



***April 16, 2020***

**To:** Legislative and Communications Committee  
**From:** Darrell E. Johnson, Chief Executive Officer  
**Subject:** State Legislative Status Report

### ***Overview***

An update is provided on the state's response to the coronavirus pandemic. An OPPOSE position is recommended on two bills related to creating a new construction authority to extend the Gold Line into San Bernardino County. An OPPOSE UNLESS AMENDED position is recommended on a bill that would add vehicle miles traveled reduction requirements to the transportation planning process.

### ***Recommendations***

- A. Adopt an OPPOSE position on AB 2011 (Holden, D-Pasadena) and on SB 1390 (Portantino, D-Glendale), which would each create a new construction authority to extend the Gold Line from the City of Montclair to the Ontario International Airport.
- B. Adopt an OPPOSE UNLESS AMENDED position on SB 1363 (Allen, D-Santa Monica), which would require metropolitan planning organizations to meet vehicle miles traveled reduction targets as part of the regional transportation plan.

### ***Discussion***

#### **Overview of State Actions in Response to Pandemic**

In an effort to curb the spread of the coronavirus (COVID-19) pandemic, Governor Gavin Newsom has signed sixteen executive orders as of writing this report. An outline of all the state actions taken thus far is included as Attachment A. Perhaps the most significant guidance has been Executive Order N-33-20, which issued a statewide, stay-at-home order and identifies the transportation sector, including mass transit operation and public works construction projects, as essential in preserving the health and safety of Californians.

Governor Newsom cited language from the Department of Homeland Security designation of 16 Critical Infrastructure Sectors, one of which is the Transportation Systems Sector. Other executive orders of interest include: seniors and vulnerable residents to home isolate (N-27-20); providing additional flexibility to Bagley-Keene and the Brown Act to allow public meetings to be held by teleconference (N-25-20); granting local flexibility on spending and building shelters for homeless individuals (N-32-20); and extending the appointment and reappointment deadlines by 60 days (N-35-20). Orange County Transportation Authority (OCTA) staff has been diligently tracking and implementing these directives in real time in order to protect the health and safety of the employees and the residents of Orange County, while still providing an essential service. To that end, OCTA distributed a letter to the Orange County State Legislative delegation and state transportation leaders to identify several policy adjustments at the state level that can take place to ensure continuity of these services moving forward, including postponement of state mandates on transit agencies to transition to zero-emission technology as well as increased flexibility with existing state funding sources to allow funding to be targeted to meet existing service needs. A copy of that letter is included as Attachment B.

The State Legislature is currently on recess and is not expected to return in the near future citing guidance from the Governor's office and state public health officials. State legislative leaders have still expressed intention to meet all deadlines, including the state budget adoption deadline of June 15, 2020. Prior to adjourning, the Legislature passed SB 89 (Chapter 2, Statutes of 2020) which appropriates up to \$1 billion, to any purpose related to Governor Newsom's State of Emergency Proclamation on March 4, 2020. Expenditures that have been made thus far include medical resources and funding for local governments to increase shelter support and emergency housing to address COVID-19 among the homeless population.

Discussions continue about the potential for additional legislative responses and economic stimulus measures when the Legislature returns. OCTA staff have created a project list, included as Attachment C, to identify key projects that are ready for construction and job creation for any economic stimulus that may be forthcoming. However, with the Governor's May Revision of the state budget approaching, the Department of Finance has cautioned state agencies about the potential for significant funding shortfalls with an announcement on March 24, 2020 that they will be evaluating all budget changes within the context of a workload budget. A workload budget is defined as the budget year cost of currently authorized services, which are subsequently adjusted according to various factors such as inflation, mandates, and one-time expenditures. Reiterating the significant economic impacts to the state budget, the Chair of the Assembly Committee on Budget, Assembly Member Ting (D-San Francisco) sent out a letter, included as Attachment D, updating legislators that he is no

longer requesting they submit priority budget requests, unless related to the coronavirus pandemic, in order to inform budget discussions moving forward.

