be made to a city unless the city has set up a special gas tax street fund. Existing law created the Road Maintenance and Rehabilitation Program, which allocates 50 percent for maintenance of the state highway system and 50 percent for apportionment to cities and counties by the State Controller. Cities and counties are required to expend a certain minimum from its own general fund for street, road, and highway purposes. SB 358 gives the State Controller the ability to withhold eligible cities and counties from its apportionment if it has not met its minimum expenditure requirement, reallocating those funds to other cities and counties.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. Cities must ensure they comply with the specified expenditures related to the Road Maintenance and Rehabilitation Program, so not to lose funding.*

**SB 676 (Bradford, R-San Pedro) Transportation Electrification: Electric Vehicles:
Grid Integration
(Chapter 484, Statutes of 2019)**

SB 676 requires the CPUC to establish, by December 31, 2020, strategies and quantifiable metrics to maximize the use of feasible and cost-effective electric vehicle grid integration strategies by January 1, 2030. Under the bill, the strategies should be in the best interest of ratepayers and reflect publicly owned utilities' estimated demand attributable to electric vehicle charging. In addition, publicly owned utilities and community choice aggregators will be required to consider and report to the CPUC on how investments in transportation electrification would facilitate implementation of the adopted strategies.

OCTA Position – Monitor

Impact on OCTA: *The grid integration strategies developed pursuant to SB 676 could have consequences on OCTA's implementation of zero-emission bus technology.*

VI. Information Systems

**AB 1614 (Gipson, D-Gardena) Vehicles: License Plate Pilot Program
(Chapter 319, Statutes of 2019)**

AB 1614 extends the existing Department of Motor Vehicles license plate pilot program completion date an additional year from January 1, 2020, to January 1, 2021. Approximately 1,400 vehicles are participating in the pilot program to evaluate the use of digital license plates, license plate wraps, and digital registration cards as alternatives to current vehicle license plates, registration stickers, and registration cards. No later than July 1, 2020, a report will be provided to the Legislature to review the cost-effectiveness

of the alternatives used in the pilot program, the products and technology used, and recommendations for future action.

OCTA Position – Monitor

Impact on OCTA: *The use of digital license plates may have future impacts on enforcement on tolling facilities that will need to be further investigated.*

AB 1671 (Berman, D-Los Altos) Department of Transportation: Motor Vehicle Technology (Chapter 322, Statutes of 2019)

AB 1671 extends an existing authorization for Caltrans to continue testing of Cooperative Adaptive Cruise Control (CACC) technologies to 2024, which can increase safety by reducing reaction time. CACC uses vehicle-to-vehicle communication to control the acceleration and braking of a vehicle so that it maintains a set following distance by receiving information from vehicles further ahead than their sensors can detect, responding more quickly. Currently, the CACC system was implemented on three Volvo Class-8 truck tractors and tested under a variety of conditions. This bill requires Caltrans to report to the Legislature on its findings by April 1, 2023.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

VII. Planning

AB 285 (Friedman, D-Glendale) California Transportation Plan (Chapter 605, Statutes of 2019)

AB 285 updates requirements to the California Transportation Plan (CTP) to reflect the state's most recent environmental legislation. By 2025, AB 285 requires Caltrans to include in the CTP forecasts of the impacts of advanced and emerging technologies and a review of the progress made implementing past CTPs. Additionally, AB 285 requires the SGC to submit a report to the Legislature by January 31, 2022, with the following information: an overview of the CTP and all sustainable communities strategies (SCS) and alternative planning strategies (APS) and an assessment of how implementation of the CTP, SCS, and APS will influence the configuration of the statewide integrated multi-modal transportation system. Additionally, the SGC is required to report on the potential impacts and opportunities for coordination of specified transportation funding programs, including the Affordable Housing and Sustainable Communities Program, the TIRCP, the LCTOP, the TCCP, and the Sustainable Transportation Planning Grant Program.

OCTA Position – Monitor

Impact on OCTA: *This bill will affect the Southern California Association of Government's (SCAG) Regional Transportation Plan (RTP). By creating these reporting requirements*

for the SGC, OCTA will want to continue to monitor the SGC recommendations future impacts it may have on the specified transportation funding programs.

AB 1515 (Friedman, D-Glendale) Planning and Zoning: State Environmental Review (Chapter 269, Statutes of 2019)

Existing law requires every county and city to adopt a general plan that consists of planned uses for all the area. A community plan provides systematic implementation of the general plan for that same area. AB 1515 creates protections for qualifying development projects, by prohibiting a court from invalidating a development approval that was granted based on a community plan's noncompliance with CEQA. Previously, developers and planners encountered great uncertainty regarding the results of the environmental review document prepared as a result of the community plan update being challenged in court. Specifically, to be guaranteed the protection of this legislation, a community plan must meet certain provisions, including: the plan includes two or more transit priority areas; the plan must have adopted a circulation or mobility element as a part of their general plan; the plan has a housing element that includes housing capacity to accommodate its regional housing needs allocation; the plan update is located within an urbanized area; and they must have adopted a vehicle miles traveled threshold of significance for the area. AB 1515 includes a sunset date of January 1, 2025.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. There may be potential for certain transportation projects to fall under this protection.*

AB 1633 (Grayson, D-Concord) Regional Transportation Plans: Traffic Signal Optimization Plans (Chapter 633, Statutes of 2019)

AB 1633 authorizes cities within the jurisdiction of the Metropolitan Transportation Commission (MTC) to implement traffic signal synchronization optimization plans to reduce travel times, vehicle stops, and fuel use. The bill also requires that cities developing plans under this bill coordinate with Caltrans to adjust any traffic signals owned or operated by Caltrans that may be adjusted under such a plan.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. AB 1633 authorizes cities within MTC's jurisdiction to create signal synchronization plans similar to the kinds of signal synchronization plans funded by OCTA's Measure M2. Previous versions of this legislation would have required more state mandates and oversight in order to authorize signal synchronization plans in the Bay Area.*

AB 1730 (Gonzalez-Fletcher, D-San Diego) Regional Transportation Plans: SANDAG: Housing (Chapter 634, Statutes of 2019)

To prevent a potential loss of state and/or federal funding, this bill will extend the RTP submittal deadline for San Diego Association of Governments (SANDAG) from October 2019 to December 2021. AB 1730 requires SANDAG to submit an implementation report to the ARB when it submits their SCS for review. AB 1730 also requires the report to track the implementation of its most recently adopted SCS. This bill prohibits SANDAG from nominating projects for funding under the Solutions for Congested Corridors Program (SCCP) that are not also eligible for the following programs: TIRCP, LCTOP, and the Active Transportation Program.

OCTA Position – Monitor

Impact on OCTA: For informational purposes. AB 1730 was drafted because SANDAG is not going to meet its 2035 GHG emissions requirements. At the same time, this bill presents a concerning precedent, especially the changes to SANDAG's project eligibility requirements for SCCP funding.

VIII. Public Works

AB 456 (Chiu, D-San Francisco) Public Contracts: Claim Resolution (Chapter 489, Statutes of 2019)

Currently, the claims review process related to undisputed work requires contractors for public works to submit claims to public entities. Those public entities must create a written response claim within 45 days that details disputed and undisputed amounts. It requires payment of undisputed amounts and sets a process for the disputed amounts. Contractors can demand to meet and confer with the entity. Anything not resolved is submitted to nonbinding mediation. AB 456 extends the sunset date regarding the claim resolution process, which currently enables contractors to seek public agency review of claims that arise during public works projects, from January 1, 2020, to January 1, 2027. However, Caltrans is exempt from this process.

OCTA Position – Monitor

Impact on OCTA: If OCTA is not operating under a Caltrans-led project, it will need to continue to abide by this claims process.

AB 759 (Bigelow, R-Madera) Safety: Work Zones: Positive Protection Measures (Chapter 617, Statutes of 2019)

AB 759 will require Caltrans to update its guidance to specify appropriate use of positive protection measures, by July 1, 2021, to include automated flagger assistance devices, buffer lanes, impact attenuator vehicles, and temporary barriers. The goal is to isolate workers and/or work zones from traffic. Caltrans must provide compensation for these optional safety devices aforementioned when requested by a contractor on a public works

project. Caltrans is required to submit a report to the Legislature by January 1, 2024 that includes findings and recommendations. This bill has a sunset date of January 1, 2025.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 1475 (Bauer-Kahan, D-San Ramon) Construction Method: Transportation Projects
(Chapter 289, Statutes of 2019)**

AB 1475 allows regional transportation agencies, as defined, to utilize the construction manager/general contractor (CM/GC) project delivery method on any transportation project that is not on the state highway system.

OCTA Position – Support

Impact on OCTA: *AB 1475 will allow OCTA to take advantage of the cost and time saving benefits of utilizing a CM/GC for projects not on the state highway system, such as local streets and roads improvements, rail fixed-guideways, and bus-rapid transit.*

**SB 197 (Beall, D-Campbell) Department of Transportation: Retention Proceeds
(Chapter 842, Statutes of 2019)**

SB 197 would repeal the sunset on the provision in current law prohibiting Caltrans from withholding “retention proceeds” when making progress payments on work performed on a transportation project. Under current law, Caltrans is not allowed to withhold “retention proceeds,” a reserve of funds retained to pay subcontractors to continue work on a contract, if the prime contractor does not pay the subcontractors. SB 197 repeals this prohibition, which was scheduled to sunset on January 1, 2020.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

IX. Rail and Transit

**AB 752 (Gabriel, D-Woodland Hills) Public Transit: Transit Stations: Lactation Rooms
(Chapter 616, Statutes of 2019)**

AB 752 requires specific multi-modal transit stations, or a transit station that meet certain criteria, to include a lactation room that begin construction or a renovation on or after January 1, 2021. The bill defines a multi-modal transit station to include the Anaheim Regional Transportation Intermodal Center (ARTIC) in the City of Anaheim, Bakersfield Station in the City of Bakersfield, the Jack London Square Station in the City of Oakland, the Los Angeles Union Station in the City of Los Angeles, the Robert J. Cabral Station in the City of Stockton, the Salesforce Transit Center in the City of San Francisco, the San Jose Diridon Station in the City of San Jose, the Santa Fe Depot in the City of Fresno. In

addition, a station that meets the following criteria would be considered a multi-modal transit station: supports the operation of intercity rail service, serves as a stop or transfer point for a bus, light-rail, or commuter rail service, has staff onsite during hours of operation, and has an enclosed waiting room of no less than 5,000 square feet and includes a public restroom. The bill defines a renovation to mean the repurposing of more than 25 percent of the space in the transit station. Additionally, the lactation room would be required to include a chair and an electrical outlet, as well as be outside of a public restroom.

