



Orange County Transportation Authority

Legislative and Communications Committee Agenda

Thursday, April 18, 2024 at 9:00 a.m.

Board Room, 550 South Main Street, Orange, California

Committee Members

Donald P. Wagner, Chair
Katrina Foley, Vice Chair
Ashleigh Aitken
Jon Dumitru
Fred Jung
Tam T. Nguyen

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

Agenda Descriptions

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.

Public Availability of Agenda Materials

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.

Meeting Access and Public Comments on Agenda Items

Members of the public can either attend in-person or listen to audio live streaming of the Board and Committee meetings by clicking this link: <https://octa.legistar.com/Calendar.aspx>

In-Person Comment

Members of the public may attend in-person and address the Board regarding any item within the subject matter jurisdiction of the Orange County Transportation Authority. Please complete a speaker's card and submit it to the Clerk of the Board and notify the Clerk regarding the agenda item number on which you wish to speak. Speakers will be recognized by the Chair at the time of the agenda item is to be considered by the Board. Comments will be limited to three minutes. The Brown Act prohibits the Board from either discussing or taking action on any non-agendized items.

LEGISLATIVE AND COMMUNICATIONS COMMITTEE MEETING AGENDA

Written Comment

Written public comments may also be submitted by emailing them to ClerkOffice@octa.net, and must be sent by 5:00 p.m. the day prior to the meeting. If you wish to comment on a specific agenda item, please identify the item number in your email. All public comments that are timely received will be part of the public record and distributed to the Board. Public comments will be made available to the public upon request.

Call to Order

Pledge of Allegiance

Director Aitken

Closed Session

There are no Closed Session items scheduled.

Special Calendar

1. Conference Call with State Legislative Advocate Moira Topp

Moira Topp/Lance M. Larson

Overview

An update of Legislative Items in Sacramento will be provided.

Consent Calendar (Items 2 and 3)

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

2. Approval of Minutes

Clerk of the Board

Overview

Approve the minutes of the March 21, 2024 Legislative and Communications Committee Meeting.

Attachments:

[Minutes](#)

3. Amendment to Agreement for Customer Information Center

Ryan Maloney/Maggie McJilton

Overview

On April 26, 2021, the Orange County Transportation Authority Board of Directors approved an agreement with Alta Resources to operate the Customer Information Center for a three-year initial term and two, two-year option terms. Board of Directors' approval is requested to exercise the first option term effective July 1, 2024 through June 30, 2026.

LEGISLATIVE AND COMMUNICATIONS COMMITTEE MEETING AGENDA

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-0-2698 between the Orange County Transportation Authority and Alta Resources to exercise the first option term, in the amount of \$2,049,987, to continue providing customer information center call services, effective July 1, 2024 through June 30, 2026. This will increase the maximum obligation of the agreement to a total contract value of \$5,030,427.

Attachments:

[Staff Report](#)

[Attachment A](#)

Regular Calendar

4. State Legislative Status Report

Alexis Leicht/Lance M. Larson

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. Staff is recommending an oppose position on legislation related to allocation prohibitions for the Trade Corridor Enhancement Program. Staff recommends a support position on legislation related to penalties for battery against transit employees. A summary is provided of legislation that would authorize taxing authority in the Bay Area for transportation purposes and explore the consolidation of transit agencies in that area. Information is provided on a coalition letter sent opposing cuts to a grant program for certain sustainable transportation projects.

Recommendations

- A. Adopt an OPPOSE position on AB 2535 (Bonta, D-Oakland), which would prohibit the California Transportation Commission from allocating Trade Corridor Enhancement Program funding to a project that expands the highway footprint in certain communities.
- B. Adopt a SUPPORT position on AB 2824 (McCarty, D-Sacramento), which would expand the application of enhanced penalties for battery against a transit operator or ticketing agent to also apply to transit employees and contractors of a public transportation provider.

Attachments:

LEGISLATIVE AND COMMUNICATIONS COMMITTEE MEETING AGENDA

[Staff Report](#)
[Attachment A](#)
[Attachment B](#)
[Attachment C](#)
[Attachment D](#)
[Attachment E](#)

5. Federal Legislative Status Report

Clara Brotcke/Lance M. Larson

Overview

The Orange County Transportation Authority regularly updates the Legislative and Communications Committee on policy and regulatory issues directly impacting the agency's programs, projects, and operations. A summary is given of the President's fiscal year 2025 budgetary request and the various funding and policy provisions proposed. Information is provided on a regional letter submitted on the United States Environmental Protection Agency's proposed disapproval of the South Coast Contingency Measure State Implementation Plan. A House Transportation and Infrastructure Committee hearing related to Department of Transportation discretionary grants is summarized.

Recommendation

Receive and file as an information item.

Attachments:

[Staff Report](#)
[Attachment A](#)
[Attachment B](#)
[Attachment C](#)

Discussion Items

6. Public Comments

7. Chief Executive Officer's Report

8. Committee Members' Reports

9. Adjournment

The next regularly scheduled meeting of this Committee will be held:

9:00 a.m. on Thursday, May 16, 2024

OCTA Headquarters
Board Room
550 South Main Street
Orange, California

**Committee Members Present**

Donald P. Wagner, Chair
Katrina Foley, Vice Chair
Ashley Aitken
Jon Dumitru
Tam T. Nguyen

Staff Present

Darrell E. Johnson, Chief Executive Officer
Jennifer L. Bergener, Deputy Chief Executive Officer
Gina Ramirez, Assistant Clerk of the Board
Sahara Meisenheimer, Clerk of the Board Specialist
Andrea West, Clerk of the Board
James Donich, General Counsel
OCTA Staff

Committee Members Absent

Fred Jung

Call to Order

The March 21, 2024, regular meeting of the Legislative and Communications Committee was called to order by Committee Chair Wagner at 9:00 a.m.

Special Calendar**1. Conference Call with State Legislative Advocate Moira Topp**

Moira Topp, State Legislative Advocate, provided an update on this item.

No action was taken on this item.

Consent Calendar (Item 2)**2. Approval of Minutes**

A motion was made by Director Aitken, seconded by Director Nguyen, and declared passed by those present to approve the minutes of the February 15, 2024, Legislative and Communications Committee Meeting.

Regular Calendar**3. State Legislative Status Report**

Lance M. Larson, Executive Director of Government Relations, provided opening comments and introduced Alexis Leicht, Government Relations Representative, who provided an update on this item.

A motion was made by Committee Chair Wagner, seconded by Director Dumitru, and declared passed by those present to:

- A. Adopt a SUPPORT position on AB 2043 (Boerner, D-Solana Beach), which would require Medi Cal Managed Care Plans to reimburse public transit operators for nonmedical transportation and non-emergency medical transportation services.



- B. Adopt a SUPPORT position on AB 2259 (Boerner, D-Solana Beach), which would require CalSTA to develop and distribute a bicycle safety handbook on or before September 1, 2025.

Director Nguyen was not present to vote on this item.

Director Dumitru requested that Recommendation C be voted on separately from Recommendations A and B.

A motion was made by Committee Vice Chair Foley, seconded by Director Aitken, and declared passed as amended by those present to:

- C. Adopt a ~~SUPPORT~~ WATCH position on SB 1011 (Jones, R-San Diego), which would make a conditional prohibition for a person to unlawfully occupy a public space, including public transit stops, open spaces, and schools.

Director Dumitri voted in opposition to this item.

Director Nguyen was not present to vote on this item.

Vice Chair Foley requested that Recommendation D be voted on separately from Recommendations A, B, and C.

A motion was made by Committee Chair Wagner, seconded by Committee Vice Chair Foley, and declared passed as amended by those present to:

- D. Direct staff to engage with the author's office and work with Los Angeles – San Diego – San Luis Obispo Rail Corridor member agencies to help inform and identify any potential improvements to SB 1098 (Blakespear, D-Encinitas).

4. Federal Legislative Status Report

Lance M. Larson, Executive Director of Government Relations, provided opening comments and introduced Kristin Jacinto, Department Manager, Government Relations, who provided an update on this item.

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



Discussion Items

5. Angels Express Overview

Ryan Armstrong, Department Manager of Marketing and Customer Engagement, and Megan Taylor, Principal Transportation Analyst, provided an overview of the resumption of Angels Express service and its marketing efforts for the 2024 baseball season.

Following the discussion, no action was taken on this item.

6. Public Comments

There were no public comments received.

7. Chief Executive Officer's Report

Darrell E. Johnson, Chief Executive Officer, provided a report on the following:

- OC Bus Rapid
- Los Angeles- San Diego- San Luis Obispo Rail Corridor Update

8. Committee Members' Reports

There were no Committee Members' Reports.

9. Adjournment

The meeting adjourned at 10:25 a.m.

The next regularly scheduled meeting of this Committee will be held:

9:00 a.m. on Thursday, April 18, 2024

OCTA Headquarters

Board Room

550 South Main Street

Orange, California

ATTEST

Gina Ramirez
Assistant Clerk of the Board



April 18, 2024

To: Legislative and Communications Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement for Customer Information Center

Overview

On April 26, 2021, the Orange County Transportation Authority Board of Directors approved an agreement with Alta Resources to operate the Customer Information Center for a three-year initial term and two, two-year option terms. Board of Directors' approval is requested to exercise the first option term effective July 1, 2024 through June 30, 2026.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-0-2698 between the Orange County Transportation Authority and Alta Resources to exercise the first option term, in the amount of \$2,049,987, to continue providing customer information center call services, effective July 1, 2024 through June 30, 2026. This will increase the maximum obligation of the agreement to a total contract value of \$5,030,427.

Discussion

The Orange County Transportation Authority (OCTA) provides transit information to the public and receives feedback through the Customer Information Center (CIC).

OCTA has been outsourcing the services provided by the CIC since 1995. The CIC provides services including assisting customers with trip itineraries and other transit information, processing pass sales orders, answering questions regarding the OCTA Reduced Fare Identification program, and receiving and recording customer comments and complaints. The CIC also answers calls to the OCTA administrative offices and call routing, along with taking lost and found inquiries. The CIC currently handles more than 250,000 calls annually. Call volumes are dynamic and spike in conjunction with events such as service changes and fare adjustments.

Customers can reach the CIC through an automated telephone information system technology which allows customers to select options for recorded information or speak with a representative in English or Spanish. The CIC also utilizes a language translation service with more than 100 languages available to communicate information between a customer and the representative and is also able to respond to customers who are hearing impaired. Currently, the CIC operates seven days a week, 365 days per year.

The CIC hours of service are as referenced below:

	Weekdays	Weekends	Holidays
Bus Information	7 a.m. – 7 p.m.	8 a.m. – 6 p.m.	8 a.m. – 5 p.m.
Administrative Office	7 a.m. – 5 p.m.	Closed	Closed
Lost & Found	7 a.m. – 7 p.m.	8 a.m. – 6 p.m.	8 a.m. – 5 p.m.
Customer Relations	8 a.m. – 5 p.m.	Closed	Closed
Pass Sales / Reduced Fare Identification	8 a.m. – 2 p.m.	Closed	Closed

OCTA has established performance goals for call center operations to ensure customers receive high-quality service. The performance goals include answering at least 80 percent of all calls in less than two minutes and receiving no more than one valid CIC related complaint per 15,000 calls answered. The CIC continues to meet and exceed these performance goals. Additionally, CIC staff members are required to ride the fixed-route bus system to maintain familiarity with the service.

Procurement Approach

The original procurement was handled in accordance with OCTA's Board of Directors (Board)-approved policies and procedures for professional services that conform to both federal and state laws. On April 26, 2021, the Board approved the award of the agreement with Alta Resources (Alta) to provide CIC call services. The original agreement was awarded on a competitive basis and includes a three-year initial term in the amount of \$2,980,440 and two, two-year option terms. This agreement has been previously amended as shown in Attachment A.

The proposed Amendment No. 2 is to exercise the first option term through June 30, 2026, which will allow Alta to continue providing call center services. The budget for the amendment is \$2,049,987, which is based on current and anticipated usage for call center services. A per month cost escalation was negotiated in the original contract.

Fiscal Impact

Funds are included in OCTA's Proposed Fiscal Year 2024-25 Budget, pending Board approval, Marketing and Customer Engagement, Account No. 1837-7519-D4601-1E4, and is funded through the Orange County Transit District Fund.

Summary

Staff is recommending the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-0-2698 between the Orange County Transportation Authority and Alta Resources, to exercise the first option term, in the amount of \$2,049,987 effective July 1, 2024, through June 30, 2026, to continue providing customer information center call services. This amendment will increase the maximum obligation to a total contract value of \$5,030,427.

Attachment

A. Alta Resources, Agreement No. C-0-2698 Fact Sheet

Prepared by:

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Approved by:

Maggie McJilton
Executive Director
People and Community Engagement
714-560-5824



Pia Veasapen
Director, Contracts Administration and
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ATTACHMENT A

**Alta Resources
Agreement No. C-0-2698 Fact Sheet**

1. April 26, 2021, Agreement No. C-0-2698, \$2,980,440, approved by the Board of Directors (Board).
 - Alta Resources to provide call center services.
 - Three-year initial term effective July 1, 2021 through June 30, 2024 with two, two-year option terms.
2. April 1, 2023, Amendment No. 1 to Agreement No. C-0-2698, approved by the Contracts Administration and Materials Management Department.
 - To revise key personnel.
3. April 22, 2024, Amendment No. 2 to Agreement No. C-0-2698, \$2,049,987, pending approval by the Board.
 - To exercise the first option term of the agreement for call center services. The first option term is effective July 1, 2024 through June 30, 2026.

Total funds committed to Alta Resources after approval of Amendment No. 2 to Agreement No. C-0-2698: \$5,030,427.



April 18, 2024

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. Staff is recommending an oppose position on legislation related to allocation prohibitions for the Trade Corridor Enhancement Program. Staff recommends a support position on legislation related to penalties for battery against transit employees. A summary is provided of legislation that would authorize taxing authority in the Bay Area for transportation purposes and explore the consolidation of transit agencies in that area. Information is provided on a coalition letter sent opposing cuts to a grant program for certain sustainable transportation projects.

