



June 17, 2021

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

Overview

The Orange County Transportation Authority provides regular updates to the Legislative and Communications Committee on policy issues directly impacting its overall programs, projects, and operations. A position is recommended on legislation that would create a new mitigation credit program for transportation projects that improve wildlife connectivity. An update is provided on fiscal year 2021-22 state budget and the priorities being pursued by the Orange County Transportation Authority.

Recommendation

Adopt a SUPPORT position on SB 790 (Stern, D-Calabasas), which would create a new mitigation credit program for transportation projects that include wildlife connectivity benefits.

Discussion

SB 790 (Stern): Wildlife connectivity mitigation credits

In 2017, AB 1282 (Chapter 643, Statutes of 2017), a bill supported by the Orange County Transportation Authority (OCTA), established a Transportation Permitting Task Force (Task Force). The final report given to the Legislature described a variety of challenges and found that mitigation efforts are one of the main causes of delays and inefficiencies in transportation project delivery.

SB 790 (Stern, D-Calabasas) was developed to help address mitigation challenges discussed in the Task Force's final report by creating a new compensatory mitigation program. Specifically, SB 790 requires the California Department of Fish and Wildlife (CDFW) to coordinate with the California Department of Transportation (Caltrans) to provide mitigation credits for future highway improvements that enhance local and regional habitat connectivity. These improvements could include an overpass/underpass, vegetation

management, directional fencing, and barrier modification, among others. If a Caltrans transportation project meets certain standards evaluated by the CDFW, including physical roadway factors and overall benefit to wildlife's ability to cross the roadway, then they would have the opportunity to request CDFW to issue the credits. These compensatory mitigation credits could then be used by Caltrans to satisfy obligations to mitigate the impacts of transportation projects required by the California Environmental Quality Act, the California Endangered Species Act, and the Lake and Streambed Alteration program. Through this bill, CDFW can only issue ten credits for new transportation projects in a given fiscal year and no more than two in each region.

OCTA has been a leader in the State in establishing advanced mitigation options for transportation projects. As a part of the Measure M2 sales tax program, OCTA's Environmental Mitigation Program allocates five percent of net freeway revenues toward offsetting the environmental impacts of Measure M2 highway projects. SB 790 promotes the concept of advanced environmental mitigation, complementing the work OCTA is already undertaking. If passed, SB 790 would allow OCTA to work with Caltrans on potential wildlife connectivity improvements as part of transportation projects and use any mitigation credit from those improvements to help mitigate environmental impacts from future transportation projects.

A comprehensive analysis of SB 790, along with the text of the bill, is included as Attachment A. SB 790 is supported by a variety of environmental groups as well as the Ventura County Transportation Commission. A SUPPORT position for SB 790 is consistent with OCTA's 2021-22 State Legislative Platform principle to "Support streamlined environmental review and permitting processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections."

State Budget Update

In the face of an unprecedented budget year, the State Legislature has been evaluating Governor Gavin Newsom's May Revision proposals, which includes significantly higher-than-anticipated revenue forecasts and across-the-board robust and historic investments. OCTA has been actively engaged as budget conversations progress to ensure investments in transportation are effective in creating jobs and providing improvements for mobility throughout the State.

On June 1, 2021, OCTA sent correspondence to the Governor and Legislative leaders detailing these transportation-related priorities. Specifically, OCTA continues to advocate for statutory relief for transit agencies through the Transportation Development Act, additional funding for SB 1 (Chapter 5, Statutes of 2017) programs to expedite project delivery, and a funding set-aside for zero-emission transit buses to assist in the implementation of the Innovative

Clean Transit regulation. Other priorities OCTA supports include new funding opportunities to incentivize transit ridership as recovery from the coronavirus pandemic continues, broad investment in the 2028 Olympic and Paralympic Games in Los Angeles to benefit all areas serving the Olympics, and funding to support sustainable communities strategies, created pursuant to SB 375 (Chapter 728, Statutes of 2008), to aid in the planning and implementing of projects that will reduce regional greenhouse gas emissions. A copy of the letter is included as Attachment B.

OCTA staff will provide a verbal update on the final budget adoption at the June 17, 2021 Legislative and Communications Committee meeting. While it is anticipated the Legislature will meet its Constitutionally prescribed deadline of June 15, 2021, it is also expected that this year's budget negotiations will continue into the summer and early fall due to the nature of these historic funding levels. OCTA staff will continue to monitor these proposals and provide relevant updates.

Summary

A support position is requested regarding a legislative proposal to create a program to improve wildlife connectivity. An overview is provided of the state's budget process and the Orange County Transportation Authority's advocacy for transportation-related investment priorities.

Attachments

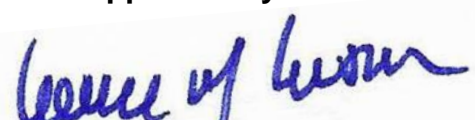
- A. SB 790 (Stern, D-Calabasas) Bill Analysis with Bill Language
- B. Letter from Andrew Do, Chairman, Orange County Transportation Authority, to the Honorable Gavin Newsom, Governor, State of California, the Honorable Toni Atkins, President pro Tempore, California State Senate, and the Honorable Anthony Rendon, Assembly Speaker, California State Assembly, dated June 1, 2021.
- C. Orange County Transportation Authority Legislative Matrix

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