OCTA Position – Monitor

Impact on OCTA: *The ARTIC and the Santa Ana Regional Transportation Center may be required to include a lactation room as described, if it begins renovations, as defined under AB 752, on or after January 1, 2021.*

AB 923 (Chau, D-Monterey Park) Bay Area Rapid Transit District: Electricity Procurement and Delivery (Chapter 314, Statutes of 2019)

AB 923 expands the existing authority of the BART to obtain electricity from additional categories of energy resources. Specifically, AB 923 authorizes BART to procure energy from any electrical corporation or marketer as well as electricity purchased through a market operated by the California Independent System Operator. This bill also requires BART to report annually to the California Energy Commission on the retail suppliers of electricity, including detailed information about the number of kilowatt-hours purchased from each type of supplier, the amount of energy consumed used by BART, and the associated impacts on GHG emissions.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 1017 (Boerner Horvath, D-Carlsbad) New or Modified Railroad Crossings: Approval (Chapter 233, Statutes of 2019)

Existing law allows the CPUC to authorize and supervise pilot projects on an application-by-application basis to evaluate proposed rail crossing warning devices, new technology, or other additional safety measures to improve mobility for multimodal access for new or modified railroad crossings. AB 1017 requires the CPUC Rail Crossings and Engineering Branch to make an engineer available to assist and advise applicants on the safety of the planned railroad crossings prior to filing an application with the CPUC, only if a city or county develops and adopts, by resolution, a plan to improve mobility for multimodal access that calls for new or modified railroad crossings.

OCTA Position – Monitor

Impact on OCTA: *The goal is to make the CPUC available earlier in the planning process, which may streamline approval processes including designations of quiet zones.*

**AB 1351 (Lackey, R-Palmdale) Transit Operators: Paratransit and Dial-a-ride Services: Assessment
(Chapter 627, Statutes of 2019)**

AB 1351 requires that California State Transportation Agency (CalSTA), in consultation with transit operators, assess how paratransit and dial-a-ride system operators provide services to individuals with disabilities who are visitors to the jurisdiction in comparison to services provided to residents. The bill explicitly requires that the assessment examine the timelines and qualification methodologies used by visitors to submit documents, including by electronic submission to transit operators. The assessment must be conducted and published on the CalSTA website by July 1, 2021. AB 1351 also requires CalSTA to develop guidelines to ensure that paratransit and dial-a-ride services provided to visitors are as similar to those provided to residents, to the extent possible.

OCTA Position – Monitor

Impact on OCTA: AB 1351 seeks to standardize certification processes and service requirements between different transit agencies so that individuals with disabilities receive consistent service throughout the state. The assessment and resulting CalSTA guidelines could impact how OCTA provides paratransit and dial-a-ride services to people with disabilities visiting Orange County.

**SB 397 (Glazer, D-Orinda) Public Transportation Operators: Passengers with Pets
(Chapter 702, Statutes of 2019)**

SB 397 requires the Offices of Emergency Services and the Department of Food and Agriculture, in consultation with public transit and county emergency management officials, to develop guidelines to allow pets, defined as a cat or a dog, on public transit vehicles in areas subject to an evacuation order. This does not prohibit a transit operator from enacting policies that ensure the safety of transit riders.

OCTA Position – Monitor

Impact on OCTA: OCTA will be required to allow pets, as defined, on its transit vehicles that are serving an evacuation area, subject to the development of best practices and OCTA-specific safety protocols.

**SB 630 (Stern, D-Calabasas) Human Trafficking
(Chapter 57, Statutes of 2019)**

SB 630 clarifies that local governments have the ability to adopt and enforce a local ordinance, rule, or regulation to prevent slavery or human trafficking. Existing law requires specified businesses, including intercity passenger rail, light rail, and bus stations to post a notice containing information related to slavery, human trafficking, and nonprofit organizations that a person can call for services or support. This bill clarifies that the latter requirement does not supersede or preempt a local ordinance, rule, or regulation if it duplicates or supplements the requirements that existing law imposes upon businesses and other establishments.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 742 (Allen, D-Redondo Beach) Intercity Passenger Rail services: Motor Carriers (Chapter 652, Statutes of 2019)

SB 742 will allow Caltrans to provide funding to a joint power authority, responsible for administration of intercity rail service, to enter into a contract with Amtrak or any public or private transit operator for Thruway bus service. The bill will also enable intercity rail providers responsible for managing and operating intercity rail service to pick up and drop passengers on contracted intercity Thruway bus routes without requiring customers to purchase a train ticket as part of their trip.

OCTA Position – Monitor

Impact on OCTA: *This bill was supported by the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency because it will allow a greater number of people to utilize services provided by LOSSAN, connecting to areas rail services do not currently serve.*

X. State Budget

AB 74 (Ting, D-San Francisco) Budget Act of 2019 (Chapter 23, Statutes of 2019)

AB 74 makes \$147.8 billion worth of appropriations to support the state government for Fiscal Year (FY) 2019-20. The budget includes \$746 million more in expenditures than was proposed in the Governor's May Revise. The budget provides \$16.5 billion for the state's Budget Stabilization Account/Rainy Day Fund in order to meet the constitutional target, and it also contains \$1.5 billion in a special fund for economic uncertainties and more than \$1.4 billion for other fiscal contingency funds, bringing total reserves to more than \$19.4 billion.

For transportation purposes, the FY 2019-2020 state budget reflects the funding estimated in the Governor's Proposed Budget. The budget provides full funding authorized by SB 1 (Chapter 5, Statutes of 2017), including:

- \$1.2 billion for local streets and roads projects;
- \$1.2 billion for the State Highway Operation Protection Program;
- \$801.5 million in State Transit Assistance (STA);
- \$485 million for the Low Carbon Transportation program;
- \$400 million for the state's bridge and culvert infrastructure;
- \$307 million for the Trade Corridor Enhancement Program;
- \$269.2 million for intercity and commuter rail;
- \$250 million for SCCP;
- \$200 million for the Local Partnership Program;
- \$113 million for LCTOP;

- \$105 million is provided for the SB 1 State of Good Repair (SGR) Program;
- \$100 million for the Active Transportation Program;
- \$25 million for local planning grants; and
- \$25 million for the Freeway Service Patrol.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: AB 74 appropriates OCTA's share of SB 1 funds for FY 2019-20. OCTA is expected to receive about \$42.5 million in STA funding, \$5.7 million from the SB 1 SGR, and \$6 million from LCTOP. According to estimates provided by the California League of Cities for FY 2019-20, Orange County's cities will receive approximately \$130.2 million in funding for local streets and roads projects. In addition, OCTA is eligible to compete for the competitive funding programs listed above.

AB 101 (Assembly Budget Committee) Housing Development and Financing (Chapter 159, Statutes of 2019)

AB 101, the housing trailer bill, provides both new funding for localities to plan for additional housing production and enforcement mechanisms for communities that do not meet state housing goals. AB 101 provides more than \$250 million to local governments for housing planning activities, with \$125 million distributed via a population-based formula to councils of governments to develop regional housing needs assessment (RHNA) methodologies and \$125 million distributed via formula to localities to enact zoning changes to meet RHNA targets. AB 101 also creates a new \$500 million program for infill infrastructure improvements, awarded competitively to cities, localities, and developers. Under AB 101's new housing production requirements, Department of Housing and Community Development (HCD) must create an annual list of cities that have failed to adopt a housing element, and cities on the list can request two meetings with HCD and may also request a formal review of its last housing element, to which HCD must respond in writing. If a city fails to comply with this appeal process, in addition to being subject to a lawsuit from the Attorney General, that city may face fines ranging from \$10,000 to \$100,000 per month, with accelerated fines for cities that continually fail to comply with a court order. In addition, localities deemed by HCD to have adopted "pro-housing" policies, defined as policies facilitating the planning, approval, or construction of housing, will receive additional points in the scoring of applications for specific state funding programs, including the Affordable Housing and Sustainable Communities program, the TCCP, and the Infill Grant Program of 2007. The bill also allows other state programs to award additional bonus points for pro-housing policies.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: AB 101 will provide an estimated \$50 million directly to SCAG, and SCAG may further suballocate to localities in its jurisdiction if it so chooses. AB 101 also

provides funding opportunities for cities in Orange County to incentivize new housing production. The bill also creates a new set of enforcement mechanisms for those cities that do not meet the state's housing goals. Of specific interest to OCTA, the bill could prioritize transportation funding by rewarding projects in cities deemed "pro-housing."

AB 1810 (Assembly Transportation Committee) Transportation: Omnibus Bill (Chapter 636, Statutes of 2019)

AB 1810 makes various changes to transportation-related statutes in the form of a budget trailer bill. AB 1810 extends an existing pilot program which tests the effectiveness of the "best value" procurement method for purchasing and equipping mobile fleet vehicles and special equipment for Caltrans. It also clarifies that the San Diego Metropolitan Transit System is a rapid transit district. AB 1810 provides that an authorized officer of a local transportation authority may sign bonds in lieu of the chairperson or the vice chairperson of the authority. Allows counties to use money in the HUTA for the maintenance or removal of cattle guards within the right-of-way of a county highway. Deletes motorized scooters from the list of vehicles requiring a motorcycle endorsement or permit. However, it still requires a person to hold a valid license or permit to operate a motorized scooter.

OCTA Position – Monitor

Impact on OCTA: *Under this bill, OCTA will have the ability for an authorized officer to sign bonds instead of the chair or vice chair of the board of director.*

SB 87 (Senate Budget and Fiscal Review Committee) Transportation (Chapter 32, Statutes of 2019)

AB 87 is the transportation trailer bill, making various changes to state transportation policy. AB 87 appropriates up to \$7.2 million in Trade Corridors Improvement Fund (TCIF) savings, or the remaining TCIF balance as of May 1, 2020, for a competitive program to fund short-line railroads. AB 87 also clarifies that the Caltrans Inspector General has access and authority to examine all records, documents, and other Caltrans property held by entities that receive state and federal transportation funds from Caltrans, making failure to comply a misdemeanor. Finally, AB 87 repays the outstanding amount of transportation weight fees loaned to the General Fund in previous years in FY 2019-20 instead of 2020-21, which are estimated to be valued at \$886 million.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. The TCIF savings provisions in AB 87 are not expected to impact the use of TCIF savings in Southern California since the remaining savings balance is expected to be programmed before May 1, 2020. OCTA worked with its regional transportation partners to oppose similar legislation, SB 498 (Hurtado, D-Fresno), so that existing TCIF savings could be used as planned. The language included in SB 87 was a compromise that received no opposition.*

XI. Surplus Land

AB 1255 (Rivas, D-Salinas) Surplus Public Land: Inventory (Chapter 661, Statutes of 2019)

AB 1255 requires that cities and counties create, and update by the end of each calendar year, central inventories of all surplus land in within its jurisdiction. Starting in 2021, cities and counties must provide a report on its inventory of surplus land to HCD by April 1st each year. HCD may delay the implementation of this requirement until April 1, 2022. Under the bill, HCD must combine the surplus land reports from each locality with surplus lands held by state agencies into one digitized database.