Recommendations

- A. Adopt an OPPOSE position on AB 2535 (Bonta, D-Oakland), which would prohibit the California Transportation Commission from allocating Trade Corridor Enhancement Program funding to a project that expands the highway footprint in certain communities.
- B. Adopt a SUPPORT position on AB 2824 (McCarty, D-Sacramento), which would expand the application of enhanced penalties for battery against a transit operator or ticketing agent to also apply to transit employees and contractors of a public transportation provider.

Discussion

AB 2535 (Bonta, D-Oakland): Trade Corridor Enhancement Program

The Trade Corridor Enhancement Program (TCEP) is a competitive funding program that was established through SB 1 (Chapter 5, Statutes of 2017). The program was intended to fund projects designed to move freight more efficiently on corridors with high volumes of freight movement and supports the goals of the National Highway Freight Program, the California Freight Mobility Plan, and the

guiding principles in the California Sustainable Freight Action Plan. AB 2535 would prohibit the California Transportation Commission (CTC) from allocating TCEP funding to a project that expands the physical footprint of a highway in a community that ranks in the highest quintile in the CalEnviroScreen for diesel particulate matter. CalEnviroScreen is a mapping tool that identifies communities that are most affected by various sources of pollution, particularly as it pertains to disadvantaged communities. If those emissions do not decrease by 50 percent below 2024 levels by 2030, the only projects that could be awarded funding from TCEP would be those that reduce diesel particulate matter emissions.

In addition to these restrictions on use of TCEP funds, AB 2535 also requires the CTC to establish a target to ensure that 15 percent of TCEP funds for each year are allocated to investments in zero-emission freight infrastructure, such as heavy-duty electric vehicle charging and fueling infrastructure and electric locomotive technology. The CTC would then be required to increase this target each year, with the goal of 50 percent of all TCEP funding to be for this purpose by 2030. Finally, AB 2535 would only allow TCEP to be programmed for design, right-of-way, and construction capital costs if the applicant has completed its environmental review of the project within six months of the CTC adopting the program of projects.

AB 2535 makes changes to TCEP in such a way that is inconsistent with the intent of SB 1 and undermines voter intent when voted to reject measures to repeal SB 1. The Orange County Transportation Authority (OCTA) has been awarded TCEP funds for projects such as the State Route 55 Improvement Project, which will improve freight access and throughput for the traveling public. If AB 2535 were in law today, the project would not have been eligible given the increase in the highway footprint. Additionally, since AB 2535 also requires as much as 50 percent of TCEP funding to go toward zero-emission freight infrastructure, including electric locomotive technology, there is already a significant piece of funding taken off the table for other modal projects. And given that this is limited to freight infrastructure, it is unclear how transportation agencies could remain competitive for funding for these technologies.

The wording within the legislation is amorphous in many ways. To start, AB 2535 does not define “expanded highway footprint.” Therefore, it is difficult to know what kinds of projects would be impacted. It could include even minor improvements to the highway for general maintenance or safety purposes. There is also no language included in AB 2535 that considers if a project could also be addressing safety and rehabilitation needs throughout the corridor or could include a widening component to incorporate pricing strategies to reduce congestion. In some cases, these projects create revenue for transit and active transportation, aiding the State in meeting its goals to reduce greenhouse gas emissions and vehicle miles traveled.

Further, AB 2535 uses CalEnviroScreen as the threshold for identifying certain communities. Many agencies still find difficulty in using this tool as it often portrays a level of subjectivity. This tool is continuing to evolve which could also create uncertainty in where a project could meet the criteria in one version, but perhaps the updated version would then make that project deemed prohibited under this program. Creating such priority structures outlined in the bill could cause significant consequences to planned and existing transportation projects and funding programs.

Current state and federal programs are structured in a manner to accomplish the goals of AB 2535, including through the Climate Action Plan for Transportation Infrastructure and the Justice40 Initiative. There should be an opportunity to implement existing policies prior to adding more complicated layers to transportation planning and funding. Additionally, the TCEP program already has certain distribution requirements that account for disadvantaged community populations. When creating policy, space needs to be left to fully vet and implement existing policy before adding more complexities which only delay critical transportation projects from creating these community benefits.

A comprehensive bill analysis and bill language are included as Attachment A. The Riverside County Transportation Commission and the Contra Costa Transportation Authority have oppose positions on this legislation. AB 2535 is sponsored by the Greenlining Institute with the Coalition for Clean Air, the Natural Resources Defense Council, and Environment California listed as co-sponsors. An OPPOSE position is consistent with OCTA's 2023-24 State Legislative Platform principle to "Oppose policies that change existing formula funding structures to redistribute funds in a way that would inhibit a local agency from delivering critical transportation projects and programs."

AB 2824 (McCarty, D-Sacramento): Battery: Public Transportation Provider

AB 2824 is co-sponsored by the California Transit Association, Amalgamated Transit Union, and Transport Workers Union. This bill would revise existing law, where battery against operators, drivers, or passengers on public transportation vehicles, with the perpetrator's awareness or reasonable assumption of the victim's professional duties, may result in imprisonment for up to one year in county jail, a fine of up to \$10,000, or both. If the victim sustains injuries, the penalty escalates to a fine of up to \$10,000, imprisonment for up to one year in county jail, or 16 months to three years in state prison, or both fine and imprisonment. This bill would expand this to apply to an employee or contractor of a public transportation provider as well.

AB 2824 provides an opportunity to strengthen protections for transit workers and acts as a deterrent for potential offenders, thereby creating a safer working environment. OCTA, along with other public transportation providers across the country, has increasingly been faced with issues regarding assault against transit employees, which can range from verbal abuse and threats to physical violence.

OCTA has seen an increase from 2022 to 2023 in coach operator assaults. Specifically, in 2023, the Orange County Sheriff's Department (OCSD) Transit Police Services (TPS) reported 33 assaults against coach operators. This is a 94 percent increase from OCSD TPS reporting 17 coach operator assaults in 2022. It is also important to note that the actual incident numbers are likely higher than the reported incident numbers, due to some employees choosing to not file a report. This bill provides the opportunity to protect a wider range of employees, which allows OCTA employees and contractors to access legal recourse in the event of an assault or battery while on duty.

A comprehensive bill analysis and bill language are included as Attachment B. The cosponsors are working with the author to potentially expand the language of the bill to include more resources to combat increased safety issues that public transit employees are facing. A SUPPORT position is consistent with OCTA's 2023-24 State Legislative Platform principles to "Support policies that aim to enhance transit services and the overall safety and security of transit riders, public transit employees, and on-road vehicles while avoiding undue burden on transportation agencies to implement unfunded safety measures."

SB 1031 (Wiener, D-San Francisco): San Francisco Bay Area: Local Revenue Measure: Transportation Improvements

SB 1031 is a bill sponsored by the Metropolitan Transportation Commission (MTC), the metropolitan planning organization (MPO) for the Bay Area, and seeks to not only reform the structure of transit coordination in their jurisdiction, but also would authorize several different taxing mechanisms to provide funding to both resolve transit funding shortages in the region and allow for future expansion. While the bill does not apply to the Southern California region, and is expected to be amended in several areas, some of the policy proposals could create precedent for other regions and inform the findings of the California State Transportation Agency's (CalSTA) Transit Transformation Task Force.

Under SB 1031, CalSTA would be required to have a report developed by the Institute of Transportation Studies making recommendations related to the potential consolidation of transit agencies in the Bay Area. Based on this report, CalSTA would then develop a comprehensive plan for consolidation by January 1, 2027, designed in a manner where services would not be reduced, while also improving accountability, connectivity, and efficiencies. Regardless of whether consolidation is pursued, SB 1031 would now require all transit agencies in the Bay Area to meet any MTC rules and regulations to be eligible to receive funding from State Transit Assistance, Local Transportation Fund, or the San Francisco Bay Area Conservation and Development Commission.

To assist with funding of future services, and to address projected deficits, the bill authorizes MTC to raise and allocate funding from a regional sales tax, a regional payroll tax, a parcel tax, and a regional vehicle registration surcharge. Many of these would require voter approval, with parameters detailed in SB 1031.

In addition to transit, the funding would also be eligible to be used for climate resiliency projects, safe streets, and connectivity projects. MTC would also be authorized to seek a ballot measure to require all employers in proximity to transit to purchase a regional transit pass for each of their employees.

Given continued negotiations on the specifics of this bill, only a few agencies in the Bay Area have taken a position. However, concerns have been raised about the potential for consolidation and impacts on services, staffing, and funding. In addition, others have flagged the increased role for MPOs this bill would create in transit funding and planning. Staff will provide updates as the bill moves forward.

Update on the Regional Early Action Planning 2.0 Grant Program

The Regional Early Action Planning Grant Program (REAP 1.0) was first established as part of the fiscal year (FY) 2019-20 state budget to provide regions with one-time funding aimed at grants for planning, specifically to allow jurisdictions to meet the Regional Housing Needs Assessment. REAP 1.0's success opened the door for the FY 2021-22 California Budget to establish a follow-up program, the Regional Early Action Planning 2.0 (REAP 2.0) Grant Program, providing \$600 million for this purpose. Unlike REAP 1.0, REAP 2.0's goal was to focus on transformative planning and implementation activities to help regions meet the goals of SB 375 (Chapter 728, Statutes of 2008), including transportation projects. Funding was directly allocated to MPOs, such as the Southern California Association of Governments (SCAG), who then could create a suballocation process, including for county transportation commissions, such as OCTA.

Within the Governor's proposed state budget for FY 2024-25, a variety of programmatic delays, shifts in funding, and reductions were included to help reduce the projected state budget deficit. This included a proposed reduction of \$300 million in funding for REAP 2.0. This reduced the available funding by 50 percent and significantly impacts projects that have already been awarded funding. OCTA staff has been working with SCAG to navigate these impacts.

On March 19, 2024, transportation agencies within the SCAG region sent a letter to state officials regarding the FY 2024-25 budget proposal. In addition to SCAG, OCTA signed onto this coalition letter alongside other Southern California transportation partners, including the Los Angeles County Metropolitan Transportation Authority, the San Bernardino County Transportation Authority, the Riverside County Transportation Commission, the Imperial County Transportation Commission, and the Ventura County Transportation Commission. This letter is included as Attachment E.

If funding is not restored for REAP 2.0, the following OCTA projects slated to receive funding could be impacted:

- First Street Multimodal Boulevard Design
- McFadden Avenue Transit Signal Priority Pilot
- Next Safe Travels Education Program (STEP) 2.0
- Harbor Boulevard Cloud-Based Transit Signal Priority Stage 1
- Harbor Boulevard Cloud-Based Transit Signal Priority Stage 2
- Reconnecting Communities Through Complete Streets
- Bikeways Connectivity Study
- Fullerton Park-and-Ride Transit-Oriented Development Site Design Concepts
- Active Transportation Outreach and Engagement Support
- Orange County Cyclic Counts 2024-2025
- Orange County Mobility Hubs Pilot Concept of Operations

The letter encourages the Legislature not to approve the Governor's proposal to eliminate \$300 million for the REAP 2.0 program. Staff will continue monitoring the budget process and provide the Board with updates as they become available.

Summary

A support position is recommended on legislation that would expand enhanced penalties for assault to include transit employees and contractors of a public transportation provider. An oppose position is recommended on legislation related to placing prohibitions on Trade Corridor Enhancement Program allocations to expanding freeway capacity. Information is given on legislation pertaining to Bay Area transportation agencies and their funding. Information is given on a coalition letter related to cuts to the REAP 2.0 grant program.

Attachments

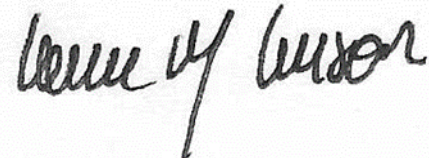
- A. AB 2535 (Bonta, D-Oakland) Bill Analysis with Bill Language
- B. AB 2824 (McCarty, D-Sacramento) Bill Analysis with Bill Language
- C. SB 1031 (Wiener, D-San Francisco) Bill Language
- D. Orange County Transportation Authority Legislative Matrix
- E. Letter from Kome Ajise, Executive Director, Southern California Association of Governments, and others, to The Honorable Mike McGuire, Senate President Pro Tempore, and others, dated March 19, 2024, re: Protect Regional Early Action Planning 2.0 (REAP 2.0) Grant Program

Prepared by:



Alexis Leicht
Government Relations Representative,
Government Relations
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Approved by:



Lance M. Larson
Executive Director,
Government Relations
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BILL: AB 2535 (Bonta, D-Oakland)
Amended April 9, 2024
Introduced February 13, 2024

SUBJECT: AB 2535 would prohibit the California Transportation Commission from allocating Trade Corridor Enhancement Program funding to a project that adds a general-purpose lane to a highway or expands highway capacity in certain communities.

STATUS: Pending in Assembly Committee on Transportation and Assembly Committee on Natural Resources

SUMMARY AS OF APRIL 10, 2024:

AB 2535 (Bonta, D-Oakland) would prohibit the California Transportation Commission (CTC) from allocating Trade Corridor Enhancement Program (TCEP) funding to a project that expands the physical footprint of a highway in a community that ranks in the highest quintile in CalEnviroScreen for diesel particulate matter. CalEnviroScreen is a mapping tool that identifies communities that are most affected by various sources of pollution, particularly as it pertains to disadvantaged communities. For those areas with levels of diesel particulate matter in the highest quintile in CalEnviroScreen in 2024, if those emissions do not decrease by 50 percent below 2024 levels by 2030, then only projects that result in a net decrease in such emissions can be programmed for TCEP funding after January 1, 2030. AB 2535 would also only allow TCEP to be programmed for design, right-of-way and construction capital costs if the applicant has completed its environmental review of the project within six months of the CTC adopting the program of projects.

