

**Staff Evaluation of Services Provided by
Topp Strategies for 2023**

The following narrative provides specific information with respect to major issues addressed by Topp Strategies, with Moira Topp as the Orange County Transportation Authority's (OCTA) primary state legislative advocate in 2023, 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.

State Budget Provisions for Transportation Purposes

Effort: Excellent; Outcome: Very Good

In previous budget cycles, when the State was operating in a budget surplus, the Legislature approved \$4 billion in formula funding for the Transit Intercity Rail Capital Program (TIRCP). This funding was originally intended for transit capital projects. This year, being faced with a budget deficit, the Governor's budget proposed to reduce that funding by \$2 billion. Topp Strategies was successful in advocating, in coordination with the California Transit Association (CTA), for the reinstatement of the full \$4 billion for TIRCP, with an additional \$1.1 billion for the newly established Zero-Emission Transit Capital Program, which could be used for zero-emission bus purposes. Topp strategies was also successful in ensuring that the funding from both of those programs is flexible, allowing transit agencies to utilize the funding for transit operations. Over the next five years, OCTA is expected to receive approximately \$380 million from both the TIRCP and ZECTP. Alongside the funding, the Legislature required the California State Transportation Agency (CalSTA) to craft accountability guidelines for transit agencies to comply with in order to receive their portion of the funding. Of the \$4 billion for TIRCP, only \$2 billion has been officially allocated; therefore, Topp Strategies will need to work next year to ensure the Legislature provides the remaining \$2 billion for the formula TIRCP program.

While there have been significant proposed investments for the Active Transportation Program, the Legislature did reduce the program by \$200 million from the original \$1 billion proposed. This program is vastly oversubscribed, so this reduction will be reflected in how many Orange County projects are successful in competing for the funding. There were additional delays in the funding for grade separations and for the Port and Freight Infrastructure Program. Through each of these discussions, Topp Strategies sought to ensure that OCTA would be eligible for funding, and to advocate for formula-based funding programs. In order to ensure OCTA maximizes its funding opportunities within the programs ultimately approved, Topp Strategies will have to continue to work next year to help position OCTA to be successful within the competitive programs.

Also included in the budget was a provision that prohibits the California Department of Transportation (Caltrans) from charging any self-help counties more than ten percent for the administration of their indirect cost recovery. This will result in cost savings for OCTA and was a key priority for the Self-Help Counties Coalition (SHCC).

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Senate Transportation Subcommittee on LOSSAN Rail Corridor Resiliency

Effort: Excellent; Outcome: Excellent

This year, Senator Catherine Blakespear (D-Encinitas) formed the Senate Transportation Subcommittee on the Los Angeles – San Diego – San Luis Obispo Rail Corridor Resiliency. Topp Strategies was instrumental in helping OCTA successfully participate in this subcommittee at two separate hearings. This effort has helped OCTA promote its message of needing to perform a short-term study to protect the rail corridor in the intermediary, while also endeavoring on a long-term study. Topp Strategies has also been helpful in setting up meetings with state officials to discuss the State's role in long-term planning for the entire corridor. The subcommittee was commissioned for two years; therefore, it is anticipated that OCTA will continue to be involved in future hearings next year.

Bills Signed or Vetoed

Effort: Excellent; Outcome: Very Good

AB 96 (Chapter 419, Statutes of 2023): This legislation was highly influenced by previous proposals related to new technology, including AB 2441, legislation that was vetoed by the Governor last year. AB 96 requires public transit employers to provide certain information to union representatives when the employer is beginning the process of procuring autonomous transit vehicle technology. Working with CTA, after OCTA adopted an oppose unless amended position, Topp Strategies sought amendments to ensure the bill did not create undue hardships on transit agencies. Amendments included simplifying the notification of procurement process, lengthening the timeframe for which agencies would need to develop a comprehensive analysis of worker impacts, and limiting the requirements pertaining to collective bargaining to better align with existing law. The author agreed to address each of these points. Following those amendments, OCTA was able to remove its oppose unless amended position.

AB 719 (Boerner, D-Encinitas): AB 719 would have required Medi-Cal Managed Care Plans to reimburse public transit operators for nonmedical transportation and nonemergency medical transportation services. Historically, Medi-Cal could directly reimburse transportation providers, through an agreement, for nonmedical and nonemergency medical transportation for individuals that were covered by Medi-Cal so long as they were utilizing the transportation services to gain access to services that were also covered by Medi-Cal. However, this is no longer the case. Therefore, AB 719 would have created an opportunity for a more equitable reimbursement system to occur and ultimately, save the transit operators money. Working in conjunction with CTA, who was the sponsor of the bill, Topp Strategies sought to maximize the benefits from this bill to allow OCTA to achieve cost savings. Ultimately, the bill was vetoed by the Governor, citing concerns with the Department of Health Care Services needing to pursue a series of federal approvals that are currently not allowed under federal guidance.