OCTA Position – Monitor

Impact on OCTA: While AB 1255 does not apply to OCTA's surplus lands, the legislation does require that cities, and the County of Orange, identify surplus lands that could impact OCTA's planning activities. Other bills considered this year would mandate that cities use surplus lands for specific purposes, and as such, a comprehensive report on surplus lands could influence land use decisions in Orange County.

AB 1486 (Ting, D-San Francisco) Surplus Land (Chapter 664, Statues of 2019)

AB 1486 expands the definition of a local agency to expressly include special districts for the purposes of surplus land definition. The bill also contains a new mandate that, prior to disposing of any surplus land, the property owner shall declare whether the land is subject to surplus land disposal procedures. AB 1486 also requires that agencies disposing of surplus land, as defined by the bill, provide a written notice of availability to HCD, parks districts and the California Natural Resources Agency, and school districts for entities that may want to purchase the land for housing, open space, or educational purposes, respectively. In determining if a property is surplus, the bill specifically excludes property held for commercial or industrial uses or land used solely to generate revenue. AB 1486 includes language to clarify that surplus land requirements are not triggered by routine property valuation practices, including appraisals, due diligence work, or discussions with real estate professionals or potential buyers. AB 1486 also imposes penalties for violations of the surplus land statutes in the amount of 30 percent of the final sale price for the first violation and 50 percent of the sale price for any subsequent violation.

OCTA Position – Monitor

Impact on OCTA: AB 1486 subjects OCTA to surplus land statutes as of January 1, 2020. OCTA's Board of Directors will need to formally declare any surplus land as either surplus or exempt prior to disposing of the property. Alternatively, the Board can choose to make such declarations on an annual basis. OCTA is in the process of updating its property disposal procedures to comply with AB 1486. This bill will not apply to any transactions in which OCTA enters into an exclusive negotiating agreement or other binding agreement to dispose of the property prior to September 30, 2019, provided that the transaction

closes by December 31, 2022. Nothing in the bill requires that OCTA sell property below market value.

**SB 6 (Beall, D-Campbell) Residential Development: Available Land
(Chapter 667, Statutes of 2019)**

SB 6 requires that, with all housing elements adopted after January 1, 2021, the locality must submit to HCD an electronic copy of an inventory of land suitable for residential development. HCD may develop and amend standard forms to facilitate the submittal of this information. By December 31st of each year, HCD must develop a list of lands suitable for residential development and provide the list to the Department of General Service for publication on its website in a searchable database.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**SB 7 (Portantino, D-Glendale) Surplus Nonresidential Property and State Highway Route 710
(Chapter 835, Statutes of 2019)**

In addition to language about a specific project in LA County, SB 7 includes provisions on surplus land that apply to the entire state. Specifically, SB 7 requires that cities or nonprofit organizations occupying a nonresidential property must have a chance to purchase the property at fair market value. Properties sold below fair market value are sold under the terms and conditions set by the seller. Furthermore, Caltrans is prohibited from selling a nonresidential property to such a tenant at a value below the minimum sales price as defined by Section 1476 of Title 21 of the California Code of Regulations, as that regulation read on July 1, 2019.

OCTA Position – Monitor

Impact on OCTA: *While SB 7 applies only to properties held by cities or nonprofits, the bill allows for tenants of a nonresidential property a right of first refusal to purchase property they are occupying. Other legislative proposed this year would require that cities use surplus land for specific purposes, notably for affordable housing and to serve the homeless. SB 7, along with these types of proposals, could create a legal structure under which cities other tenants could affect the property rights of OCTA.*

**SB 211 (Beall, D-Campbell) State Highways: Leases
(Chapter 343, Statutes of 2019)**

SB 211 authorizes Caltrans to lease airspace or real property with site access independent from the highway in order to conduct an emergency shelter or feeding program. Caltrans retains the discretion to determine what parcels of property are available for such purposes. The only permanent improvements allowed under a lease are for utilities, groundcover, lighting, and fencing, all of which must be approved by Caltrans. The rent charged under any lease must be one dollar per month, but Caltrans must require an administrative fee of up to \$5,000, with an administrative fee of up to

\$15,000 if Caltrans determines that a higher administrative fee is necessary. Caltrans may cancel the lease with at least 120 days written notice and without any penalty, although any advance rent payments must be returned. SB 211 also requires that the lessee maintain the premises and defend Caltrans and the state against any legal claims.

OCTA Position – Monitor

Impact on OCTA: *Caltrans may lease certain properties for feeding programs or homeless shelters that could impact OCTA's planning activities.*

XII. Other Legislation

ACR 80 (Levine, D-San Rafael) Infrastructure Week (Chapter 77, Statutes of 2019)

ACR 80 recognizes the week of May 13, 2019, to May 20, 2019, as Infrastructure Week. This bill encourages all levels of government and the private sector to dedicate sufficient resources and investments to transportation and infrastructure to develop innovative solutions, technologies, policies and investments to rebuild and repair critical infrastructure.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 47 (Daly, D-Anaheim) Driver Records: Points: Distracted Driving (Chapter 603, Statutes of 2019)

AB 47 will require the DMV to assess a point on a driver's license if they are convicted of using a handheld, wireless phone or communication device while operating a vehicle for the second violation in a three-year period, beginning January 1, 2021.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. It is argued that existing law is insufficient to dissuade drivers from using a communication device while driving. This does not impact current exemption for transit bus operators.*

AB 48 (O'Donnell, D-Long Beach) Education Finance: School Facilities: Public Preschool, K-12, and College Health and Safety Bond Act of 2020 (Chapter 530, Statutes of 2019)

AB 48 prohibits fees or new requirements imposed for purposes of school construction on any multifamily housing development within one-half mile from a major transit stop, which is defined in current law as a transit stop along a fixed-route bus corridor with service every 15 minutes during peak commute hours. The prohibition is only for fees charged to fund school construction and does not extend to all developer fees. The prohibition remains in effect until January 1, 2026.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 185 (Grayson, D-Concord) Transportation and Transportation-Related Policies (Chapter 534, Statutes of 2019)

Currently, the California Transportation Commission (CTC) and ARB hold at least two joint meetings per calendar year to coordinate their implementation of transportation policies. AB 185 requires a representative from the HCD to attend these meetings going forward to coordinate implementation of policies that jointly affect transportation, housing, and air quality.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. CTC notes that it was evident that stakeholders were missing from the discussion and HCD's participation in these joint meetings is critical for discussions on issues such as land use decisions, growth patterns, and facility siting and permitting.*

AB 335 (Garcia, D-Coachella) Imperial County Transportation Commission (Chapter 11, Statutes of 2019)

AB 335 authorizes Imperial County Transportation Commission (ICTC) to assist local agencies in the coordination, administration, and implementation of non-transportation programs and policies that would provide local benefits, such as animal control, waste management, and emergency response services upon a majority vote of, and the adoption of a resolution by the ICTC's board. Additionally, with board approval, this bill authorizes ICTC to act as the service authority for freeway emergencies for the County of Imperial, instead of Imperial County who does so currently. The bill prohibits ICTC from utilizing transportation funds for non-transportation related projects.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 631 (McCarty, D-Sacramento) Sacramento Regional Transit District: Voting Threshold (Chapter 94, Statutes of 2019)

AB 631 lowers the non-weighted voting threshold for the Sacramento Regional Transit District (SacRT) to detach a portion of its service territory. Specifically, the bill lowers from 80 percent to 67 percent the share of the SacRT Board of Directors that must affirmatively vote to detach a portion of its service area.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 634 (Salas, D-Bakersfield) Traffic Control Devices: Roundabouts: Memorial and Dedication Signs
(Chapter 95, Statutes of 2019)**

AB 634 adds roundabouts to the list of highway facility types that can be used for memorial or dedication signing.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 931 (Boerner Horvath, D-Carlsbad) Local Boards and Commissions: Representation: Appointments
(Chapter 813, Statutes of 2019)**

AB 931 creates new local city board membership requirements, starting on January 1, 2030, in cities with a population of over 50,000. AB 931 requires boards or commissions with five or more members must not have a membership that consists of more than 60 percent of the same gender. Boards or commissions with four or less members cannot be exclusively comprised of people of the same gender. The bill defines “gender identity” as the “gender with which the board or commission member self-identifies, without regard to the individual’s assigned sex at birth.” The bill also exempts boards or commissions whose primary purpose is to address issues of gender identity.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. While AB 931’s requirements do not apply to OCTA, the bill applies to certain cities in Orange County.*

**AB 1089 (Stone, D-Santa Cruz) Santa Cruz Metropolitan Transit District
(Chapter 107, Statutes of 2019)**

AB 1089 makes changes to the Santa Cruz Metro contracting requirements by increasing the threshold for the purchase of supplies, equipment, and materials, from \$25,000 to \$50,000 and allows Santa Cruz Metro to award the contract to the bidder that provides the best value. AB 1089 also makes changes to Santa Cruz Metro’s board appointments by allowing a member of the board to continue to serve until a successor is appointed even if they are no longer a member of a legislative body, unless action has been taken to unseat the appointee. Additionally, this bill creates a reimbursement for board members for the actual and necessary expenses incurred in the performance of the board member’s duties, not to exceed \$400 in any month per member.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**AB 1483 (Grayson, D-Concord) Housing Data: Collection and Reporting
(Chapter 160, Statutes of 2019)**

AB 1483 requires a city, county, or special district to provide information regarding its zoning ordinances, development impact fees, exactions, and affordability requirements, and other information, on its respective website. This is a part of a greater effort to increase transparency for those involved in the development of new housing. Additionally, AB 1483 requires HCD to develop a ten-year housing data strategy to be included in HCD's California Statewide Housing Strategies. This report would include an evaluation of data priorities, a strategy for how to achieve more consistent terminology for housing data across the state, and an assessment of the quality of data submitted by annual reports and recommendations.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**SCR 21 (Bates, R-Laguna Hills) Costa Mesa Fire Captain Michael Kreza Memorial Highway
(Chapter 139, Statutes of 2019)**

This measure designates a portion of State Route 55 from 19th Street to MacArthur Boulevard as the Costa Mesa Fire Captain Michael Kreza Memorial Highway.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

**SJR 5 (Beall, D-Campbell) California Transportation Infrastructure
(Chapter 142, Statutes of 2019)**

SJR 5 urges the federal government to work together to create bipartisan infrastructure legislation to address transportation needs in California, and across the country. Additionally, this measure urges the Congress and the President of the United States to address the shortfall of funding in the federal Highway Trust Fund by restoring the lost purchasing power of the federal fuel tax.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*



November 21, 2019

To: Legislative and Communications Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Orange County Transportation Authority 2019-20 State and Federal Legislative Platforms

Overview

The final drafts of the revised 2019-20 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 2019-20 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 offices, and OCTA staff. The Platforms guide OCTA's state and federal legislative and regulatory priorities. Official OCTA legislative positions not directly addressed by the Platforms will be brought to the Board for separate action during the legislative sessions.