In addition to the above restrictions on use of TCEP funds, AB 2535 also requires the CTC to establish a target to ensure that 15 percent of TCEP funds for each year are allocated to investments in zero-emission freight infrastructure, such as heavy-duty electric vehicle charging and fueling infrastructure and electric locomotive technology. The CTC would then be required to increase this target each year with the goal of 50 percent of all TCEP funding to be for this purpose by 2030.

EFFECTS ON ORANGE COUNTY:

TCEP is a competitive funding program that was established through SB 1 (Chapter 5, Statutes of 2017). The program was intended to fund projects designed to move freight more efficiently on corridors with high volumes of freight movement and supports the goals of the National Highway Freight Program, the California Freight Mobility Plan, and the guiding principles in the California Sustainable Freight Action Plan. AB 2535 makes changes to TCEP in such a way that is inconsistent with the intent of SB 1 and undermines voter intent when they voted to reject measures to repeal SB 1.

The Orange County Transportation Authority (OCTA) has been awarded TCEP funds for projects such as the State Route 55 (SR-55) Improvement Project, which will improve

freight access and throughput for the traveling public. If AB 2535 were in law today, this project would likely have not received funds through this program because the project would be deemed to increase the highway footprint. The legislation does not take into account that the project could also be addressing safety and rehabilitation needs throughout the corridor, like the SR-55 Improvement Project will do. At the same time, other freeway projects could increase the footprint of the highway so they can incorporate pricing strategies to reduce congestion. These projects create revenue for transit and active transportation, aiding the State in meeting its goals to reduce greenhouse gas emissions and vehicle miles traveled. Additionally, since AB 2535 also requires as much as 50 percent of TCEP funding to go toward zero-emission freight infrastructure, including electric locomotive technology, there is already a significant piece of funding taken off the table for other modal projects. And given that this is limited to freight infrastructure, it is unclear how transportation agencies could remain competitive for funding for these technologies.

The wording within the legislation is amorphous in many ways. To start, AB 2535 does not define “expanded highway footprint.” Therefore, it is difficult to know what kinds of projects would be impacted. This could include the addition of managed lanes, lanes for transit, and truck climbing lanes to name a few. It may also include even minor improvements to the highway for general maintenance or safety purposes. AB 2535 also references CalEnviroScreen as the threshold for identifying certain communities. Many agencies still find difficulty in using this tool as it often portrays a level of subjectivity. This tool is continuing to evolve which could also create uncertainty in way where a project could meet the criteria in one version, but perhaps the updated version would then make that project deemed prohibited under this program. Funding uncertainty is a significant concern to agencies delivering these types of programs. Creating such priority structures outlined in the bill could cause significant consequences to planned and existing transportation projects and funding programs.

The bill’s restriction to only funding diesel emission reducing projects in those communities in the highest quintile for diesel particulate emissions, if emissions aren’t reduced by 2030, also will significantly impact what projects could be competitive for TCEP in future years. Transportation agencies have limited authority to control such emissions and would be dependent on the success of other regulatory agencies in reducing these emissions. This would impact not only highway projects, but also other types of TCEP projects, including rail, port improvements, etc, if these emissions are not reduced. Rather than simply preclude projects that are unable to reduce one type of emissions, a more comprehensive analysis should take place to understand the full scope of the potential harms and benefits to surrounding communities and goods movement.

It should also be noted that both the state and federal governments have already outlined equity priorities through the Climate Action Plan for Transportation Infrastructure and the Justice40 Initiative, respectively. There should be an opportunity to implement existing policies prior to adding more complicated layers to transportation planning and funding. If this legislation were enacted, it would be difficult for agencies to determine the prioritization of one policy over another when planning projects and associated funding

possibilities. Additionally, this legislation would undermine the current requirements related to disadvantaged communities. Specifically, the TCEP program already has certain distribution requirements that account for disadvantaged community populations. Even further, for projects related to zero-emission infrastructure, there is a workforce development component that encourages hiring and training of individuals from disadvantaged communities. When creating policy, space needs to be left to fully vet and implement existing policy before adding more complexities which only delay critical transportation projects from creating these community benefits. Further, flexibility is needed for the CTC to be able to adjust program guidelines to quickly respond to project issues. Rather than mandate specific timelines related to environmental analysis in statute, it would make more sense for this to be part of the guideline development process as not to disadvantage beneficial projects from seeking funding that are in the early stages of project development.

The Riverside County Transportation Commission and the Contra Costa Transportation Authority have oppose positions on this legislation. AB 2535 is sponsored by the Greenlining Institute with the Coalition for Clean Air, the Natural Resources Defense Council, and Environment California listed as co-sponsors. An OPPOSE position is consistent with OCTA's 2023-24 State Legislative Platform principle to "Oppose policies that change existing formula funding structures to redistribute funds in a way that would inhibit a local agency from delivering critical transportation projects and programs."

OCTA POSITION:

Staff recommends: OPPOSE

AMENDED IN ASSEMBLY APRIL 9, 2024

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

ASSEMBLY BILL

No. 2535

Introduced by Assembly Member Bonta

February 13, 2024

An act to amend Section 2192 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL’S DIGEST

AB 2535, as amended, Bonta. Trade Corridor Enhancement Program.

Existing law requires the California Transportation Commission, under a program commonly known as the Trade Corridor Enhancement Program, to allocate, upon appropriation by the Legislature, revenues from a specified portion of the state excise tax on diesel fuel and certain federal funds ~~for~~ *to* infrastructure projects located on or along specified transportation corridors. Under existing law, eligible projects under the program include, among others, highway improvements to more efficiently accommodate the movement of freight and environmental and community mitigation or efforts to reduce environmental impacts of freight movement.

This bill would prohibit the commission from ~~allocating programming~~ funding under the program to a project that ~~adds a general purpose lane to a highway or expands the physical footprint of a highway capacity~~ in a community that meets certain criteria relating to pollution impacts. ~~The bill would also prohibit the commission from allocating funding under the program to a project that expands a highway’s footprint unless the project meets certain criteria relating to environmental review and the operation of the project.~~ *experiences disproportionate burdens from diesel particulate matter, as specified.*

Under the Trade Corridor Enhancement Program, existing law requires the commission to adopt a program of projects from projects nominated by the Department of Transportation and local agencies. In adopting the program of projects, existing law requires the commission to evaluate the total potential economic and noneconomic benefits of the program of projects to California's economy, environment, and public health, and to specifically assess localized impacts in disadvantaged communities. ~~Existing law also requires the commission to adopt guidelines to implement the program that includes a transparent process to evaluate projects and allocate program funding to infrastructure improvements in a manner that, among other things, includes disadvantaged communities measures, as specified.~~

This bill would require the applicant agency, as a condition of commission funding for design, right-of-way, and capital construction costs, to complete the applicable requirements of the California Environmental Quality Act and the federal National Environmental Policy Act of 1969 within 6 months of the Commission adopting the program of projects. The bill would limit the commission, when programming projects in specified communities that both experienced disproportionate burdens from diesel particulate matter in 2024 and did not experience a 50 percent decline in absolute levels of diesel particulate matter by 2030, to programming only projects that result in a net decrease in diesel particulate emissions in those communities on or after January 1, 2030. The bill would also require the commission to ensure that at least 50% of the establish percentage targets for funds allocated under the program in any fiscal year are to be allocated to investments in zero-emission freight infrastructure. In adopting the program of projects, the bill would require the commission, for zero-emission freight infrastructure projects, to prioritize those projects located in communities that meet certain criteria relating to pollution impacts. The bill would also require the process included in the guidelines to evaluate projects and allocate funding to infrastructure improvements in a manner that emphasizes community input and the unique needs of those most impacted by the goods movement system. infrastructure, with a goal of 50% of program funds awarded in 2030 being awarded to investments in zero-emission freight infrastructure, as provided.

~~The bill would require each agency that nominates a project that is included in the program of projects to comply with a maintenance of effort requirement by annually certifying to the commission that it will~~

~~maintain levels of funding from other sources pledged towards certain transportation projects, as specified. If the commission determines that an agency did not comply with the maintenance of effort requirement, the bill would require the commission to reduce the amount of funding allocated to any project nominated by the agency by $\frac{1}{3}$, as specified.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 2192 of the Streets and Highways Code
2 is amended to read:

3 2192. (a) The following revenues shall be allocated for
4 infrastructure projects pursuant to this section:

5 (1) The revenues deposited in the Trade Corridors Enhancement
6 Account pursuant to Section 2192.4, except for those revenues in
7 the account that were appropriated by Senate Bill 132 of the
8 2017–18 Regular Session (Chapter 7 of the Statutes of 2017).

9 (2) An amount of federal funds equal to the amount of revenue
10 apportioned to the state under Section 167 of Title 23 of the United
11 States Code from the national highway freight programs, pursuant
12 to the federal Fixing America’s Surface Transportation Act (“FAST
13 Act,” Public Law 114-94).

14 (b) The funding described in subdivision (a) shall be available
15 upon appropriation for allocation by the California Transportation
16 Commission for infrastructure improvements in this state on
17 federally designated Trade Corridors of National and Regional
18 Significance, on the Primary Freight Network, and along other
19 corridors that have a high volume of freight movement, as
20 determined by the commission and as identified in the state freight
21 plan developed pursuant to Section 13978.8 of the Government
22 Code. Projects eligible for funding shall be included in an adopted
23 regional transportation plan. Projects within the boundaries of a
24 metropolitan planning organization shall be included in an adopted
25 regional transportation plan that includes a sustainable communities
26 strategy determined by the State Air Resources Board to achieve
27 the region’s greenhouse gas emissions reduction targets. In
28 developing guidelines for implementing this section, the
29 commission shall do both of the following:

1 (1) Apply the guiding principles, to the maximum extent
2 practicable, in the California Sustainable Freight Action Plan
3 released in July 2016 pursuant to Executive Order No. B-32-15.

4 (2) Consult the state freight plan and the applicable port master
5 plan.

6 (c) Eligible projects for these funds include, but are not limited
7 to, all of the following:

8 (1) Highway improvements to more efficiently accommodate
9 the movement of freight, particularly for ingress and egress to and
10 from the state's land ports of entry, rail terminals, and seaports,
11 including navigable inland waterways used to transport freight
12 between seaports, land ports of entry, and airports, and to relieve
13 truck congestion along ~~limited~~ access major trade or goods
14 movement corridors.

15 (2) Freight rail system improvements to enhance the ability to
16 move goods from seaports, land ports of entry, and airports to
17 warehousing and distribution centers throughout California,
18 including projects that separate rail lines from highway or local
19 road traffic, improve freight rail mobility, and other projects that
20 improve the safety, efficiency, and capacity of the rail freight
21 system.

22 (3) Projects to enhance the capacity and efficiency of ports,
23 except that funds available under this section shall not be allocated
24 to a project that includes the purchase of fully automated cargo
25 handling equipment. For purposes of this paragraph, "fully
26 automated" means equipment that is remotely operated or remotely
27 monitored, with or without the exercise of human intervention or
28 control. This paragraph shall not prohibit the use of funds made
29 available pursuant to this section for a project that includes the
30 purchase of human-operated zero-emission equipment,
31 human-operated near-zero-emission equipment, and infrastructure
32 supporting that human-operated equipment. This section shall not
33 prohibit the purchase of devices that support that human-operated
34 equipment, including equipment to evaluate the usage and
35 environmental benefits of that human-operated equipment.

36 (4) Truck corridor improvements, including dedicated truck
37 facilities or truck toll facilities, including the mitigation of the
38 emissions from trucks or these facilities.

1 (5) Border access improvements that enhance goods movement
2 between California and Mexico and that maximize the state's
3 ability to access funds made available to the state by federal law.

4 (6) Surface transportation, local road, and connector road
5 improvements to effectively facilitate the movement of goods,
6 particularly for ingress and egress to and from the state's land ports
7 of entry, airports, and seaports, to relieve truck congestion along
8 ~~limited access~~ major trade or goods movement corridors.

9 (7) Projects that employ advanced and innovative technology
10 to improve the flow of freight, such as intelligent transportation
11 systems, public infrastructure, excluding vehicles, that enables
12 zero-emission or near-zero emission goods movement, real time
13 information systems, weigh-in-motion devices, electronic screening
14 and credentialing systems, traffic signal optimization, work zone
15 management and information systems, ramp metering, and
16 electronic cargo and border security technologies.

17 (8) Environmental and community mitigation or efforts to reduce
18 environmental impacts of freight movement, such as projects that
19 reduce noise, overnight truck idling, or truck queues, and advanced
20 traveler information systems such as freight advanced traveler
21 information systems that optimize operations to reduce empty-load
22 trips.

23 (d) (1) Projects funded with revenues identified in paragraph
24 (1) of subdivision (a) shall be consistent with Article XIX of the
25 California Constitution.

26 (2) The commission shall not ~~allocate~~ *program* any funding
27 pursuant to this section to a project that ~~does either of the~~
28 ~~following~~:

29 ~~(A) Adds a general purpose lane to a highway.~~

30 ~~(B) Expands~~ *expands the physical footprint of a* highway
31 ~~capacity~~ in a community that ranks in the highest quintile in
32 CalEnviroScreen for disproportionate burdens from ~~multiple~~
33 ~~sources of pollution and with population characteristics that makes~~
34 ~~the community more sensitive to pollution.~~ *diesel particulate*
35 *matter.*

36 ~~(3) The commission may allocate funding pursuant to this~~
37 ~~section to a project that expands a highway's footprint only if the~~
38 ~~project meets all of the following requirements:~~

39 ~~(A) The project completed a project-level environmental review~~
40 ~~in accordance with the California Environmental Quality Act~~

~~(Division 13 (commencing with Section 21000) of the Public Resource Code), and fully analyzed, disclosed, and mitigated all environmental impacts through an environmental impact report, including any impacts to vehicle miles traveled, induced vehicle miles traveled, greenhouse gas emissions, pollution from criteria air pollutants, energy use, noise, and other impacts that would be caused by induced vehicle miles traveled, including truck vehicle miles traveled.~~

~~(B) The project completed a project-level environmental review in accordance with the California Environmental Quality Act that analyzed project alternatives featuring only zero-emission infrastructure or vehicle miles traveled-reducing alternatives in the analysis of alternatives.~~

~~(C) The project will ensure smooth and free-flowing truck traffic on limited-access rights-of-way using demand management strategies, which may include, but are not limited to, tolls or other forms of road pricing.~~

~~(D) The project will deploy zero-emission freight technology.~~

~~(E) The project completed an analysis of cumulative pollution burdens and potential adverse cumulative impacts caused by the proposed project, and has a proposed mitigation plan developed in consultation with the communities subject to those cumulative impacts.~~

(3) Funding for design, right-of-way, and construction capital costs shall only be programmed to a project if the applicant agency completes the applicable requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) and the federal National Environmental Policy Act of 1969 (42 U.S.C. Sec. 4321 et seq.) within six months of the commission adopting the program of projects pursuant to subdivision (e).