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SB 434 (Chapter 396, Statutes of 2023): SB 434 requires the ten largest transit agencies in the state to conduct outreach and survey passengers about incidents of street harassment while using the agency's respective transit system on or before December 31, 2024. Working with CTA, Topp Strategies was successful in ensuring that such requirements would not impose an unfunded mandate on transit agencies. Additionally, flexibility was granted on what kind of survey can be used by agencies, since in the previous year there was legislation that directed the Mineta Transportation Institute to create a survey to gather data about street harassment. This results in OCTA creating a tailored survey that serves our customers more effectively.

SB 617 (Chapter 196, Statutes of 2023) & SB 706 (Chapter 500, Statutes of 2023): Both of these pieces of legislation expand progressive design-build authority. Alongside CTA and SHCC, Topp Strategies was able to secure these proposals as a part of the Governor's streamlining package. OCTA is expected to use this authority on its transit projects, as appropriate, to help expedite project delivery and create cost savings.

Other Bills of Interest

Effort: Excellent; Outcome: Excellent

AB 6 (Friedman, D-Glendale): This is one of two bills introduced by Assembly Member Friedman that OCTA opposed. Specifically, AB 6 would have revised the SB 375 (Chapter 728, Statutes of 2008) greenhouse gas emission reduction target setting process to require regions to not only meet targets for 2020 and 2035, but also for 2045. Topp Strategies, recognizing the need for a strong coalition, took leadership in organizing traditional stakeholder coalition members to oppose the bill. Given the sensitivity of having the Chair of the Assembly Transportation Committee as the author, Topp Strategies also reached out to committee staff to engage early and often, in addition to several meetings with key members of the Legislature. Throughout the process, Topp Strategies worked to both try to defeat the bill, but also improve the bill in the scenario that it was signed. Ultimately, the bill was held as a two-year bill to allow for further negotiations. It can be expected conversations will resume next year.

AB 7 (Friedman, D-Glendale): This is the second piece of legislation OCTA opposed by Assembly Member Friedman. AB 7 would add new requirements for the California Transportation Plan and lists priorities which CalSTA, Caltrans, and the California Transportation Commission would incorporate into their existing funding guidelines and planning processes, to the extent applicable and cost effective. Assembly Member Friedman organized a working group to discuss and provide input on this legislation. While OCTA was not directly invited to participate in this working group, Topp Strategies was a leader in creating a coalition to oppose this legislation and was also successful in getting most of the Orange County delegation members to not vote in support of AB 7. This legislation faced a series of amendments in an attempt to reach consensus, which was ultimately never achieved despite several conversations with the committee staff. Ultimately, the bill was held as a two-year bill to allow for further negotiations. It can be expected conversations will resume next year.

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General Services

Effort: Excellent; Outcome: Excellent

Topp Strategies 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. Topp Strategies 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. Topp Strategies also worked on a number of other issues on behalf of OCTA that were not necessarily contained in legislation. Specifically, this year, Topp Strategies provided critical meetings with new and existing Orange County delegation members to discuss OCTA's top priorities including support for the rail corridor, transit operations funding, and concerns with proposal that could alter funding programs in such a way that hinders the ability for transportation agencies to deliver their projects and programs. Additionally, in-person meetings were also held with key members of the Orange County delegation to discuss the suspension of rail service in southern Orange County. These conversations have allowed OCTA to communicate its message on the investments OCTA has made into the corridor and the plans OCTA has charted for the future, long-term viability of the rail system.

While the construction activities at the State Capitol continued to present challenges for arranging in-person meetings, Topp Strategies has always remained in contact with key staff and afforded OCTA the ability to be at the table for critical conversations. Topp Strategies successfully arranged meetings with key members of the Legislature and Administration to communicate positions on legislation and policies. This included in-person meetings with the Orange County Delegation members, Secretary of CalSTA, the Director of Caltrans, and committee staff from both the Assembly Transportation Committee and Senate Transportation Committee.

Effort: Excellent; Outcome: Excellent

Topp Strategies 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. Topp Strategies outcomes overall are rated as excellent based on the outcomes of the issues discussed.