The initial drafts of the 2019-20 Platforms were reviewed and approved for further circulation by the Legislative and Communications Committee on October 17, 2019, and by the Board on October 28, 2019. After receiving additional feedback, the Platforms have been refined further and are included as strikethrough 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 new two-year legislative sessions begin, the development of the 2021-22 Platforms will include an expansive input solicitation process with outreach to interested groups and individuals, allowing for a more comprehensive update.

Sponsor Legislation

Under the direction of the Board, staff pursued two state sponsor bill ideas in 2019, one related to toll interoperability and another concerning the administration of the Active Transportation Program (ATP). Both legislative vehicles are now two-year bills. For the 2020 legislative session, staff is recommending that the Board maintain its sponsor position on the toll interoperability legislation and remove its sponsor position on the ATP bill for the reasons outlined below.

- The toll interoperability bill, SB 664 (Allen, D-Santa Monica), is currently pending in the Assembly Privacy Committee as a two-year bill. With ongoing conversations about next steps, staff recommends that OCTA remain engaged on this bill and other legislative efforts affecting toll operations to ensure the enforcement of existing toll policies, as well as interoperability with adjacent facilities. As such, staff recommends keeping the sponsor bill language in the final version of revised State Legislative Platform, as reflected in Attachment A.
- OCTA's effort to streamline the administration of ATP funds resulted in two different legislative vehicles, SB 152 (Beall, D-Campbell) and AB 1402 (Petrie-Norris, D-Irvine). SB 152 served as the primacy vehicle, and ultimately encountered opposition from advocacy groups and concerns from California Transportation Commission and transportation agencies who did not believe they would benefit under the legislation. Legislation to make similar reforms to the Local Partnership Program, SB 277 (Beall, D-Campbell), was vetoed by the Governor. As such, staff is not recommending that OCTA sponsor ATP legislation this year, and staff recommends striking the ATP sponsor bill language from the 2019-20 State Legislative Platform, as reflected in Attachment A.

2019-20 OCTA State Legislative Platform

The final proposed revisions to the 2019-20 OCTA State Legislative Platform are summarized below and detailed as a strikethrough version in Attachment A.

- Subsection (n) was added to the section entitled “Transportation Funding” to allow OCTA to monitor and participate in discussions related to the implementation of Executive Order N-19-19, the Governor’s recent action to leverage transportation investments for the benefit of other state goals. The Executive Order seeks to align transportation spending with the state’s climate goals through several strategies, including focusing transportation investments near housing and job centers, seeking opportunities to allow for modal shifts, promoting zero-emission fleets, and strengthening greenhouse gas emission regulations for the transportation sector. Staff recommends adding this language to ensure that state transportation funds are used for their intended purpose rather than further disadvantaging OCTA projects in existing competitive funding programs.
- Subsection (i) was added to the section entitled “Implementation of Environmental Regulations and Cap-and-Trade” to ensure that OCTA is not adversely affected by the ongoing changes to federal tailpipe emissions standards and California’s Clean Air Act pre-emption waiver. This provision, which is identical to language already added to the 2019-20 Federal Legislative Platform, is meant to ensure that any changes to air quality law do not reduce funding available to OCTA or make it more difficult to deliver transportation improvements in Orange County. Staff recommends adding this language to the State Legislative Platform because there is a growing concern that air quality determinations, specifically invalid or alternative air quality models, could affect a region’s eligibility for state transportation funding.

2019-20 Federal Legislative Platform

The final proposed revisions to the 2019-20 OCTA Federal Legislative Platform are summarized below and detailed as a strikethrough version in Attachment B.

- Subsection (b) of Section V was edited to support ongoing implementation of Positive Train Control (PTC) safety technology. The previous language discussed legislative deadlines, which were largely a concern for the initial stages of PTC implementation. Staff recommends removing the reference to statutory deadlines while continuing to support efforts to address the ongoing technological and logistical challenges associated with PTC implementation.
- Subsection (d) of Section VI was edited to more broadly support grade separation projects that benefit Southern California. While the existing

language was limited to Alameda Corridor East projects, the recommended edits give OCTA more flexibility as to the types of innovative goods movement solutions OCTA can support.

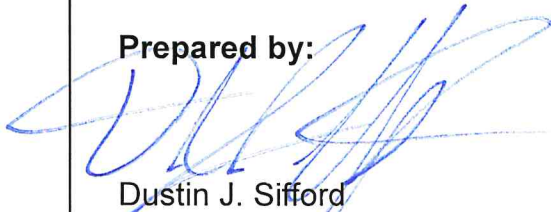
Summary

The 2019-20 OCTA State and Federal Legislative Platforms are presented for consideration and adoption.

Attachments

- A. Draft Orange County Transportation Authority 2019-20 State Legislative Platform (Strikethrough Version)
- B. Draft Orange County Transportation Authority 2019-20 Federal Legislative Platform (Strikethrough Version)

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Draft Orange County Transportation Authority 2019-20 State Legislative Platform

With over three million residents, Orange County is the third most populous county in California and the sixth most populous county in the nation. Orange County is one of the most densely populated areas in the country and is served by one of the nation's busiest transit systems. In addition, Orange County provides highway and rail corridors that facilitate the increasing level of international trade entering the Southern California ports.

The 2019-20 State Legislative Platform serves as a framework document to guide the Orange County Transportation Authority's (OCTA) legislative, regulatory, and administrative activities in the coming legislative session. The Key Policy Issues section offers guidance on the policy issues that will likely be the focus of the upcoming legislative session. The later sections present guiding policy statements for other major issue areas that may arise during the session. Positions on individual items not directly in this document will be brought to the OCTA Board of Directors (Board) for formal action.

Key Policy Issues in 2019-20

A number of significant transportation issues are expected to be discussed in the 2019-20 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.

Transportation Funding

Securing stable transportation funding that provides long-term operational certainty continues to be one of OCTA's top priorities. It is anticipated that transportation funding will be affected by legislative and regulatory efforts requiring 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;
- 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;
- c) Oppose efforts to divert or reclassify transportation revenue sources for other purposes, such as General Fund transfers or for debt service;
- d) Oppose efforts to link or reprioritize local and state transportation funding to programs not primarily intended to help the State meet its transportation needs;

- 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;
- f) Support the development of greater efficiencies within the Transportation Development Act's performance metrics while maintaining existing eligibility parameters and realigning administrative rules and farebox recovery requirements to eliminate any unnecessary or overly burdensome mandates in order to streamline the administration of transit funding;
- g) Support legislation protecting or expanding local decision-making in programming expenditures of transportation funds;
- h) Support the retention of existing and future local revenue sources;
- 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;
- 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;
- k) Support efforts to provide secure transit funding for capital and operating expenses;
- l) Flexibility should be included in any state transit funding source, allowing transit operators to use the funding for both operations and capital expenditures;
- m) Monitor the study and development of alternative transportation funding proposals, including the state's road charge pilot program and ensure that efforts are made to address concerns related to equitability, privacy, and public support of such proposals.
- n) *Monitor implementation of Executive Order N-19-19, and any related legislative or regulatory efforts, to ensure that transportation funds are used for their intended purposes.*

Implementation of Environmental Regulations and Cap-and-Trade

In 2016, the state expanded upon its greenhouse reduction initiatives 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 40 percent below 1990 levels by the year 2030. In 2017, the state continued its commitment to these strategies 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 long-term stability of the cap-and-trade system. However, approximately 40 percent of annual cap-and-trade revenues are still subject to annual appropriations. As such, OCTA will advocate for as much transportation funding as possible from these revenues.

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 to serve California's growing population, in 2019-20 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;
- 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;
- c) Support efforts to ensure the availability of proven technology and adequate funding prior to the implementation of any mandated purchase requirements for zero-emission bus technology;
- d) Support the prioritization of transportation projects and programs that achieve greenhouse gas emissions reductions for cap-and-trade funding while maintaining ongoing appropriations for transit;
- e) Oppose policies that significantly increase costs, threatening OCTA's ability to deliver projects and provide transit service;
- f) 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;
- g) Support the creation of formula-based funding programs under the cap-and-trade program to assist with compliance of any adopted regulations;
- h) Support efforts to mitigate costs associated with the operation of zero-emission transit buses, including an alternative electricity rate structure, tax incentives, or other forms of financial assistance.
- i) *Ensure that air quality determinations and policies do not constrain funding availability or otherwise undermine OCTA's ability to deliver transportation improvements.*

Sponsored Legislation

Each year, OCTA may consider sponsoring legislation to clarify or address various transportation policy areas that require additional attention. This session, the following major initiative will be emphasized as sponsor legislation:

- a) Co-sponsor legislation to clarify roles and responsibilities related to toll enforcement policies to allow for interoperability between toll facilities while affirming user privacy protections;
- b) ~~Sponsor legislation to streamline the administration of the Active Transportation Program and increase regional oversight.~~

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. 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 California Department of Tax and Fee Administration 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 2019-20, 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 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.

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 2019-20, 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) 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;
- g) Support studying the policies, funding options, and need for rail/highway grade separations, including any impact on existing state highway and transit funding sources;

- h) Support policies that improve signal synchronization programs in order to facilitate street signal coordination, prioritization, and preemption, as well as encouraging the use of intelligent transportation system measures;
- i) Support policies that expanding utilization of continuous access of high-occupancy vehicle (HOV) lanes;
- j) Monitor efforts to increase fines for HOV lane violations and, if implemented, ensure fines are dedicated to enforcement purposes;
- k) Support legislation that provides for equitable enforcement of regulations governing transportation network companies;
- l) Support efforts to study the development and safe operation of autonomous vehicles and related technologies;
- m) Oppose legislation that fails to preserve local discretion and flexibility in the development of the congestion management program.