(e) (1) In adopting the program of projects to be funded with funds described in subdivision (a), the commission shall evaluate the total potential economic and noneconomic benefits of the program of projects to California's economy, environment, and public health. The evaluation shall specifically assess localized impacts in disadvantaged communities. The commission shall consult with the agencies identified in Executive Order No. B-32-15 and metropolitan planning organizations in order to use the appropriate models, techniques, and methods to develop the

parameters for evaluating the program of projects. The commission shall allocate the funding from subdivision (a) for trade infrastructure improvements as follows:

(A) Sixty percent of the funds shall be available for projects nominated by regional transportation agencies and other public agencies, including counties, cities, and port authorities, in consultation with the department. The commission shall provide reasonable geographic targets for funding allocations without constraining what an agency may propose or what the commission may approve.

(B) Forty percent of the funds shall be available for projects nominated by the department, in consultation with regional transportation agencies.

(2) (A) In adopting a program of projects pursuant to paragraph (1), the commission shall prioritize projects jointly nominated and jointly funded by the state and local agencies. In considering geographic balance for the overall program, the commission may adjust the corridor-based targets in subparagraph (A) of paragraph (1) to account for projects programmed pursuant to subparagraph (B) of paragraph (1).

~~(B) In adopting a program of projects pursuant to paragraph (1), for projects meeting the criteria specified in paragraph (3), the commission shall prioritize projects located in communities that rank in the highest quintile in CalEnviroScreen for disproportionate burdens from multiple sources of pollution and with population characteristics that makes the community more sensitive to pollution.~~

(B) If absolute levels of diesel particulate matter in a community that ranks in the highest quintile in CalEnviroScreen for disproportionate burdens from diesel particulate matter in 2024 do not decline by 50 percent below 2024 levels by 2030, as determined by the Office of Environmental Health Hazard Assessment, then the commission shall, when programming projects in that community, only program projects that result in a net decrease in diesel particulate emissions in that community on or after January 1, 2030.

~~(3) The commission shall ensure that at least 50 establish a target to program 15 percent of the funds allocated pursuant to this section in any fiscal year are allocated the next programming cycle that begins on or after January 1, 2025, to investments in~~

1 zero-emission freight—infrastructure. ~~Zero-emission freight~~
2 ~~infrastructure may include, but is not limited to, heavy-duty electric~~
3 ~~vehicle charging and fueling infrastructure and electric locomotive~~
4 ~~technology. infrastructure that are well-qualified for funding based~~
5 ~~on the goals of the program. The commission shall increase the~~
6 ~~targets in each cycle, with a goal of 50 percent of the funds~~
7 ~~programmed in 2030 being awarded to investments in~~
8 ~~zero-emission freight infrastructure that are well-qualified for~~
9 ~~funding based on the goals of the program.~~

10 (f) ~~(1) Each agency, including the department and any local~~
11 ~~agency, that nominates a project that is included in the program~~
12 ~~of projects shall comply with the following maintenance-of effort~~
13 ~~requirement:~~

14 (A) ~~No later than 30 days after the beginning of each fiscal year,~~
15 ~~the agency shall certify to the commission that it will, during the~~
16 ~~period of time when any project nominated by the agency remains~~
17 ~~in the program of projects, maintain its levels of funding from all~~
18 ~~other sources pledged to transportation infrastructure projects that~~
19 ~~reduce vehicle miles traveled or support investments in~~
20 ~~zero-emission vehicle infrastructure, or both.~~

21 (B) ~~As part of the certification process, the agency shall submit~~
22 ~~a statement indicating the amount of funds pledged for those~~
23 ~~purposes in the preceding fiscal year and the amount of funds~~
24 ~~expended for those purposes in the preceding fiscal year.~~

25 (2) ~~If the commission determines that an agency did not comply~~
26 ~~with the maintenance-of effort requirement described in paragraph~~
27 ~~(1), the commission shall reduce the amount of funding allocated~~
28 ~~pursuant to this section to any project nominated by the agency~~
29 ~~by one-third.~~

30 (3) ~~If the commission determines that an agency that failed to~~
31 ~~meet its maintenance-of effort requirement comes into compliance~~
32 ~~in a subsequent fiscal year, the commission shall restore the amount~~
33 ~~of funding that was previously allocated to the project.~~

34 (g) (1) (A) The commission shall adopt guidelines, including
35 a transparent process to evaluate projects and to allocate the
36 funding described in subdivision (a) for trade infrastructure
37 improvements in a manner that does all of the following:

38 (i) Addresses the state's most urgent needs.

39 (ii) Balances the demands of various land ports of entry,
40 seaports, and airports.

1 (iii) Places emphasis on projects that improve trade corridor
2 mobility and safety while reducing emissions of diesel particulates,
3 greenhouse gases, and other pollutants and reducing other negative
4 community impacts, especially in disadvantaged communities.

5 (iv) Makes a significant contribution to the state's economy.

6 (v) Recognizes the key role of the state in project identification.

7 (vi) Supports integrating statewide goods movement priorities
8 in a corridor approach.

9 (vii) Includes disadvantaged communities measures, as
10 established by the California Environmental Protection Agency
11 pursuant to Section 39711 of the Health and Safety Code, and
12 other tools the commission determines, for evaluating benefits or
13 costs for disadvantaged communities and low-income communities.

14 ~~(viii) Emphasizes community input and the unique needs of~~
15 ~~those most impacted by the goods movement system.~~

16 (B) Project nominations shall include either a quantitative or
17 qualitative assessment of the benefits the project is expected to
18 achieve relative to the evaluation criteria.

19 (2) The guidelines adopted pursuant to paragraph (1) may
20 include streamlining of project delivery by authorizing regional
21 transportation agencies and other public agencies to seek
22 commission approval of a letter of no prejudice that allows the
23 agency to expend its own funds for a project programmed in a
24 future year of the adopted program of projects, in advance of
25 allocation of funds to the project by the commission, and to be
26 reimbursed at a later time for eligible expenditures. A letter of no
27 prejudice shall only be available to local or regional transportation
28 agencies for moneys that have been identified for future allocation
29 to the applicant agency. Moneys designated for the program shall
30 only be reimbursed when there is funding available in an amount
31 sufficient to make the reimbursement.

32 (h) In addition, the commission shall also consider the following
33 factors when allocating these funds:

34 (1) "Velocity," which means the speed by which large cargo
35 would travel from the land port of entry or seaport through the
36 distribution system.

37 (2) "Throughput," which means the volume of cargo that would
38 move from the land port of entry or seaport through the distribution
39 system.

1 (3) “Reliability,” which means a reasonably consistent and
2 predictable amount of time for cargo to travel from one point to
3 another on any given day or at any given time in California.

4 (4) “Congestion reduction,” which means the reduction in
5 recurrent daily hours of delay to be ~~achieved after accounting for,~~
6 ~~and mitigating, vehicle miles traveled.~~ *achieved.*

7 (i) For purposes of this section, the following terms have the
8 following meanings:

9 (1) “Disadvantaged communities” are those communities
10 identified by the California Environmental Protection Agency
11 pursuant to Section 39711 of the Health and Safety Code.

12 (2) “Low-income communities” are census tracts with median
13 household incomes at or below 80 percent of the statewide median
14 income or with median household incomes at or below the
15 threshold designated as low income by the Department of Housing
16 and Community Development’s list of state income limits adopted
17 pursuant to Section 50093 of the Health and Safety Code.

18 (j) It is the intent of the Legislature for the commission to adopt
19 an initial program of projects using the state and federal funds
20 described in subdivision (a) for eligible projects as soon as
21 practicable and no later than May 17, 2018.

BILL: AB 2824 (McCarty, D-Sacramento)
Introduced February 15, 2024

SUBJECT: AB 2824 would expand the enhanced penalties for battery or assault against a transit operator or ticketing agent to transit employees and contractors of a public transportation provider.

STATUS: Pending in Assembly Committee on Public Safety.

SUMMARY AS OF APRIL 3, 2024:

AB 2824 (McCarty, D-Sacramento) would expand the enhanced penalties for battery or assault against a transit operator or ticketing agent to transit employees and contractors of a public transportation provider.

Specifically, AB 2824 expands existing law, which dictates that battery against operators, drivers, or passengers on public transportation vehicles, with the perpetrator's awareness or reasonable assumption of the victim's professional duties, may result in imprisonment for up to one year in county jail, a fine of up to \$10,000, or both. If the victim sustains injuries, the penalty escalates to a fine of up to \$10,000, imprisonment for up to one year in county jail, or 16 months to 3 years in state prison, or both fine and imprisonment. This bill would expand this crime and punishment to apply to an employee or contractor of a public transportation provider as well.

EFFECTS ON ORANGE COUNTY:

AB 2824 provides an opportunity to strengthen protections for transit workers and acts as a deterrent for potential offenders, thereby creating a safer working environment. The Orange County Transportation Authority (OCTA), along with other public transportation providers across the country, has increasingly been faced with issues regarding assault against transit employees, which can range from verbal abuse and threats to physical violence. OCTA has seen an increase from 2022 to 2023 in coach operator assaults. Specifically, in 2023, the Orange County Sheriff's Department (OCSD) Transit Police Services (TPS) reported 33 assaults against coach operators. This is a 94 percent increase from OCSD TPS reporting 17 coach operator assaults in 2022. It is also important to note that the actual incident numbers are likely higher than the reported incident numbers, due to some employees choosing to not file a report. This bill provides the opportunity to protect a wider range of employees, which allows OCTA employees and contractors to access legal recourse in the event of an assault or battery while on duty.

AB 2824 affects public transportation providers across the state by establishing clear penalties for battery committed against individuals involved in public transportation services or vehicles. By delineating specific consequences for such offenses, the bill aims to ensure the safety and protection of operators, drivers, passengers, and other personnel associated with public transportation. It serves as a deterrent against violence, protecting those individuals who are performing their duties, and underscores the seriousness of

acts of battery, promoting accountability and potentially reducing instances of assault within the public transportation sector.

This legislation is co-sponsored by the California Transit Association, Amalgamated Transit Union, and Transport Workers Union. The cosponsors are working with the author to potentially expand the language of the bill to include more resources to combat increased safety issues that public transit employees are facing. A SUPPORT position is consistent with OCTA's 2023-24 State Legislative Platform principles to "Support policies that aim to enhance transit services and the overall safety and security of transit riders, public transit employees, and on-road vehicles while avoiding undue burden on transportation agencies to implement unfunded safety measures."

OCTA POSITION:

Staff recommends: SUPPORT

AMENDED IN ASSEMBLY MARCH 21, 2024

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

ASSEMBLY BILL

No. 2824

Introduced by Assembly Member McCarty

February 15, 2024

An act to amend Section 243.3 of the Penal Code, relating to crimes.

LEGISLATIVE COUNSEL'S DIGEST

AB 2824, as amended, McCarty. ~~Battery.~~ *Battery: public transportation provider.*

Existing law provides that when a battery is committed against the person of an operator, driver, or passenger on a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle, as specified, and the person who commits the offense knows or reasonably should know that the victim is engaged in the performance of their duties, the penalty is imprisonment in a county jail not exceeding one year, a fine not exceeding \$10,000, or both the fine and imprisonment. Existing law also provides that if the victim is injured, the offense would be punished by a fine not exceeding \$10,000, by imprisonment in a county jail not exceeding one year or in the state prison for 16 months, 2, or 3 years, or by both that fine and imprisonment.

~~This bill would make technical, nonsubstantive changes to this provision.~~

This bill would expand this crime to apply to an employee or contractor of a public transportation provider. By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: ~~no~~ yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 243.3 of the Penal Code is amended to
2 read:

3 243.3. When a battery is committed against the person of an
4 operator, driver, or passenger on a bus, taxicab, streetcar, cable
5 car, trackless trolley, or other motor vehicle, including a vehicle
6 operated on stationary rails or on a track or rail suspended in the
7 air, used for the transportation of persons for hire, or against a
8 schoolbus driver, or against the person of a station agent or ticket
9 agent for the entity providing the transportation, *or against an*
10 *employee or contractor of a public transportation provider as*
11 *defined in Section 243.35,* and the person who commits the offense
12 knows or reasonably should know that the victim, in the case of
13 an operator, driver, ~~or~~ agent, *employee, or contractor,* is engaged
14 in the performance of their duties, or is a passenger, the offense
15 shall be punished by a fine not exceeding ten thousand dollars
16 (\$10,000), by imprisonment in a county jail not exceeding one
17 year, or by both that fine and imprisonment. If an injury is inflicted
18 on that victim, the offense shall be punished by a fine not exceeding
19 ten thousand dollars (\$10,000), by imprisonment in a county jail
20 not exceeding one year or in the state prison for 16 months, or 2
21 or 3 years, or by both that fine and imprisonment.