AB 2011 (Holden, D-Pasadena): West San Bernardino County Rail Construction Authority and SB 1390 (Portantino, D-Glendale): Montclair to Ontario Airport Construction Authority

AB 2011 (Holden, D-Pasadena) and SB 1390 (Portantino, D-Glendale) would each create a new construction authority for the purposes of extending the Metro Gold Line light rail from the City of Montclair to the Ontario International Airport. In both AB 2011 and SB 1390, the proposed board would be made up of seven voting members and one nonvoting member, with delineated powers necessary to complete the project. Although both bills are seeking the same outcome, SB 1390 goes further in establishing financial parameters. Two primary differences between SB 1390 and AB 2011 is that SB 1390 identifies San Bernardino County Transportation Authority's (SBCTA) local tax Measure I proceeds as a source of funding for this project and requires Los Angeles County Metropolitan Transportation Authority (LA Metro) to operate the finished project within San Bernardino County, with operations costs to be reimbursed by SBCTA.

While OCTA recognizes the regional significance in establishing rail access to the Ontario International Airport, it is also understood that SBCTA has been analyzing this project for more than six years through a deliberate and methodical process. Specifically, SBCTA has approved an alternative analysis to be done in order to find the most efficient way of bringing rail access to the airport. At SBCTA's March 4, 2020, Board of Directors Meeting, they invited Assembly Member Holden and Senator Portantino to discuss their bill proposals. Based on that meeting, SBCTA agreed to create an ad hoc committee to discuss how to move forward. At the writing of this staff report, no agreement has been reached thus far.

AB 2011 and SB 1390 set a concerning precedent of allowing the state and certain jurisdictions to dictate local planning strategies. OCTA believes creating this new authority is duplicative of SBCTA's designated responsibilities and is an effort to bypass a locally-governed transportation agency. Furthermore, AB 2011 and SB 1390 would be inconsistent with SBCTA's voter-approved transportation sales tax measures, such as Measure I in San Bernardino County. The taxpayers providing funding for transportation projects deserve to be assured that funding is used in a manner that is consistent with the transportation sales tax plan.

A comprehensive analysis of AB 2011 and SB 1390, along with the text of each bill, is included as Attachment E. An OPPOSE position is consistent with

OCTA's 2019-20 State Legislative Platform principle to "oppose efforts to reduce local prerogative over regional program funds." Stakeholders taking an OPPOSE position on the bill to date include SBCTA, Riverside County Transportation Commission, Metrolink and Mobility 21.

**SB 1363 (Allen, D-Santa Monica): Regional Transportation Plans: Sustainable Communities Strategies: Greenhouse Gas Emissions and Vehicle Miles Traveled Reduction Targets**

SB 1363 (Allen, D-Santa Monica) is a continuation of the author's previous efforts to expand upon SB 375's (Chapter 728, Statutes of 2008) requirements for each metropolitan planning organization (MPO) to adopt a regional transportation plan (RTP) that includes a sustainable communities strategy (SCS) that seeks to meet regional greenhouse gas (GHG) emission reduction targets for 2020 and 2035. The author's initial bill on the subject was SB 150 (Chapter 646, Statutes of 2017), which required the California Air Resources Board (CARB) to issue a report every four years assessing each MPOs' progress in meeting the GHG emission reduction goals outlined in SB 375. Based on the findings of the first SB 150 report, the author introduced legislation last year, SB 526 (Allen, D-Santa Monica), which would have required MPOs to report on vehicle miles traveled (VMT) reductions achieved as part of the strategies implemented under the SCS and required CARB to complete progress reports to determine if each MPO was on track to meeting its respective GHG emission reduction targets. OCTA, along with the California Association of Council of Governments, opposed the bill. The author ultimately held the bill, with a pledge to work on issues brought forward by the opposition.