VI. ROLES AND RESPONSIBILITIES

In recent years, there have been many efforts to reorganize or restructure transportation programs and local agency responsibilities. In 2019-20, OCTA will continue to monitor legislation or regulations that would significantly affect the way in which it operates, with a focus on the following principles:

- a) Support efforts to preserve the role of county transportation commissions, as consistent with existing law, in the administration of transportation programs;
- b) Oppose proposals that reduce the rights and responsibilities of county transportation commissions in planning, funding, and delivering transportation programs;
- c) Oppose efforts to unnecessarily subject projects to additional reviews and project selection approvals that could adversely affect delivery timelines and processes;
- d) Support efforts to facilitate a partnership with alternative mobility providers that allows for adequate information sharing while also respecting the planning efforts of local agencies;
- e) Support efforts to improve local oversight and create operational improvements in the administration of the Orange County Taxi Administration Program;
- f) Support efforts to increase the flexibility of funds used for motorist service programs;

- g) Support efforts to maintain the promises self-help counties have made to taxpayers in the implementation of local sales tax measures, specifically regarding the sequencing and delivery of transportation improvements.

VII. 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 2019-20, 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) Support policies that allow OCTA and 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) Support collaborative solutions to address the degradation of HOV lanes that respect local transportation funding sources and programs, have the support of the relevant regional transportation planning agency, do not redirect existing local transportation funding sources, and analyze the effect of single-occupant, low-emission vehicles, including associated federal requirements triggered by their access allowance.
- i) Support efforts to improve the interoperability of the different toll systems across the state in order to ensure fair and efficient toll operations, including enforcement mechanisms, throughout California.

VIII. 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 line, the Inland Empire-Orange County Line, and the 91/Perris Valley Line. In support of these routes, OCTA owns 48 miles of rail right-of-way in Orange County on which Metrolink operates. OCTA's rail capital budget supports improvements to the regional commuter rail system in Orange County, and under existing policy, OCTA is the primary construction lead on major capital improvements to the regional commuter rail system on its right-of-way.

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 via 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.

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) Support efforts to provide resources for safety improvements on the rail network in Southern California, including for the implementation of Positive Train Control safety technology;
- e) Support policies that facilitate the development and construction of needed infrastructure projects that support modernization, connectivity, and general system-wide improvements to California's rail network.

IX. 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 2019-20 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.

X. 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 the California Public Utilities Commission of lease agreements between sponsors of active transportation projects and public utility companies.

XI. 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.

XII. 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) Support efforts to ensure that Caltrans can continue to review and approve transportation projects under the National Environmental Policy Act;
- g) Monitor the development, adoption, and implementation of the Air Quality Management Plan (AQMP) to avoid cost increases and prevent any potential conflicts between AQMP implementation, the adopted Regional Transportation Plan, and OCTA's projects or programs.

XIII. 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;
- e) Support workforce development policies that facilitate a more efficient talent acquisition process.

XIV. 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 2019-20, 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 2019-20 Federal Legislative Platform

With over three million residents, Orange County is the third most populous county in California and the sixth most populous county in the nation. Orange County is one of the most densely populated areas in the country and is served by one of the nation's busiest transit systems. In addition, Orange County provides highway and rail corridors that facilitate the increasing level of international trade entering the Southern California ports.

The 2019-20 Federal Legislative Platform serves as a framework document to guide the Orange County Transportation Authority's (OCTA) statutory, regulatory, and administrative goals and objectives in Washington, D.C. The Key Policy Issues section offers guidance on the policy issues that will likely be the focus of the 116th Congress, and the later sections present guiding policy statements for the other major issues that may arise. Positions on individual items not directly addressed in this document will be brought to the OCTA Board of Directors (Board) for formal action.

Key Policy Issues in the 116th Congress

A number of significant transportation issues will be discussed in the 116th Congress. OCTA will focus its advocacy efforts on the following principles:

- a) Enact long-term surface transportation reauthorization legislation that provides sustainable funding levels for transportation programs in order to meet our county's critical infrastructure needs;
- b) Seek responsible revenue solutions to fund future transportation projects without adversely affecting an agency's ability to provide services;
- c) Advocate for full funding of transportation programs without placing new limitations or conditions on the distribution of funds that would impede the delivery of infrastructure projects;
- d) Ensure that funding for any new infrastructure initiatives does not replace or adversely affect existing transportation programs;
- e) Oppose the statutory rescission scheduled to take place on July 1, 2020;
- f) Ensure that Highway Trust Fund revenues continue to be used for transit expenditures;
- g) Ensure that air quality determinations and policies do not constrain funding availability or otherwise undermine OCTA's ability to deliver transportation improvements.

I. TRANSPORTATION FUNDING

Current federal law does not require the appropriation of authorized Highway Trust Fund dollars. Therefore, the annual appropriations process will continue to play an important role in funding OCTA's programs and projects. OCTA will continue to advocate for the largest possible amount and share of appropriations funding to ensure adequate resources to meet the infrastructure needs of Orange County.

Funding limitations enacted with bipartisan support effectively prohibit funding specifically directed to individual projects, commonly called earmarks. It is expected that appropriators will continue this practice for the foreseeable future. Accordingly, this platform does not contain any earmark requests. Should Congress once again allow earmarks, OCTA staff will seek the guidance from the Legislative and Communications Committee regarding project requests.

Even in the absence of earmarks, OCTA will continue to aggressively pursue discretionary funding for transportation projects within the statutory and regulatory requirements of funding programs and the current funding status of OCTA's capital program. Other funding priorities for OCTA include:

- a) Support sustainable transportation funding levels that allow OCTA to continue to improve mobility in and around Orange County;
- b) Oppose efforts to redirect, reduce, or eliminate existing transportation funding programs;
- c) Support funding for the Capital Investment Grants program to allow for an expansion of fixed-guideway projects;
- d) Ensure that federal funding is available for capital purposes to the extent not needed for direct operating costs;
- e) Support funding, with increased flexibility, for safety and security grant programs in order to protect Orange County's transportation system, including highways, transit facilities, rail lines, and related software systems;
- f) Support policies that encourage ridesharing and related congestion relief programs for Orange County commuters;
- g) Support funding for regional and intercity passenger rail corridors in California;
- h) Support funding for the Southern California Regional Training Consortium to develop bus maintenance training information for the transit agencies throughout Southern California;

II. REAUTHORIZATION PRIORITIES

The Fixing America's Surface Transportation (FAST) Act (Pub. L. No. 114-94) authorized \$305.5 billion over five years for public transportation, rail, highway, safety, research, and technology programs. These funding levels provided modest increases in all major existing surface transportation programs over the life of the bill. It also added new formula and discretionary freight programs, a new discretionary bus capital program, and new funding for intercity rail. The legislation also preserved the federal focus on safety, kept intact the established structure of the various highway programs, and continued efforts to streamline project delivery.

The FAST Act expires on September 30, 2020. In the 116th Congress, OCTA will focus much of its advocacy efforts on enacting long-term reauthorization legislation that allows state and local government agencies to move forward with a federal partner on critical transportation projects. As such, OCTA will advocate for the following policies:

- a) Support the greatest possible share of funding for California and OCTA, focusing on increasing formula funds;
- b) Support increased flexibility in transportation funding programs to promote greater local decision-making in the planning process;
- c) Ensure a long-term partnership with the federal government that helps OCTA address capital and operating revenue shortfalls;
- d) Support a stable source of proposed future revenues that provides adequate resources for future transportation needs;
- e) Oppose efforts to subject public transportation providers to gas tax liability or other fees that increase operating costs;
- f) Oppose unfunded federal mandates that further stretch the resources of state and local transportation agencies;
- g) Oppose policies that undermine or limit local control over land use decisions;
- h) Ensure fair sub-allocations of funding to account for additional costs, increased administrative responsibilities, and the potential for increased liabilities to which the agency may be subject;
- i) Support efforts to ensure that all users of the national transportation system pay their "fair share" to maintain and improve the system;
- j) Oppose limitations or other arbitrary conditions on transportation programs that prevent an equitable distribution of transportation resources;

- k) Support efforts to clarify roles for state and local transportation agencies, as well as for the private sector, in developing innovative approaches to improving mobility;
- l) Support additional funding flexibility to facilitate the use of alternative mobility providers;
- m) Support policies to encourage the safe development, demonstration, deployment, and operation of connected and automated vehicle technologies;
- n) Support a collaborative approach to understanding the capital infrastructure and operational needs of local and state transportation agencies, as well as those of private sector partners, in the testing and deployment of autonomous vehicles and related technologies;
- o) Support proposals consistent with the recommendations contained in OCTA's Breaking Down Barriers Report and subsequent Follow-on Study;
- p) Oppose rescissions or other arbitrary funding cuts to transportation programs.

III. IMPLEMENTING FEDERAL TRANSPORTATION PROGRAMS

In the 116th Congress, OCTA will continue to support finalizing the implementation of the FAST Act while finding ways to complement the programs and provisions authorized under federal law. During this time, OCTA will advocate for the following issues:

- a) Oppose any effort to further reduce transportation funding for OCTA or California, advocating for a fair and equitable share;
- b) Pursue continued eligibility of Congestion Mitigation Air Quality (CMAQ) program funding for three-to-five years of operating expenses associated with any new start fixed-guideway or eligible bus projects;
- c) Support expanded use of alternative delivery methods for federally-funded transportation projects;
- d) Support environmental process improvements and stewardship efforts by the relevant federal agencies to expedite project delivery and accelerate the creation of jobs;
- e) Support expedited review and payments to local agencies and their contractors for project development, right-of-way acquisition, and construction activities;

- f) Support efforts that direct state departments of transportation to consider 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 and pedestrian projects in Orange County;
- h) Advocate for policies to encourage, when possible, a “complete streets” approach to multi-modal project planning in order to expedite project delivery;
- i) Encourage the Federal Highway Administration (FHWA) to utilize the Regional Transportation Plan (RTP) as a long-range planning and vision document rather than a detailed 30-year financial plan;
- j) Support shifting the approval of RTP amendments involving Transportation Control Measures from the Environmental Protection Agency back to the FHWA while allowing for an adequate consultation process;
- k) Support 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 resulting from Section 166 of the Federal Highway Act or any similar policy regulating degradation of HOV lanes;
- l) Encourage cooperation between state and federal partners to mitigate or eliminate any policy that requires direct actions within 180 days of realized degradation on federally-funded highways;
- m) Support streamlining of Federal Buy America requirements to increase certainty while also advocating for greater flexibility in their application.