22 SEC. 2. *No reimbursement is required by this act pursuant to*
23 *Section 6 of Article XIII B of the California Constitution because*
24 *the only costs that may be incurred by a local agency or school*
25 *district will be incurred because this act creates a new crime or*
26 *infraction, eliminates a crime or infraction, or changes the penalty*
27 *for a crime or infraction, within the meaning of Section 17556 of*
28 *the Government Code, or changes the definition of a crime within*

1 *the meaning of Section 6 of Article XIII B of the California*
2 *Constitution.*

O

AMENDED IN SENATE MARCH 18, 2024

SENATE BILL

No. 1031

Introduced by ~~Senator~~ *Senators Wiener and Wahab*
(Principal coauthor: Assembly Member Ting)

February 6, 2024

An act to amend ~~Section 9146 of the Government Code, relating to the Legislature. Sections 65081 and 66516 of, to add Section 13978.9 to, to add the heading of Division 1 (commencing with Section 66500) to Title 7.1 of, and to add Division 2 (commencing with Section 66538) to Title 7.1 of, the Government Code, to amend Section 99270.5 of the Public Utilities Code, to add Section 976.9 to the Unemployment Insurance Code, and to add Section 9250.3 to the Vehicle Code, relating to transportation.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1031, as amended, Wiener. ~~Legislative review of state agency action.~~ *San Francisco Bay area: local revenue measure: transportation improvements.*

(1) Existing law creates the Metropolitan Transportation Commission as a local area planning agency for the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Existing law creates various transit districts located in the San Francisco Bay area, with specified powers and duties relating to providing public transit services.

This bill would authorize the commission to raise and allocate new revenue and incur and issue bonds and other indebtedness, as specified. In this regard, the bill would authorize the commission to impose a retail transactions and use tax, a regional payroll tax, a parcel tax, and a regional vehicle registration surcharge in all or a subset of the 9

counties of the San Francisco Bay area, in accordance with applicable constitutional requirements. The bill would require the parcel tax to be collected by counties and the other 3 taxes to be collected by specified state agencies, and would require the net revenues from those taxes to be remitted to the commission, as prescribed. The bill would require the revenue generated pursuant to these provisions to be used for transportation improvements in the San Francisco Bay area, including for various transit purposes, and would require the commission to distribute those revenues in accordance with specified requirements and expressions of legislative intent.

By adding to the duties of local officials with respect to elections procedures for revenue measures on behalf of the commission, this bill would impose a state-mandated local program.

(2) Existing law establishes the Transportation Agency, consisting of various state agencies under the supervision of an executive officer known as the Secretary of Transportation, who is required to develop and report to the Governor on legislative, budgetary, and administrative programs to accomplish comprehensive, long-range, and coordinated planning and policy formulation in the matters of public interest related to the agency.

This bill would require the Transportation Agency to select a transportation institute, as defined, to conduct an assessment of the associated advantages and disadvantages of consolidating all of the transit agencies, as defined, that are located in the 9-county San Francisco Bay area, as specified. The bill would require that assessment to be completed on or before January 1, 2026, and would require, as part of that assessment, the transportation institute to provide recommendations on how to consolidate those transit agencies and to include certain information in the assessment. Based on the findings of the assessment, the bill would require the Transportation Agency, on or before January 1, 2027, to recommend a comprehensive plan to consolidate all of the transit agencies located in the San Francisco Bay area, as provided. The bill would establish the Bay Area Transit Consolidation Technical Assistance Fund in the State Treasury for the deposit of moneys that can be used for specified purposes, including paying for the cost of conducting the assessment and preparing the comprehensive plan, as specified. The bill would require the assessment and the comprehensive plan to be submitted to the Legislature upon completion.

(3) Existing law requires the Metropolitan Transportation Commission to adopt rules and regulations to promote the coordination of fares and schedules for all public transit systems within its jurisdiction, as specified.

This bill would revise and recast this provision by, among other things, providing that the commission is responsible for implementing a seamless transit rider experience across the San Francisco Bay area and requiring those rules and regulations to also promote the coordination of mapping and wayfinding, real-time transit information, and other customer-facing operating policies, as specified. The bill would also declare that it is intent of the Legislature that the commission implement and sustain specified outcomes in undertaking these responsibilities. The bill would require the commission to submit an annual report to the Legislature on the status of those outcomes and the status of transit ridership in the San Francisco Bay area. By imposing additional duties on the commission, the bill would create a state-mandated local program.

(4) Under existing law, a transit operator within the jurisdiction of the commission is not eligible to receive funding allocated by the commission pursuant to the State Transit Assistance Program unless it has complied with the above-described rules and regulations adopted by the commission.

This bill would also make a transit operator ineligible to receive an allocation from the commission of the revenues generated by the new taxing authority authorized by the bill or to make a claim pursuant to the Transportation Development Act for an allocation of funds from a local transportation fund if the operator is not in compliance with those rules and regulations.

(5) Existing law authorizes the commission and the Bay Area Air Quality Management District to jointly adopt a commute benefit ordinance that requires covered employers operating within the common area of the 2 agencies with a specified number of covered employees to offer those employees certain commute benefits, as specified.

This bill would also authorize one of those commute benefit options to include an employer-provided regional transit pass.

This bill would authorize the commission, as part of a measure to impose a tax described above, to propose a ballot measure that would require a covered employer that is located in proximity to transit to purchase a regional transit pass for each of its employees and to require a covered employer that is not located in proximity to transit to provide

a subsidy to each of its employees corresponding in financial value to the regional transit pass, as specified. If the ballot measure is approved by the voters, the bill would require the commission and the district to update the ordinance accordingly.

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

~~Existing law requires a state agency, as specified, to notify the Joint Legislative Budget Committee not less than 60 days prior to the effective date on which the state agency will establish or change a federal aid allocation formula to a local agency. If the chairman of the committee informs committee members of his intention to waive the 60-day notification period, existing law permits the chairman to grant a waiver of that notification period after receipt of the notification. Under existing law, upon the request of the chairman or any member of the committee, the committee must schedule a hearing on the proposed allocation formula to be established or changed.~~

~~This bill would make technical, nonsubstantive changes to those provisions to use gender-neutral language.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: ~~no~~ yes.

The people of the State of California do enact as follows:

- 1 *SECTION 1. The Legislature finds and declares all of the*
- 2 *following:*
- 3 *(a) The San Francisco Bay area needs a world-class, reliable,*
- 4 *affordable, efficient, and connected transportation network that*
- 5 *meets the needs of bay area residents, businesses, and visitors*
- 6 *while also helping combat the climate crisis.*
- 7 *(b) A world-class transportation network will enhance access*
- 8 *to opportunity, lower greenhouse gas emissions, strengthen the*
- 9 *region's economy, and improve quality of life.*
- 10 *(c) To achieve that vision, the San Francisco Bay area needs*
- 11 *all of the following:*

1 (1) *A public transit network that offers safe, clean, frequent,*
2 *accessible, easy-to-navigate, and reliable service that gets transit*
3 *riders where they want and need to go safely, affordably, quickly,*
4 *and seamlessly.*

5 (2) *Local roads that are well maintained.*

6 (3) *Transit, biking, walking, and wheeling options that are safe,*
7 *convenient, and competitive alternatives to driving.*

8 (d) *Regional funding and reforms are necessary to create a*
9 *climate-friendly transportation system that is safe, accessible, and*
10 *convenient for all, including through doing all of the following:*

11 (1) *Protecting and enhancing transit service.*

12 (2) *Making transit faster, safer, and easier to use.*

13 (3) *Enhancing mobility and access for all.*

14 SEC. 2. *This act shall be known, and may be cited as, the _____*
15 *Act of 2024.*

16 SEC. 3. *Section 13978.9 is added to the Government Code, to*
17 *read:*

18 13978.9. (a) *For purposes of this section, the following*
19 *definitions apply:*

20 (1) *“Commission” means the Metropolitan Transportation*
21 *Commission.*

22 (2) *“San Francisco Bay area” means the region comprising*
23 *the commission’s jurisdiction, as prescribed by Section 66502.*

24 (3) *“Transit agency” has the same meaning as “public*
25 *transportation operator” as defined in subdivision (b) of Section*
26 *99312.2 of the Public Utilities Code.*

27 (4) *“Transportation institute” means either the University of*
28 *California Institute of Transportation Studies or the Mineta*
29 *Transportation Institute at San José State University.*

30 (b) (1) *The Transportation Agency shall select a transportation*
31 *institute to conduct an assessment of the associated advantages*
32 *and disadvantages of consolidating all of the transit agencies that*
33 *are located within the San Francisco Bay area, and shall oversee*
34 *the transportation institute in that regard. The transportation*
35 *institute shall complete the assessment on or before January 1,*
36 *2026, and upon completion, shall submit the assessment to the*
37 *Legislature in compliance with Section 9795, and to the*
38 *commission and each of the transit agencies located in the San*
39 *Francisco Bay area.*

1 (2) *In undertaking the duties set forth in paragraph (1), the*
2 *Transportation Agency shall consult with impacted stakeholders,*
3 *included, but not limited to, impacted transit agencies, transit*
4 *unions, transit riders, and local governments.*

5 (3) *If the Transportation Agency selects the University of*
6 *California Institute of Transportation Studies to complete the*
7 *assessment, the requirement to complete the assessment shall only*
8 *apply to the University of California to the extent that the Regents*
9 *of the University of California, by appropriate resolution, make*
10 *that requirement applicable.*

11 (4) *In conducting the assessment, the transportation institute*
12 *shall also study the impact that regional consolidation would have*
13 *on wages, work conditions, pension, and retirement benefits of*
14 *workers covered by collective bargaining agreements at relevant*
15 *agencies.*

16 (5) *As part of the assessment, the transportation institute shall*
17 *provide recommendations on how to consolidate those transit*
18 *agencies in a manner that does all of the following:*

19 (A) *Prioritizes cost savings to the public, the adoption of*
20 *advanced technology, and other efficiencies.*

21 (B) *Meets and exceeds climate goals.*

22 (C) *Improves the speed of transit and the seamlessness of*
23 *transfers.*

24 (D) *Advances any other improvements to transit operations.*

25 (6) *The transportation institute shall identify, at a minimum, all*
26 *of the following information in the assessment:*

27 (A) *Each transit agency, and each agency that has authority to*
28 *create policy or assess charges with regard to transit, that is*
29 *located in the San Francisco Bay area and whether the governing*
30 *body of those agencies is appointed or elected.*

31 (B) *The size of the membership, terms of service of the members,*
32 *and whether the members are voting members, for each governing*
33 *body of an agency described in subparagraph (A).*

34 (C) *Whether the governing body of an agency described in*
35 *subparagraph (A) was created pursuant to state statute, local*
36 *ordinance, city charter, federal law, or ballot measure or initiative.*

37 (D) *The county where each agency described in subparagraph*
38 *(A) and its governing body is located.*

39 (E) *Any qualifications required to serve as a member of the*
40 *governing board of an agency described in subparagraph (A).*

1 (F) *The funding structures, including any tax assessments, and*
2 *revenue mechanisms, including any temporary or permanent state*
3 *or federal support, or both, established for each agency described*
4 *in subparagraph (A).*

5 (G) *The fares or other fees imposed on riders by each transit*
6 *agency and the available routes provided by each transit agency.*

7 (H) *The fleet type and size of each transit agency.*

8 (I) *The programs and services offered to riders by each transit*
9 *agency, including any subsidies offered to riders.*

10 (J) *The workforce size and type of each agency described in*
11 *subparagraph (A), whether there are any applicable labor*
12 *contracts for that workforce, and the socioeconomic makeup of*
13 *that workforce.*

14 (K) *The socioeconomic makeup of the riders of each transit*
15 *agency.*

16 (L) *The continuity of travel between public transit systems*
17 *operated by different transit agencies and between different*
18 *services or programs operated by the same transit agency.*

19 (M) *Infrastructure gaps between routes of regional travel.*

20 (N) *Service gaps between routes of travel.*

21 (O) *Existing and planned regional network management efforts,*
22 *including efforts to modify and improve the commission's regional*
23 *network management authority, and how consolidation would*
24 *relate to, or impact, those efforts.*

25 (c) *Based on the findings of the assessment conducted pursuant*
26 *to subdivision (b), the Transportation Agency shall recommend a*
27 *comprehensive plan to consolidate all of the transit agencies that*
28 *are located in the San Francisco Bay area. The Transportation*
29 *Agency shall complete the plan on or before January 1, 2027, and,*
30 *upon completion, shall submit the plan to the Legislature in*
31 *compliance with Section 9795, and to the commission and each*
32 *of the transit agencies located in the San Francisco Bay area. In*
33 *the plan, the Transportation Agency shall do all of the following:*

34 (1) *Design the plan in a manner that provides benefits to riders,*
35 *including paratransit riders, and that does all of the following:*

36 (A) *Improves access to routes and services, including across*
37 *city and county boundaries, and improves connections to regional*
38 *and interregional transit service in a manner that competes with*
39 *private automobile travel.*

1 (B) Maintains affordable fares and reliable, safe, and efficient
2 service.

3 (C) Improves and simplifies the accountability of the
4 transportation system to the public and riders.

5 (D) Supports greater efficiency and cost-effectiveness, and
6 reduces administrative costs.

7 (E) Provides more equitable access to quality, connected transit
8 services to communities throughout the region.

9 (2) (A) Identify opportunities to consolidate agencies and
10 provide specific recommendations for the consolidation or
11 elimination of transit agencies and their governing bodies without
12 resulting in the elimination of programs and transportation
13 services.

14 (B) For the purposes of this paragraph, “consolidation” may
15 include reforms to transit agencies that include one or more of the
16 following:

17 (i) Combining staffs of transit agencies.

18 (ii) Replacing multiple governing boards with a unified
19 governing board representing a broader jurisdiction.

20 (iii) Creating an umbrella structure under which existing transit
21 agencies are brought together but still operate as distinct divisions
22 with separate governing boards.

23 (3) Recommend a new governing structure and governing board
24 member qualifications, as appropriate, for a new consolidated
25 agency or agencies based on research of effective international
26 models of transit delivery excellence, and consideration of recent
27 regional and state studies of effective transit governance. In making
28 these recommendations, the Transportation Agency shall do both
29 of the following:

30 (A) Identify any future legislative steps required to implement
31 the recommended governing structure.

32 (B) Consider other reforms necessary to ensure that commission
33 policy is democratically accountable and serves the regional
34 welfare.

35 (4) Identify and describe any relationship or impacts of the
36 recommendations or elements of the plan on existing and planned
37 regional network management efforts or structures.