SB 1363 is an effort to more specifically address the policy issues targeted by SB 526. The bill would require that MPOs meet VMT reduction targets in conjunction with SB 375's GHG emission reduction targets. The bill requires that MPOs meet GHG and VMT reduction targets in 2035, 2045, and 2050. Whereas the initial GHG targets for 2020 and 2035 were developed with public input, the new GHG emission and VMT reduction targets would be set by CARB, without any public input process. Under the bill, VMT reduction targets may be expressed in miles per capita, percent reduction, or another metric set by CARB. SB 1363 also requires that MPOs submit to CARB a draft SCS at least 60 days before the MPO adopts the SCS. In conjunction with the draft SCS, the bill would require that the MPO also submit its forecasted development pattern and transportation projects, as supported by measurable local and regional funding.

The intent behind SB 375 was to allow a bottoms-up planning approach that maintained maximum flexibility for regions to develop the RTP/SCS in a way that met the region's specific needs, recognizing the differences in regional geographic, demographic, and funding requirements while reflecting the fact that

transportation agencies do not have control over land use decisions. SB 1363 would add new VMT reduction requirements to the SCS development process in a way that is inconsistent with SB 375's approach. As such, OCTA recommends four specific changes to improve the bill and make it more consistent with the original intent of SB 375:

- Regions would be required to meet new GHG emission and VMT reduction targets in both 2045 and 2050. Instead, the bill should be amended to focus solely on 2050 to allow for sufficient time to pass after the 2035 targets, and more fully see the results of measures implemented since that time period.
- The bill fails to ensure adequate public input from MPOs and subregional agencies in the development of VMT targets. The bill should be amended to allow for greater public engagement from MPOs and subregional agencies, including regional transportation planning agencies, county transportation commissions, and councils of governments, in the development of VMT reduction targets.
- The bill's definition of VMT should be clarified so that it only applies to passenger automobiles and light trucks, excluding electric vehicles, so that the metric more appropriately correlates with GHG emissions. An alternative to requiring specific VMT reduction targets would be to develop a suite of best practices that MPOs can choose from to adopt as part of the RTP, thereby maintaining SB 375's bottoms-up approach.
- Clarifying language is needed related to the identification of measurable funding sources to implement specific strategies, to ensure adequate flexibility in allowing MPOs and subregions to best leverage public funds, including those that may be reasonably available in the future, to meet SB 1363's GHG and VMT goals.

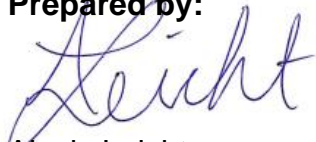
An analysis of SB 1363 and the bill text are included as Attachment F. An OPPOSE UNLESS AMENDED position on SB 1363 is consistent with OCTA's 2019-2020 State Legislative Platform principle to "Oppose proposals that reduce the rights and responsibilities of county transportation commissions in planning, funding, and delivering transportation programs."

**Summary**

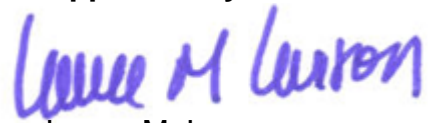
An update is provided on state actions related to the coronavirus pandemic. Positions are recommended on bills related to a new construction authority to extend the Gold Line into San Bernardino County and a bill to require vehicle miles reduction targets as part of the regional transportation plan development process.

**Attachments**

- A. State Actions Related to Coronavirus (COVID-19) Pandemic
- B. Letter from Steve Jones, Chairman, to the Honorable Gavin Newsom, the Honorable Toni Atkins, the Honorable Anthony Rendon, the Honorable Shannon Grove, and the Honorable Marie Waldron, dated March 23, 2020
- C. OCTA Project Funding Needs
- D. Letter from Philip Y. Ting, Chair, Assembly Budget Committee, dated March 30, 2020
- E. AB 2011 (Holden, D-Pasadena) and SB 1390 (Portantino, D-Glendale) Bill Analysis with Bill Language
- F. SB 1363 (Allen, D-Santa Monica) Bill Analysis with Bill Language
- G. Orange County Transportation Authority Legislative Matrix

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