IV. FISCAL REFORMS AND ISSUES

Several legislative and regulatory proposals would have economic impacts, both positive and negative, affecting the delivery of transportation infrastructure projects that create jobs and spur further business development in Orange County. Regarding these developments, OCTA will:

- a) Oppose legislation and regulations that would divert revenues generated by locally-approved sales taxes to programs and projects that are not included in the sales tax ordinance;
- b) Support removing barriers to the release of transportation funding, including allowing local agencies to advance projects with local funds in order to limit lengthy amendment processes that delay project delivery;

- c) Support expansion and further development of innovative project finance methods, including the Transportation Infrastructure Finance and Innovation Act loan program;
- d) 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;
- e) Seek methods to ensure the equitable collection and distribution of sales tax revenue from out-of-state, online retailers (South Dakota v. Wayfair, Inc.);
- f) Support tax policies that reduce costs or provide additional flexibility in OCTA's financial and operational activities;
- g) Support legislation or regulations that expedite the delivery of transportation improvements or the development of business opportunities in order to create jobs and economic activity in Southern California.

V. 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 line, the Inland Empire-Orange County Line, and the 91/Perris Valley Line. OCTA owns 48 miles of rail right-of-way in Orange County on which Metrolink operates. OCTA's rail capital budget supports improvements to the regional commuter rail system in Orange County, and under existing policy, OCTA is the primary construction lead on major capital improvements to the regional commuter rail system on its right-of-way.

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 Pacific Surfliner service in June 2015 via 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.

Other rail systems could also travel through Orange County at some point in the future, including additional intercity rail service. OCTA will continue to monitor the development of additional service to ensure that it does not adversely affect other transportation funding sources. Other rail policy priorities include the following:

- a) Support funding for rail safety programs, including funding for implementation and operation of Positive Train Control (PTC) safety technology and other safety enhancements;
- b) Support *ongoing* PTC implementation *efforts* that allows for adequate consideration of technological, fiscal, and logistical ~~implementation~~ challenges, ~~including reasonable exemptions from legislative deadlines on a case-by-case basis~~;
- c) Support efforts to ensure that any alternative safety technology is interoperable with, and contains the same safety benefits as, the PTC system implemented on passenger rail corridors in Southern California;
- d) Support the availability of technical resources, such as wireless spectrum, to fully implement rail safety technology;
- e) Oppose increasing the current rail passenger liability cap of \$295 million per incident and work with regional partners to ensure that any changes to the cap take into account the limited resources of passenger rail providers.

VI. 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 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 efforts of foreign competitors. Even though the FAST Act provided \$10 billion for goods movement projects and programs, revenue streams remain insufficient to fund the projects needed to offset the costs of moving these goods considering the many years of underinvestment. 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) Ensure that the benefits of newly funded projects also take into account mitigation factors to impacted communities;
- c) Support a collaborative approach, including engaging with private sector partners, in developing and implementing the needed sustainable goods movement infrastructure programs and projects;

- d) Support for ~~a high ranking of the Alameda Corridor~~ *regionally-significant grade separation projects that improve the flow of goods and people throughout Southern California as part of discretionary transportation programs*;
- e) Support local control of goods movement infrastructure and freight mobility projects.

VII. 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 Orange County's transportation system. OCTA will pursue the following priorities to ensure that the agency's safety, security, and emergency preparedness needs are met:

- a) Support increased funding for staff training, increased surveillance, and emergency preparedness improvements with adequate flexibility to ensure that local agencies can effectively use the resources to ensure a more resilient transportation system;
- b) Support a funding distribution that considers all risk threats, including natural disasters, acts of terrorism, and other man-made disasters, as estimated by the Department of Homeland Security, in cooperation with state and local officials;
- c) Support programs that facilitate cooperation with security and emergency preparedness officials to refine and improve information exchange protocols, emergency preparedness systems, and regional data coordination.
- d) Support efforts to provide funding incentives and policy flexibility to facilitate programs to provide safe working conditions for coach operators and transit personnel.

VIII. ENERGY ISSUES

The transportation sector is one of the largest consumers of petroleum in the nation. Therefore, legislation or regulations to further develop energy-efficient policies will likely have an impact on OCTA's operations. With such proposals in mind, OCTA will:

- a) Monitor legislation and rulemakings that address new or emerging energy policies;
- b) Encourage industry associations to comment on proposals affecting the public transportation sector;
- c) Support the continuation and expansion of tax incentives for using compressed natural gas, liquefied natural gas, and other alternative transit fuels;

- d) Provide reports to the Board outlining any energy-related legislation introduced in the 116th Congress potentially affecting OCTA.

IX. ENVIRONMENTAL POLICY

Federal environmental policies affecting OCTA include the National Environmental Protection Act, the Clean Air Act, the Clean Water Act, and the Endangered Species Act. With regard to these policies, OCTA will:

- a) Seek opportunities to expedite and improve the efficiency of the environmental process without impairing substantive environmental requirements;
- b) Seek funding to meet state and local environmental quality requirements, including anticipated requirements for zero-emission buses, alternative fueling stations, and future greenhouse gas reduction requirements;
- c) Monitor proposals 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 expedited review and payments to local agencies and their contractors for project development, right-of-way acquisition, and construction activities.

X. REGULATORY REQUIREMENTS

OCTA must also monitor several other administrative requirements, including new and expanded regulatory definitions that may affect the agency's operations. As such, OCTA will:

- a) Oppose regulatory efforts to extend the statutory requirements of the Americans with Disabilities Act;
- b) Support expedited and improved federal reporting and monitoring requirements to ensure efficiency and usefulness of data while also eliminating redundant state and federal requirements;
- c) Oppose regulatory proposals that unreasonably subject OCTA to burdensome bureaucratic requirements or increase operational costs, making it harder to deliver projects and improve mobility in Orange County.

XI. 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. OCTA's historical positions regarding labor and employment issues have included:

- a) Support tax incentives for employer-provided transit passes, vanpool benefits, parking spaces, or other commuter benefits;
- b) Oppose policies adversely affecting the agency's ability to effectively address labor relations, employee rights, benefits, and working conditions, such as health, safety, and ergonomic standards;
- c) Oppose policies that limit state or local pension benefit reforms.



November 21, 2019

To: Legislative and Communications Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Performance Evaluation of Federal Legislative Advocate, Potomac Partners, DC

Overview

The firm Potomac Partners, DC provides federal legislative advocacy services for the Orange County Transportation Authority in Washington, DC. 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

Since 2003, the Orange County Transportation Authority (OCTA) has contracted with Potomac Partners, DC (PPDC) for federal legislative advocacy services. Through competitive procurements, the OCTA Board of Directors (Board) awarded the federal advocacy contract to PPDC in 2002, 2007, 2010, 2014, and most recently in 2018. On October 22, 2018, the Board approved a contract with PPDC, to provide federal advocacy and consulting services for an initial term of two years through December 31, 2020, with two, two-year option terms.

The federal legislative advocacy and consulting services provided by PPDC are led by Richard Alcalde and Daniel Feliz. Through their work for OCTA, PPDC has developed significant long-term relationships with key members in Congress and worked on several priority policy issues and goals for OCTA including implementing Breaking Down Barriers, an OCTA-led project delivery streamlining effort; obtaining a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan for the Interstate 405 Improvement Project and seeking Capital Investment Grant funding and receipt of a full funding grant agreement for the OC Streetcar.

Discussion

This is the first year OCTA staff is evaluating the services provided by the federal legislative advocate and is being done to mirror the process that has traditionally been undertaken for OCTA's state legislative advocate. The evaluation will cover major issues addressed and general services provided by PPDC. Staff's evaluation of the services provided by PPDC is included in Attachment A. The major issues and general services provided by PPDC have been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Staff has rated PPDC's efforts overall as "very good" based on responsiveness, advancing OCTA's positions and policies, and assisting in building cooperative relationships with members of Congress and the Administration. Staff has rated PPDC's outcomes overall as "very good" based on the outcomes of the issues discussed.

Priorities for PPDC for next year will include advancement of OCTA's policy positions outlined in the 2019-2020 OCTA Federal Legislative Platform; actively engaging in policy discussions and decisions related to surface transportation reauthorization and associated funding proposals; positioning OCTA to be competitive for discretionary transportation funding; continuing pursuit of streamlining reforms to the TIFIA loan process and clarification related to the Federal Aviation Administration policy on use of revenues from local sales tax assessments on aviation fuel; and engagement in policy discussions pertaining to transit security, processing and approval of transit grants, and methods to incentivize zero-emission transit technology.

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

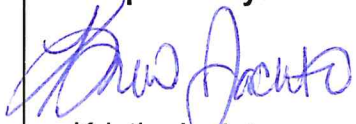
Summary

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

Attachments

- A. Staff Evaluation of Services Provided by Potomac Partners, DC for 2019
- B. Scope of Work – Federal Legislative Advocates

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**Staff Evaluation of Services Provided by
Potomac Partners, DC for 2019**

The following narrative provides specific information with respect to major issues addressed by Potomac Partners, DC (PPDC) as the Orange County Transportation Authority's (OCTA) primary federal legislative advocate, in 2019. Each issue has been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Policy Priorities

Effort: Very Good; Outcome: Very Good

This year Congressional discussions related to transportation surrounded the potential for an infrastructure investment package and surface transportation reauthorization. PPDC used these discussions to advance several OCTA policy priorities including the following:

- Securing language in the Senate Environment and Public Works Committee draft reauthorization legislation that mirrors Transportation Infrastructure Finance and Innovation Act (TIFIA) streamlining reforms requested by OCTA. In advancing this language, PPDC worked closely with Senator Feinstein's (D-CA) office to propose the reforms and worked to address questions and concerns raised by the Department of Transportation. Similar efforts were also engaged in with members of the House, however, draft reauthorization language has not yet been released.
- Pursuing clarification to a previous Federal Aviation Administration rulemaking requiring revenues from the sales tax on aviation fuel to be used for airport improvements. In pursuing this clarification, PPDC has utilized its relationships with House Transportation and Infrastructure Committee leadership and members. While a statutory fix has not yet been accomplished, PPDC's work has led to several efforts to not only seek statutory changes, but also reporting language. This includes communicating OCTA support for proposed legislation including HR 2939 (Napolitano, D-El Monte).
- Working with key delegation members to mold policy proposals related to mandates for zero-emission bus technology and transit security measures. In order to inform these efforts, PPDC worked to educate members of Congress on existing requirements under state and federal law, innovative approaches taken by OCTA, and floated revisions to these proposals that would allow transit agencies within California to best take advantage of these efforts.
- Tracking discussions surrounding the Safer Affordable Fuel Efficient Vehicles proposed rule, and potential impacts to OCTA projects and programs. As part of this efforts, PPDC advised on timing of communications and likely Administration direction going forward.
- Continuing pursuit of additional reforms contained within the OCTA Breaking Down Barriers proposal as part of any infrastructure package, and working to position OCTA ready to go projects for any immediate influx of transportation funding.