38 (5) Identify necessary local, state, or federal laws that may
39 impact efforts to implement the consolidation of the transit
40 agencies.

1 (6) *Identify steps, in consultation with impacted stakeholders,*
2 *to maintain and transfer labor agreements and bargaining units*
3 *to maintain employee wages, benefits, protections, and working*
4 *conditions secured by those agreements.*

5 (7) *Identify barriers to consolidating or eliminating transit*
6 *agencies and alternative actions, including memorandums of*
7 *understanding between transit agencies, for the consolidation of*
8 *services.*

9 (8) *Describe the steps necessary for, and the feasibility of,*
10 *interoffice and interagency coordination of programs, services,*
11 *and resources for riders if consolidation is not feasible.*

12 (9) *Recommend opportunities for securing federal, state, and*
13 *local moneys that can be used to fund consolidation.*

14 (10) *Recommend a strategy for a public education and outreach*
15 *program on any proposed consolidation efforts and any proposed*
16 *coordination services and programs.*

17 (d) (1) *The Bay Area Transit Consolidation Technical*
18 *Assistance Fund is hereby established in the State Treasury for*
19 *the deposit of moneys that can be used for the following purposes:*

20 (A) *Paying for the cost of conducting the assessment pursuant*
21 *to subdivision (b) and preparing the comprehensive plan pursuant*
22 *to subdivision (c).*

23 (B) *Paying for expenses related to the implementation of the*
24 *consolidation of transit agencies located in the San Francisco Bay*
25 *area, if those consolidations occur.*

26 (2) *Any moneys deposited into the fund, including moneys*
27 *deposited into the fund pursuant to Section 66538.40, shall be*
28 *available to the Transportation Agency, upon appropriation by*
29 *the Legislature, for the purposes described in paragraph (1).*

30 (3) *The Transportation Agency may accept private donations*
31 *to be used for the purposes described in this section. Any donations*
32 *received pursuant to this paragraph shall be deposited into the*
33 *fund established pursuant to paragraph (1).*

34 SEC. 4. *Section 65081 of the Government Code is amended to*
35 *read:*

36 65081. (a) *It is the intent of the Legislature to encourage*
37 *metropolitan planning organizations and local air quality*
38 *management districts or air pollution control districts to work with*
39 *local employers to adopt policies that encourage commuting by*
40 *means other than driving alone. To encourage this, the Legislature*

1 hereby establishes a program in that regard in the greater San
2 Francisco Bay Area.

3 (b) Notwithstanding Section 40717.9 of the Health and Safety
4 Code, the Bay Area Air Quality Management District and the
5 Metropolitan Transportation Commission with respect to the
6 common area within their respective jurisdictions may jointly adopt
7 a commute benefit ordinance that requires covered employers
8 operating within the common area of the district and commission
9 to offer all covered employees one of the following choices:

10 (1) A pretax option: a program, consistent with Section 132(f)
11 of the Internal Revenue Code, allowing covered employees to elect
12 to exclude from taxable wages employee commuting costs incurred
13 for transit passes or vanpool charges, up to the maximum amount
14 allowed by federal tax law.

15 (2) Employer-paid benefit: a program whereby the covered
16 employer offers employees a subsidy to offset the monthly cost
17 of commuting via public transit or by vanpool, or, in addition, and
18 at the employer's discretion, by bicycle. The subsidy shall be equal
19 to either the monthly cost of commuting via public transit or by
20 vanpool, or seventy-five dollars (\$75), whichever is lower. The
21 seventy-five dollar (\$75) amount shall be adjusted annually
22 consistent with the California Consumer Price Index. If the covered
23 employer chooses to offer a subsidy to offset the monthly cost of
24 commuting by bicycle, the subsidy shall be either the monthly cost
25 of commuting by bicycle or twenty dollars (\$20), whichever is
26 lower.

27 (3) Employer-provided transit: transportation furnished by the
28 covered employer at no cost, or low cost as determined by the
29 district or commission, to the covered employee in a vanpool or
30 bus, or similar multipassenger vehicle operated by or for the
31 employer.

32 (4) *Employer-provided regional transit pass: a program*
33 *whereby the covered employer offers covered employees a subsidy*
34 *in the form of a universal regional transit pass to offset the monthly*
35 *cost of commuting via public transit.*

36 (c) Nothing in this section shall prevent a covered employer
37 from offering a more generous commuter benefit that is otherwise
38 consistent with the requirements of the applicable commute benefit
39 ordinance. Nothing in this section shall require employees to
40 change their behavior.

(d) An employer offering, or proposing to offer, an alternative commuter benefit on the employer's own initiative, or an employer otherwise required to offer an alternative commuter benefit as a condition of a lease, original building permit, or other similar requirement, if the alternative is not one of the options identified in subdivision (b), may seek approval of the alternative from the district or commission. The district or commission may approve an alternative if it determines that the alternative provides at least the same benefit in terms of reducing single-occupant vehicle trips as any of the options in subdivision (b). An employer that offers an approved alternative to covered employees in a manner otherwise consistent with this section is not required to offer one of the options in subdivision (b).

(e) The commute benefit ordinance shall provide covered employers with at least six months to comply after the ordinance is adopted.

(f) An employer that participates in or is represented by a transportation management association that provides the employer's covered employees with any of the benefits in subdivision (b), or an alternative benefit determined by the district or commission pursuant to subdivision (d) to provide at least the same benefit in terms of reducing single-occupant vehicle trips as any of the options in subdivision (b), shall be deemed in compliance with the regional ordinance, and the transportation management association may act on behalf of those employers in that regard. The district or commission shall communicate directly with the transportation management association, rather than the participating employers, to determine compliance with the ordinance.

(g) A commute benefit ordinance adopted pursuant to this section shall specify all of the following: ~~(1) how~~

(1) How the implementing agencies will inform covered employers about the ordinance, (2) how ordinance.

(2) How compliance with the ordinance will be demonstrated, (3) the demonstrated.

(3) The procedures for proposing and the criteria that will be used to evaluate an alternative commuter benefit pursuant to subdivision (d), and (4) any (d).

(4) Any consequences for noncompliance.

(h) Nothing in this section shall limit or restrict the statutory or regulatory authority of the commission or district.

1 (i) The commission shall not use federal planning funds in the
2 implementation of the commute benefit ordinance.

3 (j) *(1) Notwithstanding subdivisions (b) and (d), the commission*
4 *may propose a ballot measure as part of a measure proposed*
5 *pursuant to Division 2 (commencing with Section 66538) of Title*
6 *7.1 and subject to the election procedures set forth in that division*
7 *to update the ordinance adopted pursuant to this section to do*
8 *both of the following:*

9 (A) *Require a covered employer that is located in proximity to*
10 *transit to purchase a regional transit pass for each of its employees*
11 *that provides universal and unlimited access to transit services*
12 *provided by transit agencies operating in the common area within*
13 *the jurisdiction of the district and the commission.*

14 (B) *Require a covered employer that is not located in proximity*
15 *to transit to provide a subsidy to each of its employees*
16 *corresponding in financial value to the regional transit pass*
17 *described in subparagraph (A) to encourage commuting to work*
18 *by means other than driving alone.*

19 (2) *Consistent with subdivision (b) of Section 66538.20, if the*
20 *update to the ordinance is proposed in a subset of the counties of*
21 *the San Francisco Bay area, the update to the ordinance authorized*
22 *in paragraph (1) shall apply only in those counties in which the*
23 *measure was submitted to the voters.*

24 (3) *Notwithstanding subdivisions (b) and (d), if a ballot measure*
25 *described in paragraph (1) is approved, the commission and the*
26 *district shall update the ordinance adopted pursuant to this section*
27 *to require covered employers to provide covered employees with*
28 *the applicable commuting benefit set forth in subparagraphs (A)*
29 *and (B) of paragraph (1) instead of requiring covered employers*
30 *to offer the choices described in paragraphs (1) to (4), inclusive,*
31 *of subdivision (b).*

32 ~~(j)~~

33 (k) As used in this section, the following ~~terms have the~~
34 ~~following meanings:~~ definitions apply:

35 (1) “Covered employer” means any employer for which an
36 average of 50 or more employees per week perform work for
37 compensation within the area where the ordinance adopted pursuant
38 to this section operates. In determining the number of employees
39 performing work for an employer during a given week, only
40 employees performing work on a full-time basis shall be counted.

(2) “Covered employee” means an employee who performed at least an average of 20 hours of work per week within the previous calendar month within the area where the ordinance adopted pursuant to this section operates.

(3) “District” means the Bay Area Air Quality Management District.

(4) “Commission” means the Metropolitan Transportation Commission.

SEC. 5. Section 66516 of the Government Code is amended to read:

~~66516. (a) (1) The commission, in coordination with the regional transit coordinating council established by the commission pursuant to Section 29142.4 of the Public Utilities Code, commission shall be responsible for implementing a seamless transit rider experience across the region. To implement this responsibility, the commission shall adopt, and update as necessary, rules and regulations to promote the coordination of fares and schedules fares, including fare payment methods and transit fare integration, schedules, mapping and wayfinding, real-time transit information, and other customer-facing operating policies that would benefit from a regional approach for all public transit systems agencies within its jurisdiction. The~~

~~(2) It is the intent of the Legislature that the commission’s rules and regulations adopted pursuant to paragraph (1) be based on the central goal of increasing transit ridership by improving the customer experience of riding public transit in the San Francisco Bay area and creating a seamless experience across all public transit agencies providing service in the commission’s jurisdiction.~~

~~(3) The commission shall require every system to enter into a joint fare revenue sharing agreement with connecting systems consistent with the commission’s rules and regulations.~~

~~(b) Notwithstanding any other law, each public transit agency within the region shall comply with the commission’s rules and regulations adopted pursuant to subdivision (a) as a condition of receiving any of the following funds:~~

~~(1) Any funds allocated pursuant to Sections 99313 and 99314 of the Public Utilities Code, consistent with Section 99314.7 of the Public Utilities Code.~~

~~(2) Any funds allocated from a local transportation fund administered pursuant to Article 3 (commencing with Section~~

1 99230) of Chapter 4 of Part 11 of Division 10 of the Public Utilities
2 Code, consistent with subdivision (b) of Section 99270.5 of the
3 Public Utilities Code.

4 (3) Any funds allocated pursuant to Division 2 (commencing
5 with Section 66538).

6 (c) In designating the commission with the responsibility set
7 forth in subdivision (a), it is the intent of the Legislature that the
8 commission implement and sustain the following outcomes:

9 (1) A common fare payment system for public transit agencies
10 in the region.

11 (2) A universal regional transit pass that is valid on all public
12 transit agencies in the region.

13 (3) An integrated transit fare structure with common definitions
14 for adults, youth, seniors, persons with disabilities, and other
15 categories of riders.

16 (4) A common fare transfer policy that strives to eliminate any
17 extra fare for using more than one transit system on a single
18 journey.

19 (5) Integrated mapping, signage, and real-time schedule
20 information that makes transit in the region easy to navigate and
21 convenient for both new and existing riders.

22 (6) Transit services in the region that are equitably planned
23 and integrally managed as a unified, efficient, and reliable network,
24 including interagency transfer policies and coordinating schedules
25 at stops or station areas serving more than one public transit
26 agency.

27 (7) Transit services for older adults, people with disabilities,
28 and those with lower incomes that are coordinated efficiently
29 throughout the region.

30 (8) Resources are invested to provide for the comfort and safety
31 of transit riders.

32 (9) The transit network in the region uses its existing resources
33 more efficiently and secures new, dedicated revenue to meet its
34 capital and operating needs.

35 (d) It is the intent of the Legislature to enact legislation that
36 would strengthen regional network management within the region,
37 including the possibility of establishing a body within the
38 commission to guide regional network management efforts.

39 (e) In implementing this section, each public transit agency in
40 the region shall fulfill all applicable requirements under Title VI

1 of the federal Civil Rights Act of 1964 (Public Law 88-352)
2 regarding service and fare changes.

3 (f) (1) The commission shall submit a report to the Legislature
4 on or before January 1, 2026, and each year thereafter, on the
5 status of the outcomes described in subdivision (c) and the status
6 of transit ridership in the region. The commission shall submit the
7 annual report to the Legislature in compliance with Section 9795.

8 (2) The commission shall also post the annual report described
9 in paragraph (1) on its internet website.

10 (g) For purposes of this section, “public transit agency” has
11 the same meaning as “STA-eligible operator,” as defined in Section
12 99312.2 of the Public Utilities Code.

13 SEC. 6. The heading of Division 1 (commencing with Section
14 66500) is added to Title 7.1 of the Government Code, to read:

15
16 *DIVISION 1. METROPOLITAN TRANSPORTATION*
17 *COMMISSION*
18

19 SEC. 7. Division 2 (commencing with Section 66538) is added
20 to Title 7.1 of the Government Code, to read:

21
22 *DIVISION 2. TAXING AUTHORITY AND TRANSPORTATION*
23 *FUNDING*
24

25 *CHAPTER 1. DEFINITIONS*
26

27 66538. For purposes of this division, the following definitions
28 apply:

29 (a) “Commission” means the Metropolitan Transportation
30 Commission created pursuant to Section 66502.

31 (b) “Public transit agency” has the same meaning as
32 “STA-eligible operator,” as defined in Section 99312.2 of the
33 Public Utilities Code.

34 (c) “San Francisco Bay area” has the same meaning as
35 “region,” as defined in Section 66502.

CHAPTER 2. SPECIAL TAXES

66538.20. (a) The commission, either directly or through a qualified voter initiative, may raise and allocate new revenue through all of the following funding mechanisms:

(1) A retail transactions and use tax, as provided in Section 66538.22.

(2) A regional payroll tax, as provided in Section 66538.24.

(3) A parcel tax, as provided in Section 66538.26.

(4) A regional vehicle registration surcharge, as provided in Section 66538.28.

(b) Any funding mechanism or combination of funding mechanisms authorized pursuant to subdivision (a) that requires voter approval pursuant to the California Constitution may be placed on the ballot in all or a subset of the nine counties in the San Francisco Bay area. A measure placed on the ballot in a subset of those nine counties shall apply only in those counties in which the measure was submitted to the voters.

(c) In addition to the procedures set forth in Chapter 4 (commencing with Section 9300) of Division 9 of the Elections Code, if an ordinance containing a tax authorized by this chapter is proposed by an initiative petition, the initiative shall require the proceeds of the tax to be expended consistent with Chapter 4 (commencing with Section 66538.40).

66538.22. (a) The commission may impose a retail transactions and use tax ordinance applicable in the San Francisco Bay area in accordance with this division and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code.

(b) The commission, in the ordinance, shall state the nature of the tax to be imposed, shall provide the tax rate or the maximum tax rate, shall specify the period during which the tax will be imposed, and shall specify the purposes for which the revenue derived from the tax will be used. The tax rate shall be in $\frac{1}{4}$ percent increments.

(c) Notwithstanding Section 7251.1 of the Revenue and Taxation Code, the tax rate authorized pursuant to this section shall not be considered for purposes of the combined rate limit established by Section 7251.1 of the Revenue and Taxation Code.

(d) Any transactions and use tax ordinance adopted pursuant to this chapter shall be operative on the first day of the first

1 *calendar quarter commencing more than 110 days after adoption*
2 *of the ordinance.*

3 *(e) Before the operative date of the ordinance, the commission*
4 *shall contract with the California Department of Tax and Fee*
5 *Administration to perform all functions incidental to the*
6 *administration and operation of the ordinance.*

7 66538.24. *(a) The commission may, by ordinance, impose a*
8 *tax on every employer in the San Francisco Bay area, except an*
9 *employer defined by Section 676, 684, or 685 of the Unemployment*
10 *Insurance Code, at a percentage, as determined by the commission,*
11 *of wages paid to an individual.*

12 *(b) If the commission acts pursuant to the authorization in*
13 *subdivision (a), the commission shall contract with the Employment*
14 *Development Department to perform all functions incidental to*
15 *the administration and operation of the tax.*

16 *(c) The tax shall be collected in the same manner and at the*
17 *same time as any contributions required under Sections 977 and*
18 *977.5 of the Unemployment Insurance Code, except as provided*
19 *in this section.*

20 66538.26. *(a) Subject to Section 4 of Article XIII A of the*
21 *California Constitution, the commission may impose, by ordinance,*
22 *a parcel tax within the San Francisco Bay area pursuant to the*
23 *procedures established in Article 3.5 (commencing with Section*
24 *50075) of Chapter 1 of Part 1 of Division 1 of Title 5, Chapter 3*
25 *(commencing with Section 66538.30), and any other applicable*
26 *procedures provided by law.*

27 *(b) For purposes of this section, “parcel tax” means a special*
28 *tax imposed upon a parcel of real property at a rate that is*
29 *determined without regard to that property’s value.*

30 *(c) The commission shall provide notice of any parcel tax*
31 *imposed pursuant to this section in the manner specified in Section*
32 *54930.*

33 *(d) The parcel tax shall be collected in the same manner as*
34 *ordinary ad valorem property taxes are collected and shall be*
35 *subject to the same penalties and the same procedure, sale, and*
36 *lien priority in case of delinquency as is provided for ad valorem*
37 *taxes.*

38 *(e) A parcel tax levied pursuant to this section shall be*
39 *administered in the following manner:*

1 (1) Taxes collected shall be deposited into a separate fund,
2 which shall be established in the treasury of each county and used
3 only as prescribed by this division.

4 (2) The county shall transfer moneys from the fund to the
5 commission periodically as promptly as feasible. The transmittals
6 shall be made at least twice in each calendar quarter.

7 (3) The county may deduct incremental costs associated with
8 administering any taxes approved pursuant to this section from
9 the portion transferred to the commission pursuant to paragraph
10 (2).

11 66538.28. (a) The commission may, by ordinance, impose a
12 regional vehicle registration surcharge on each motor vehicle
13 registered within the San Francisco Bay area. The commission
14 shall not propose a measure to the electors to approve a surcharge
15 pursuant to this section before January 1, 2030.

16 (b) The commission may determine the rate of the regional
17 vehicle registration surcharge subject to all of the following
18 requirements:

19 (1) The surcharge shall be paid on an annual basis and shall
20 be collected by the Department of Motor Vehicles at the same time
21 and same manner as the vehicle registration pursuant to Section
22 9250.3 of the Vehicle Code.

23 (2) The amount of the surcharge shall be based on the market
24 value of the vehicle, as determined by the Department of Motor
25 Vehicles pursuant to Sections 10753, 10753.2, and 10753.5 of the
26 Revenue and Taxation Code, using the same vehicle ranges set
27 forth in the schedule established pursuant to Section 11052 of the
28 Revenue and Taxation Code.

29 (3) The surcharge amount applicable to each vehicle range in
30 the schedule described in paragraph (2) shall be set in amounts
31 that increase based on the increasing value of each vehicle range.

32 (4) Beginning one year after an ordinance imposing a surcharge
33 is approved by the voters, the amount of the surcharge in each
34 vehicle market range shall be adjusted in an amount equal to the
35 increase in the California Consumer Price Index for the prior
36 year, as calculated by the Department of Finance, with amounts
37 equal to or greater than fifty cents (\$0.50) rounded to the highest
38 whole dollar. The incremental change shall be added to the
39 associated fee rate for that year.

1 (c) If an ordinance imposing a regional vehicle registration
2 surcharge is approved by the voters pursuant to Chapter 3
3 (commencing with Section 66538.30), the surcharge shall apply
4 to the original vehicle registration occurring on or after six months
5 following the adoption of the ordinance by the voters and to a
6 renewal of registration with an expiration date on or after that
7 six-month period.

8
9 CHAPTER 3. ELECTION PROCEDURES

10
11 66538.30. (a) If the commission, either directly or through
12 qualified voter initiative, proposes a measure pursuant to Chapter
13 2 (commencing with Section 66538.20) that requires voter approval
14 pursuant to the California Constitution, the board of supervisors
15 of the county or counties in which the commission has determined
16 to place the measure on the ballot shall call a special election on
17 the measure. The special election shall be held no sooner than
18 November 2026 and shall be consolidated with the next regularly
19 scheduled statewide election. The measure shall be submitted to
20 the voters in the appropriate counties, consistent with the
21 requirements of Articles XIII A, XIII C, and XIII, or Article XVI,
22 of the California Constitution, as applicable.

23 (b) For the purpose of placement of a measure on the ballot,
24 the commission is a district, as defined in Section 317 of the
25 Elections Code. Except as otherwise provided in this section, a
26 measure proposed by the commission that requires voter approval
27 shall be submitted to the voters of the counties, as determined by
28 the commission, in accordance with the provisions of the Elections
29 Code applicable to districts, including Chapter 4 (commencing
30 with Section 9300) of Division 9 of the Elections Code.

31 (c) Notwithstanding any provision of the Elections Code, the
32 legal counsel for the commission shall prepare an impartial
33 analysis of the measure. Each county included in the measure shall
34 use the election materials provided by the commission, including
35 the exact ballot question, impartial analysis, and full text of the
36 ballot measure for inclusion in the county voter information guide.

37 (d) If two or more counties included in the measure are required
38 to prepare a translation of ballot materials into the same language
39 other than English, the county that contains the largest population,
40 as determined by the most recent federal decennial census, among

1 *those counties that are required to prepare a translation of ballot*
2 *materials into the same language other than English shall prepare*
3 *the translation, or authorize the commission to prepare the*
4 *translation, and that translation shall be used by the other county*
5 *or counties, as applicable.*

6 *(e) Notwithstanding Section 13116 of the Elections Code, the*
7 *elections officials of the counties where the measure will appear*
8 *on the ballot shall mutually agree to use the same letter designation*
9 *for the measure.*

10 *(f) The county clerk of each county shall report the results of*
11 *the special election to the commission. If the approval threshold*
12 *required by the California Constitution at the time the election is*
13 *achieved, the measure shall take effect in the counties in which*
14 *the measure appeared on the ballot within the timeframe specified*
15 *in the measure.*

16 *(g) (1) Notwithstanding Section 10520 of the Elections Code,*
17 *for any election at which the commission, either directly or through*
18 *qualified voter initiative, proposes a measure pursuant to*
19 *subdivision (a) of Section 66538.20 that would generate revenues,*
20 *the commission shall reimburse each county in which that measure*
21 *appears on the ballot only for the incremental costs incurred by*
22 *the county elections official related to submitting the measure to*
23 *the voters with proceeds from the measure, or if the measure fails,*
24 *with any eligible funds provided by the commission or other public*
25 *or private entity.*

26 *(2) For purposes of this subdivision, “incremental costs”*
27 *includes both of the following:*

28 *(A) The cost to prepare a translation of ballot materials into a*
29 *language other than English by any county, as described in*
30 *subdivision (d).*

31 *(B) The additional costs that exceed the costs incurred for other*
32 *election races or ballot measures, if any, appearing on the same*
33 *ballot in each county in which the measure appears on the ballot,*
34 *including both of the following:*

35 *(i) The printing and mailing of ballot materials.*

36 *(ii) The canvass of the vote regarding the measure pursuant to*
37 *Division 15 (commencing with Section 15000) of the Elections*
38 *Code.*

39 *(h) If the voters approve new revenues pursuant to this section,*
40 *the commission shall establish an independent oversight committee*

1 *within six months of the effective date of the tax increase to ensure*
2 *that any revenues generated pursuant to this section are expended*
3 *consistent with the applicable requirements set forth in Chapter*
4 *4 (commencing with Section 66538.40). The committee may be*
5 *consolidated with the oversight committee established pursuant*
6 *to subdivision (h) of section 30923 of the Streets and Highways*
7 *Code. Each representative shall be appointed by the applicable*
8 *county board of supervisors. The oversight committee may request*
9 *any documents from the commission to assist the committee in*
10 *performing its functions.*

11
12 *CHAPTER 4. EXPENDITURES*
13

14 *66538.40. (a) Except as provided in subdivision (c), revenues*
15 *generated pursuant to Chapter 2 (commencing with Section*
16 *66538.20) shall only be used to fund any of the following*
17 *transportation improvements in the San Francisco Bay area:*

18 *(1) Investments that support transit transformation, including*
19 *all of the following:*

20 *(A) Sustaining, expanding, and improving transit service for*
21 *current and future transit riders.*

22 *(B) Accelerating customer-focused initiatives outlined in the*
23 *2020 Bay Area Transit Transformation Action Plan or successor*
24 *plan adopted by the commission.*

25 *(C) Transit service improvements that San Francisco Bay area*
26 *transit riders or residents identify as high-priority, including safety,*
27 *cleanliness, and first-mile and last-mile connectivity.*

28 *(D) Zero-emission transit vehicles and infrastructure.*

29 *(2) Investments that support safe streets, including investments*
30 *to transform local roads to support safety, equity, and climate*
31 *goals, including through bicycle and pedestrian infrastructure*
32 *investments, safe routes to transit, other safety enhancements, and*
33 *pothole repair.*

34 *(3) Investments that support connectivity, including mobility*
35 *improvements that close gaps and relieve bottlenecks in the*
36 *transportation network in a climate-neutral manner.*

37 *(4) Investments that support climate resilience, including*
38 *planning, design, and construction activities that protect*
39 *transportation infrastructure and nearby communities from rising*
40 *sea levels, flooding, wildfires, and extreme heat.*

1 (b) (1) *The commission shall annually allocate a minimum of*
2 *seven hundred fifty million dollars (\$750,000,000) of the revenues*
3 *generated pursuant to Chapter 2 (commencing with Section*
4 *66538.20) to fund investments consistent with the purposes set*
5 *forth in subparagraphs (A) to (C), inclusive, of paragraph (1) of*
6 *subdivision (a), including, without limitation, for payment of all*
7 *indebtedness incurred and bonds issued pursuant to Chapter 5*
8 *(commencing with Section 66538.50), and the related costs set*
9 *forth in that chapter.*

10 (2) *Notwithstanding any other law, the allocation made pursuant*
11 *to paragraph (1) shall not impair, limit, or otherwise affect*
12 *payment of any indebtedness incurred or bonds issued pursuant*
13 *to Chapter 5 (commencing with Section 66538.50), and the related*
14 *costs set forth in that chapter.*

15 (c) *Notwithstanding subdivision (a), the commission may*
16 *allocate revenues generated pursuant to Chapter 2 (commencing*
17 *with Section 66538.20) to the Transportation Agency for deposit*
18 *into the Bay Area Transit Consolidation Technical Assistance*
19 *Fund. The revenues allocated pursuant to this subdivision shall*
20 *be used for the purposes specified in subdivision (d) of Section*
21 *13978.9.*

22 (d) *It is the intent of the Legislature to enact legislation that*
23 *would clarify roadway eligibility criteria for revenues generated*
24 *pursuant to Chapter 2 (commencing with Section 66538.20),*
25 *including potential criteria around roadway capacity increases.*

26 (e) *It is the intent of the Legislature that the commission*
27 *prioritize the following focus areas when distributing revenues*
28 *generated pursuant to Chapter 2 (commencing with Section*
29 *66538.20):*

30 (1) *Fund the operations of public transit agencies, including*
31 *through providing resources to address operating shortfalls and*
32 *ensuring existing resources are maintained and used effectively.*
33 *In implementing this paragraph, the commission should prioritize*
34 *the following:*

35 (A) *Maintaining transit service for riders who rely on transit*
36 *as their primary mode of transportation.*

37 (B) *Prioritizing sustaining services used by the greatest number*
38 *of transit riders.*

39 (2) *Enhance frequency of transit service and areas served where*
40 *needed and financially sustainable.*

1 (3) *Create a seamless and convenient San Francisco Bay area*
2 *transit system that attracts far more riders than the number of*
3 *riders that used that system before January 1, 2025, by improving*
4 *public safety on transit and implementing the 2020 Bay Area*
5 *Transit Transformation Action Plan.*