Appropriations and Grant Funding Opportunities

Effort: Very Good; Outcome: Good

Over the last year, the appropriations process has not been predictable, resulting in several continuing resolutions (CR) and partial shutdowns. PPDC communicated early and often about impacts to the Administration due to any shutdown, and provided regular updates on proposed reporting language, funding levels, and proposed rescissions. While actions from Congress have mostly resulted in consistency with funding levels authorized under the FAST Act, more recently there may be potential impacts due to statutorily required funding tests and rescissions. PPDC regularly discussed with OCTA any project impacts that may result from these challenges, to enable delegation members to respond appropriately. They also communicated any proposed amendments or reporting language associated with OCTA policy priorities, including that related to the Capital Investment Grant program and the use of revenues from sales taxes on aviation fuel.

PPDC also led efforts to secure support from delegation members for discretionary grant opportunities pursued by OCTA. This included getting a letter signed by all Orange County delegation members for OCTA's application for the Low or No Emission Vehicle Program, and delegation support for projects submitted for Infrastructure for Rebuilding America, Better Utilizing Investments to Leverage Development, and Bus and Bus Facilities grant programs. While OCTA was not ultimately successful in receiving funding from these programs, Administration officials often cited strong delegation support as something that was rated very highly when reviewing OCTA grant applications. Further work will be necessary to position OCTA more competitively within these programs going forward, with PPDC helping to brainstorm ideas.

General Services

Effort: Excellent; Outcome: Excellent

PPDC regularly scheduled meetings with members of Congress, staff, and members of the Administration to discuss issues of importance to OCTA. Members of Congress and the Administration consistently rely on PPDC to discuss and provide recommendations on a number of important transportation issues. PPDC has been responsive to requests by OCTA, provided timely information, advice and reports. While the bulk of PPDC's work for OCTA surrounded informing federal policy discussions, PPDC also worked on a number of other issues on behalf of OCTA including promptly responding to questions from federal delegation members, and relaying important information related to changes in the Administration and new appointments.

Specifically, this year PPDC arranged meetings with key members of Congress and the Administration when OCTA visited Washington, DC, in addition to assisting the scheduling of meetings for advocacy trips done in coordination with Mobility 21. This included meetings with newly elected members of the Orange County delegation, key committee members and staff, and senior level members of the Administration.

This year was unique, with a significant turnover in delegation members. Due to PPDC's proactive approach to meeting with new Orange County delegation members, early education on OCTA's priority policies and programs was communicated which facilitated several key actions by the delegation members. This included bringing House Transportation and Infrastructure Chairman Peter DeFazio (D-OR) to Orange County to be briefed on priority projects like the OC Streetcar and Interstate 405 Improvement Project. In addition, these meetings facilitated early communication about policy priorities, including TIFIA reform proposals that helped inform reauthorization discussions. From these discussions, delegation members regularly reached out to PPDC and OCTA to help inform talking points at committee hearings, and regularly complimented OCTA projects and programs.

In addition, PPDC worked to continue OCTA's transparent communications about the status and delivery of the OC Streetcar and the process to secure CIG funding for the project. This included helping facilitate meetings with key committee staff, and responding to inquiries from members of Congress.

Overall Rating

Effort: Very Good; Outcome: Very Good

PPDC's efforts overall are rated as very good 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 Congress and members of the Administration, and availability. PPDC's outcomes overall are rated as very good based on the outcomes of the issues discussed.

**SCOPE OF WORK
FEDERAL LEGISLATIVE ADVOCATES**

I. General

The Orange County Transportation Authority (OCTA) is seeking a federal legislative advocate team (Consultant) to address a series of issues described in and will be organized around the federal goals and objectives of the Orange County Transportation Authority's (OCTA) Legislative Platform. The primary issues and objectives are summarized as follows:

1. Secure a stable and reliable long term transportation reauthorization bill, and annual appropriations bills in accordance with current Legislative Platform and Board of Directors (Board)-approved project requests.
2. Advocate at the Congressional and Executive Branch levels for federal funding for OCTA capital projects, including fixed guideway projects.
3. Advocate on behalf of OCTA's position on Goods Movement.
4. Seek to maximize funding for all OCTA modal programs, but especially restoration of a well-funded bus discretionary program, in the next transportation reauthorization bill.
5. Seek to streamline and accelerate the delivery of federally funded projects with minimal federal requirements.
6. Advocate for funding of compliance costs for any new federally mandated requirements.
7. Advocate for federal intercity passenger rail funding in the San Luis Obispo-Los Angeles-San Diego (LOSSAN) corridor.

II. Coalition Activities

The Consultant shall build and sustain a strong federal coalition in support of OCTA.

1. OCTA Legislative Platform

- 1.1 Provide input to and implement OCTA-developed funding strategies for transportation projects described in the Information and Issues discussion and Legislative Platform, including bus, highway, intelligent transportation systems projects, and any other projects which may be appropriate to achieve OCTA legislative goals.

- 1.2 Recommend appropriate activities for OCTA Board members and local elected officials at various stages of the legislative process.
- 1.3 Provide general political and advocacy advice to OCTA.

2. Legislation, Regulations, and Policy

- 2.1 Notify OCTA of anticipated, newly introduced, or amended federal legislation, regulations, and administrative policy actions which could impact OCTA and provide a legislative analysis on how such action(s) may affect the interest of OCTA.
- 2.2 Work with OCTA, develop positions and tactics which implement OCTA's strategy objectives regarding the upcoming reauthorization of the transportation program.
- 2.3 Provide information and advice regarding upcoming legislative hearings which may impact policies and programs of OCTA.
- 2.4 Attend hearings and other public sessions of interest to OCTA.
- 2.5 Assist in the preparation of testimony before congressional committees and represent OCTA before such committees, including but not limited to the House and Senate Committees on Appropriations, the House Committee on Transportation and Infrastructure, the Senate Committee on Banking and Urban Affairs, the Senate Commerce Committee and the Senate Committee on Environment and Public Works.
- 2.6 Assist in drafting legislative language, and other written materials deemed of interest to OCTA, to ensure that the goals and objectives of OCTA are fulfilled.
- 2.7 Assist in drafting responses to Federal Register notices and other federal public comment announcements.
- 2.8 Assist in preparation of appropriate written materials supporting OCTA legislative goals, including letters, talking points, bill summaries and position papers.

3. Liaison and Advocacy Activities

- 3.1 Orange County Congressional Delegation
 - 3.1.1 Maintain frequent formal and informal contact with the Orange County delegation members and staff to represent and advocate OCTA policies and positions.

3.1.2 Recommend when OCTA Board Members should be in direct contact with members of the Orange County delegation or their key legislative staff.

3.2 House and Senate

3.2.1 Maintain direct and frequent contact with key members and staff of appropriate Senate and House Committees to represent and advocate OCTA policies and positions.

3.2.2 Arrange meetings between key legislation members and OCTA personnel as appropriate in Washington, D.C. or Orange County. Provide logistical support for Washington, D.C. visits.

3.2.3 Recommend timing and nature of contacts with the Orange County delegation and other legislation members in Washington, D.C.

3.3 Executive Branch

3.3.1 Meet with and arrange meetings with appropriate White House officials and staff, as necessary, to represent and advocate OCTA policies and positions.

3.3.2 Meet with and arrange meetings with appropriate Department of Transportation officials and staff, and other federal agencies, as necessary, to represent and advocate OCTA policies and positions.

III. **Administrative Coordination**

The Consultant shall continuously coordinate with OCTA Board, Chief Executive Officer and staff.

1. Coordination

1.1 Coordinate all activities with the OCTA State and Federal Relations Manager and Executive Director, External Affairs as appropriate.

1.2 Coordinate with members of the OCTA Board of Directors, as appropriate.

1.3 Coordinate with other OCTA consultants, as appropriate.

2. Other Activities

2.1 Preparation of Materials, Conference Calls, Oral Reports, Written Reports, and Additional Assignments.

- 2.2 Participate via teleconferencing with the Manager of Grants and Federal Relations, other OCTA staff, and other consultants as necessary.
- 2.3 Provide on-site and in-person oral reports to the Board and meet with appropriate OCTA staff at the OCTA headquarters in Orange, California, as needed. The number of on-site reports is not expected to exceed four per year.
- 2.4 Submit a written monthly activity and status report, including key advocacy activities undertaken on behalf of OCTA during each month.
- 2.5 Undertake additional assignments that have been mutually agreed upon by both parties and are necessary to accomplish OCTA's objectives in Washington.



November 21, 2019

To: Legislative and Communications Committee
From: Darrell E. 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 June 25, 2018, the OCTA Board exercised the second of these options. This term will expire on December 31, 2020.

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 "good" 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; continuing efforts to support legislation to provide clarification for toll agency interoperability and enforcement; providing input on discussions about Transportation Development Act reforms; engaging in legislation and policy discussions related to how to prioritize transportation funding expenditures and competitive grant awards; and engaging in efforts to allow additional benchmarking and funding to meet any purchase mandates for zero-emission buses; and seeking clarification on interoperability standards for toll agencies.

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

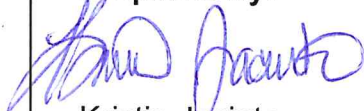
Summary

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 2019
- B. Sacramento Legislative Advocacy and Consulting Services Scope of Work

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Approved by:



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**Staff Evaluation of Services Provided by
Platinum Advisors, LLC for 2019**

The following narrative provides specific information with respect to major issues addressed by Platinum Advisors, LLC (Platinum), with Moira Topp as the Orange County Transportation Authority's (OCTA) primary legislative advocate, in 2019 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.

Sponsor Legislation

Effort: Excellent; Outcome: Poor

The OCTA 2019-2020 State Legislative Platform provided direction for two sponsor bills to be pursued: one related to toll interoperability and enforcement, and the other to provide an equitable distribution and streamlined application process for the Active Transportation Program (ATP). In pursuing the toll bill, OCTA worked collaboratively with other toll agencies in the State to seek statutory clarification. Moira Topp, serving as OCTA's primary legislative advocate, played a critical role in securing necessary meetings, developing message points, communicating with author staff, and facilitating discussions with both partner stakeholders and representatives from entities in opposition. While the legislation was initially discussed as a potential budget trailer bill, the ultimate vehicle used to pursue these policies was SB 664 (Allen, D-Santa Monica). Moira always acted in an expeditious manner to communicate changing policy dynamics, deadlines, and process issues. She developed relationships with Senator Allen's office, and relevant policy committees that allowed for easy communications related to amendments, background policy requests, and coalition dynamics. Ultimately, SB 664 did not move forward this year due to concerns from policy committees and the needs to further understand the direction of pending litigation. During the process there were many challenges experienced between competing needs of different agencies and competing ideas of strategy direction. However, through all of this, Moira demonstrated a keen understanding of the policy needs of OCTA and pending litigation, and developed the highest respect of the coalition participants. It is expected that next year Moira will continue to play a leadership role on this legislation.

The second sponsor bill related to the ATP funding was reflected in two bills – AB 1402 (Petrie-Norris, D-Laguna Beach) and SB 152 (Beall, D-Campbell). Ultimately, SB 152, sponsored by the Metropolitan Transportation Commission, served as the primary legislative vehicle with both bills seeking to accomplish the same goals. While there was a strong coalition developed in support of this policy, ultimately opposition from the California Transportation Commission (CTC), the Los Angeles Metropolitan Transportation Authority and other transportation agencies and advocacy groups prevented passage. Through this process, Moira was not only able to get Orange County delegation support, and Assembly Member Petrie-Norris' involvement as an author of AB 1402, but she was also successful in helping secure necessary votes to move the bill out of policy committee. Due to messaging provided by the Governor in

his veto of similar legislation, it does not appear that either bill will move forward this year. However, in order to continue to ensure that OCTA's concerns with the administration of the ATP are understood, further work will take place to communicate with the CTC and other stakeholders to see if reforms can be done through guidelines or alternative processes.

Bills Signed or Vetoed

Effort: Excellent; Outcome: Good

Several bills that OCTA took positions on made it to the Governor's desk this year, including the following:

- SB 277 (Beall, D-Campbell): One of OCTA's top policy priorities this year, SB 277 sought to amend the SB 1 (Chapter 5, Statutes of 2017) Local Partnership Program (LPP) funding distribution to better align the program with its original intent of rewarding self-help counties for passing sales tax measures. Supported by a variety of self-help counties, Moira helped facilitate conversations with the author's staff, the Governor's office and the CTC, to address concerns, and secure necessary votes. Discussions surrounding SB 277 were extremely divisive among transportation agencies, and due to the work of Moira and others, the bill was still able to pass out of the Legislature unanimously. While a host of amendments were taken to address the primary concerns raised, the Governor vetoed the bill, specifying that the existing process was better as it afforded the CTC increased flexibility to target state priorities.
- AB 147 (Chapter 5, Statutes of 2019): With Moira's assistance in previous legislative sessions, OCTA has been looked at as a leader in discussions surrounding the impacts the growth of online sales has had on the collection of sales tax within the state. These efforts include sponsoring an audit in 2017 to analyze the impacts situs rules have on the collection of Local Transportation Fund (LTF) revenues, and supporting bills such as ACA 13 (Obernolte, R-San Bernardino) this year to change situs rules. AB 147 was the primary vehicle to implement the U.S. Supreme Court's 2018 ruling in *South Dakota v. Wayfair, Inc.*, which overturned previous case law that prevented states from collecting sales and use taxes from retailers without any kind of physical presence in the state or locality. Through this process, Moira was able to get OCTA meetings with the California Department of Tax and Fee Administration to discuss implementation logistics and regulations, offering a direct seat at the table. The implementation of AB 147 is likely to result in additional funding for both Measure M2 and LTF.
- SB 127 (Wiener, D-San Francisco): A bill OCTA initially opposed that sought to require active transportation components on all State Highway Operation and Protection Program (SHOPP) projects, additional analysis of vehicle miles traveled impacts on transportation projects, and a reprioritization of State Highway Account dollars, Moira worked with the author's office was able to secure every amendment that OCTA sought, which led to OCTA going neutral on the bill. Through this process, Moira was able to educate the author's and committee staff on OCTA's funding priorities, and the potential for unintended consequences of the initial

proposals within SB 127. This opportunity will hopefully lead to a better understanding of how to pursue these reforms going forward. Ultimately, the Governor vetoed SB 127 due to anticipated costs of implementation, and identification of alternative methods to accomplish the same goals.

Two-Year Bills

Effort: Excellent; Outcome: Very Good

As a whole, besides SB 664 and the ATP bills, most of the bills that OCTA had positions on that became two-year bills, were bills that OCTA had an oppose position on. These bills included the following:

SB 526 (Allen, D-Santa Monica): The legislation included a variety of provisions that sought for increased details to be provided about how regions sought to meet the greenhouse gas emission reduction targets imposed by SB 375 (Chapter 728, Statutes of 2008), while also attempting to make more project specific VMT reduction goals and changes to how transportation funding is to be prioritized. Through Moira's efforts, the author took several amendments which mitigated the impacts of the bill. However, there is still concern that SB 526 significantly changes the bottoms-up approach envisioned by SB 375. It is anticipated that the author will continue to pursue SB 526 next year, and that other bills may be introduced seeking broader SB 375 reform.

SB 732 (Allen, D-Santa Monica): Introduced mid-session, SB 732 would create a new taxing district, which would facilitate the ability for the South Coast Air Quality Management District (SCAQMD) Board of Directors to impose a transactions and use tax within the boundaries of its district. The legislation did not include any requirement for an expenditure plan to be developed or an equitable distribution within the SCAQMD jurisdiction. SCAQMD did not brief OCTA or other transportation agencies prior to introduction and did not address OCTA and transportation agency concerns with the bill while it was pending this year. Moira was forced to move quickly to communicate OCTA's position and assisted in having the bill held this year to allow for further conversation to take place. Since that time, further conversations with SCAQMD have occurred, but it is still unclear if amendments will be taken next year to address the concerns.

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 addition to assisting the scheduling of meetings for advocacy trips done in coordination with Mobility 21. This included meetings newly elected members of the Orange County delegation, newly appointed California State Transportation Agency (CalSTA) Secretary David Kim, representatives from the Department of Finance, Governor's Office and the California Transportation Commission. These meetings provided an opportunity for OCTA to inform newly elected and appointed officials about the role of OCTA, projects of significance, and the impact of transportation policies on OCTA's projects and programs. In these meetings, OCTA was also able to advance discussions SB 664, SB 277 and other issues of importance related to the delivery of OCTA's local sales tax program of projects and grant applications associated with such. This year, the ability to orchestrate these meetings had added importance with OCTA's leadership role associated with SB 664 and the need to meet with key members of leadership and the Administration in a timely manner. In each of OCTA's requests, Platinum – specifically Moira Topp – far exceeded expectations in her ability to schedule meetings and communicate messaging to advance OCTA policy priorities.

Overall Rating

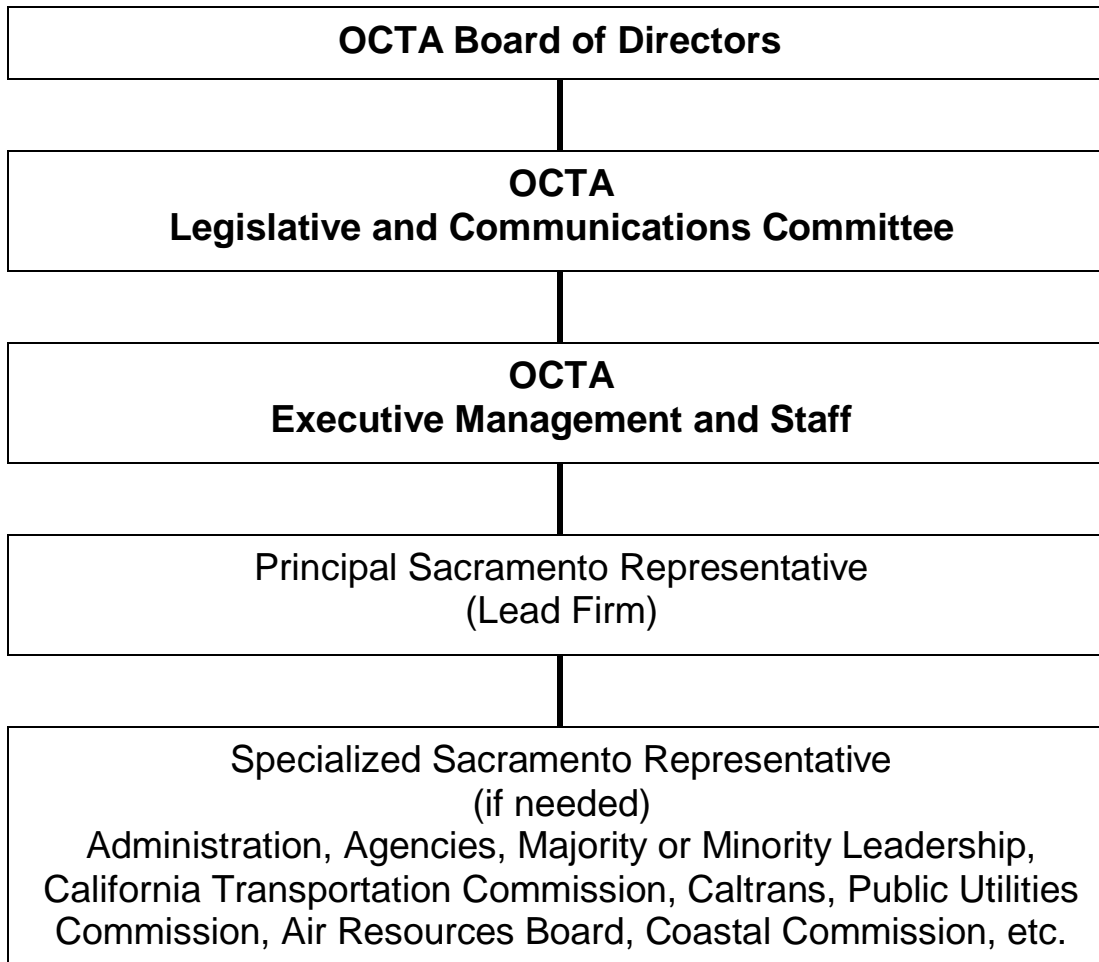
Effort: Excellent; Outcome: Good

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 good 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.