6 (4) *Make it safer and easier for people of all ages and abilities*
7 *to get to where they need to go by preserving and enhancing access*
8 *for all transportation system road users, including people walking,*
9 *biking, and wheeling.*

10 (f) (1) *A public transit agency shall maintain its existing*
11 *commitment of local funds to transit operations in order to be*
12 *eligible for an allocation of funds approved by the voters pursuant*
13 *to Chapter 3 (commencing with Section 66538.30). In order to be*
14 *eligible for funding pursuant to this section, a public transit agency*
15 *shall verify to the commission that it shall not supplant any sources*
16 *of its operating revenue used for transit operations as reported to*
17 *the Controller in the most recent fiscal year pursuant to Section*
18 *99243 of the Public Utilities Code before the election approving*
19 *the revenues imposed pursuant to Chapter 2 (commencing with*
20 *Section 66538.20).*

21 (2) *Notwithstanding paragraph (1), a transit agency may reduce*
22 *the amount of funding contributed towards their operating budget*
23 *in proportion to any reduction in operating costs.*

24 (g) *In addition to the requirement set forth in subdivision (f),*
25 *in order to be eligible for an allocation of funds approved by the*
26 *votes pursuant to Chapter 3 (commencing with Section 66538.30),*
27 *a public transit agency shall be in compliance with the*
28 *commission's rules and regulations adopted pursuant to Section*
29 *66516.*

30 (h) *The commission may retain, for its cost in administering*
31 *this chapter, an amount not to exceed 1 percent of the revenues*
32 *allocated by the commission.*

33 (i) *It is the intent of the Legislature to enact legislation that*
34 *would require the commission to consider need and geographic*
35 *balance in distributing regional transportation revenues.*

36
37 *CHAPTER 5. BONDS*
38

39 66538.50. *The commission may incur indebtedness and issue*
40 *bonds and other securities as follows:*

1 (a) *The commission may incur indebtedness and issue securities*
2 *of any kind or class, and may renew the same, if that indebtedness,*
3 *howsoever evidenced, is payable solely from revenues of the*
4 *commission as specified in the indenture, trust agreement, note,*
5 *bond, lease, loan agreement, or other agreement or evidence of*
6 *indebtedness relating to those securities.*

7 (b) (1) *The commission may from time to time issue its*
8 *negotiable bonds, notes, warrants, debentures, or other securities,*
9 *hereinafter collectively called “bonds” for purposes of this section,*
10 *for any purpose specified in this division.*

11 (2) *In anticipation of the sale of the bonds as authorized by this*
12 *chapter, the commission may issue negotiable bond anticipation*
13 *notes and may renew the same from time to time. These bond*
14 *anticipation notes may be paid from the proceeds of sale of the*
15 *bonds of the commission in anticipation of which they were issued.*
16 *Bonds, notes, and other agreements relating to those bonds or*
17 *notes, hereinafter collectively called “bond anticipation notes”*
18 *for purposes of this section, and the resolution or resolutions*
19 *authorizing the same may contain any provisions, conditions, or*
20 *limitations that a bond, agreement relating to that bond, or bond*
21 *resolution of the commission may contain, except that the bond*
22 *anticipation note shall mature at a time not exceeding three years*
23 *from the date of issue or any renewal.*

24 (c) *At any time that the commission desires to issue bonds or*
25 *bond anticipation notes, it shall adopt a resolution by two-thirds*
26 *vote of all members of the commission specifying all of the*
27 *following:*

28 (1) *The purposes for which the bonds or bond anticipation notes*
29 *are to be issued, which may include all costs and estimated costs*
30 *incidental to, or connected with, the accomplishment of those*
31 *purposes, including, without limitation, engineering, inspection,*
32 *legal, fiscal agents, financial consultant and other fees, bond and*
33 *other reserve funds, credit or liquidity enhancement costs, working*
34 *capital, bond interest estimated to accrue during any construction*
35 *period and for a period not to exceed the lesser of 10 years*
36 *thereafter or the maturity date of the bonds or bond anticipation*
37 *notes, and expenses of all proceedings for the authorization,*
38 *issuance, and sale of the bonds or bond anticipation notes.*

39 (2) *The maximum principal amount of the bonds or bond*
40 *anticipation notes.*

1 (3) *The maximum term for the bonds or bond anticipation notes.*

2 (4) *The maximum rate of interest to be payable upon the bonds*
3 *or bond anticipation notes. That interest rate shall not exceed the*
4 *maximum rate specified in Section 53531. The rate may be either*
5 *fixed or variable and shall be payable at the times and in the*
6 *manner specified in the resolution.*

7 (d) *The pledge of any taxes authorized under this division to*
8 *the bonds or bond anticipation notes authorized under this chapter*
9 *shall have priority over the use of any of those taxes for all other*
10 *purposes, except to the extent that priority is expressly restricted*
11 *in the resolution authorizing the issuance of the bonds or bond*
12 *anticipation notes.*

13 (e) *The bonds or bond anticipation notes may be sold as the*
14 *commission determines by resolution, and the bonds or bond*
15 *anticipation notes may be sold at a price above or below par,*
16 *whether by negotiated or public sale.*

17 (f) (1) *Refunding bonds or bond anticipation notes may be*
18 *issued in a principal amount sufficient to pay all, or any part, of*
19 *any of the following:*

20 (A) *The principal of the outstanding bonds or bond anticipation*
21 *notes.*

22 (B) *The premiums, if any, due upon call and redemption of those*
23 *bonds or bond anticipation notes before maturity.*

24 (C) *All expenses of the refunding, including any costs related*
25 *to credit or liquidity support, reserves, swaps, or similar*
26 *agreements.*

27 (D) *Interest on the refunding bonds or bond anticipation notes*
28 *from the date of sale of the refunding bonds or bond anticipation*
29 *notes to the date of payment of the bonds or bond anticipation*
30 *notes to be refunded out of the proceeds of the sale of the refunding*
31 *bonds or bond anticipation notes or to the date upon which the*
32 *bonds or bond anticipation notes to be refunded will be paid*
33 *pursuant to call or agreement with the holders of the bonds or*
34 *bond anticipation notes.*

35 (E) *The interest upon the bonds or bond anticipation notes to*
36 *be refunded from the date of sale of the refunding bonds or bond*
37 *anticipation notes to the date of payment of the bonds or bond*
38 *anticipation notes to be refunded or to the date upon which the*
39 *bonds or bond anticipation notes to be refunded will be paid*

1 *pursuant to call or agreement with the holder of the bonds or bond*
2 *anticipation notes, and all other costs incident to that refunding.*

3 *(2) The provisions of this chapter for the issuance and sale of*
4 *bonds or bond anticipation notes apply to the issuance and sale*
5 *of refunding bonds or refunding bond anticipation notes.*

6 *(g) (1) Any bonds or bond anticipation notes issued pursuant*
7 *to this chapter are a legal investment for all of the following:*

8 *(A) All trust funds.*

9 *(B) The funds of insurance companies, commercial and savings*
10 *banks, and trust companies.*

11 *(C) State school funds.*

12 *(2) Whenever any money or funds may, by any law in existence*
13 *as of January 1, 2025, or later enacted, be invested in bonds of*
14 *cities, counties, school districts, or other districts within the state,*
15 *those funds may be invested in the bonds issued pursuant to this*
16 *chapter, and whenever bonds of cities, counties, school districts,*
17 *or other districts within this state may, by any law in existence as*
18 *of January 1, 2025, or later enacted, be used as security for the*
19 *performance of any act or the deposit of any public money, the*
20 *bonds issued pursuant to this chapter may be so used.*

21 *(3) The provisions of this division are in addition to all other*
22 *laws relating to legal investments and shall be controlling as the*
23 *latest expression of the Legislature with respect to laws relating*
24 *to legal investments.*

25
26 *CHAPTER 6. MISCELLANEOUS*
27

28 *66538.60. Any action or proceeding to contest, question, or*
29 *deny the validity of a tax provided for in this division, the financing*
30 *of the programs and projects contemplated by this division, the*
31 *issuance of any bonds secured by those taxes, or any of the related*
32 *proceedings, shall be commenced within 60 days from the date of*
33 *the election at which the tax is approved. After that date, the*
34 *financing of the program, the issuance of the bonds, and all related*
35 *proceedings, including the collection of the taxes, shall be held*
36 *valid and incontestable in every respect.*

37 *66538.62. The commission may in its own name to do all acts*
38 *necessary or convenient for the exercise of its powers under this*
39 *division and the financing of the programs, projects and purposes*

1 *identified in this division, including, but not limited to, all of the*
2 *following:*

- 3 *(a) To make and enter into contracts.*
4 *(b) To employ agents or employees.*
5 *(c) To acquire, construct, manage, maintain, lease, or operate*
6 *any public facility or improvements.*
7 *(d) To sue and be sued in its own name.*
8 *(e) To apply for, accept, receive, and disburse grants, loans,*
9 *and other assistance from any agency of the United States of*
10 *America or of the State of California.*
11 *(f) To invest any money not required for the immediate*
12 *necessities of the commission, as the commission determines is*
13 *advisable.*
14 *(g) To prepare and include any necessary or helpful bond*
15 *authorizations in connection with a ballot measure or other*
16 *proceeding authorized under this division.*
17 *(h) To apply for letters of credit or other forms of financial*
18 *guarantees in order to secure the repayment of bonds and to enter*
19 *into agreements in connection with those letters of credit or*
20 *financial guarantees.*

21 *SEC. 8. Section 99270.5 of the Public Utilities Code is amended*
22 *to read:*

23 99270.5. (a) In determining whether there is compliance with
24 Section 99268.1, 99268.2, 99268.3, 99268.4, 99268.5, or 99268.9,
25 as the case may be, by operators serving the area of the San
26 Francisco Bay Area Rapid Transit District, excluding the City and
27 County of San Francisco, the Metropolitan Transportation
28 Commission may make that determination for all or some of the
29 operators as a group, if the Metropolitan Transportation
30 Commission finds that the public transportation services of the
31 operators grouped are coordinated.

32 (b) *Commencing with claims for the 2025–26 fiscal year, an*
33 *operator providing service within the area under the jurisdiction*
34 *of the Metropolitan Transportation Commission shall not be*
35 *eligible to make a claim pursuant Section 99260 unless the*
36 *operator is in compliance with the commission’s rules and*
37 *regulations adopted pursuant to Section 66516 of the Government*
38 *Code.*

39 *SEC. 9. Section 976.9 is added to the Unemployment Insurance*
40 *Code, to read:*

1 976.9. (a) (1) *The department, if contracted with the*
2 *commission, shall administer and collect the tax imposed pursuant*
3 *to Section 66538.24 of the Government Code.*

4 (2) *The department shall administer and collect the tax in the*
5 *manner set forth in Section 66538.24 of the Government Code.*

6 (b) *The department may use proceeds from the tax collected*
7 *pursuant to Section 66538.24 of the Government Code to offset*
8 *the costs of all functions incidental to the administration and*
9 *operation of the contributions.*

10 (c) *After deducting all costs described in subdivision (b), the*
11 *department shall distribute the net revenues to the commission for*
12 *expenditure pursuant to Chapter 4 (commencing with Section*
13 *66538.40) of Division 2 of Title 7.1 of the Government Code.*

14 (d) *For purposes of this section, “commission” means the*
15 *Metropolitan Transportation Commission created pursuant to*
16 *Section 66502 of the Government Code.*

17 SEC. 10. *Section 9250.3 is added to the Vehicle Code, to read:*

18 9250.3. (a) *The department, if contracted with the commission,*
19 *shall collect the regional vehicle registration surcharge imposed*
20 *pursuant to Section 66538.28 of the Government Code upon the*
21 *registration or renewal of registration of a motor vehicle registered*
22 *in the county, except those vehicles that are expressly exempted*
23 *under this code from the payment of registration fees.*

24 (b) *After deducting all costs incurred pursuant to this section,*
25 *the department shall distribute the net revenues to the commission*
26 *for expenditure pursuant to Chapter 4 (commencing with Section*
27 *66538.40) of Division 2 of Title 7.1 of the Government Code.*

28 (c) *The department shall collaborate with the commission to*
29 *ensure the administration of the surcharge described in subdivision*
30 *(a) can be facilitated after the modernization of the department’s*
31 *technology systems.*

32 (d) *For purposes of this section, “commission” means the*
33 *Metropolitan Transportation Commission created pursuant to*
34 *Section 66502 of the Government Code.*

35 SEC. 11. *If the Commission on State Mandates determines that*
36 *this act contains costs mandated by the state, reimbursement to*
37 *local agencies and school districts for those costs shall be made*
38 *pursuant to Part 7 (commencing with Section 17500) of Division*
39 *4 of Title 2 of the Government Code.*

1 ~~SECTION 1.—Section 9146 of the Government Code is amended~~
2 ~~to read:~~

3 ~~9146.—Any state agency which is required or permitted by~~
4 ~~federal law or regulation to establish or alter a federal aid allocation~~
5 ~~formula to a local agency shall notify the Joint Legislative Budget~~
6 ~~Committee not less than 60 days prior to the effective date of the~~
7 ~~establishment or change in the federal aid allocation formula. The~~
8 ~~chairperson of the Joint Legislative Budget Committee may grant~~
9 ~~a waiver of the 60-day notification period after receipt of the~~
10 ~~notification.~~

11 ~~The chairperson shall inform members of the Joint Legislative~~
12 ~~Budget Committee of the chairperson's intention to waive the~~
13 ~~60-day notification period after such notification. If no objection~~
14 ~~is received within 10 days, the chairperson shall proceed to grant~~
15 ~~the waiver of the 60-day notification period.~~

16 ~~The notification shall contain the federal law or regulation~~
17 ~~necessitating or authorizing the establishment or change, a~~
18 ~~description of the proposed allocation formula to be established~~
19 ~~or changed, as the case may be, and an estimate of the resulting~~
20 ~~increase or decrease in federal aid allocated to the affected local~~
21 ~~agency.~~

22 ~~When requested by the chairperson or by any member of the~~
23 ~~committee, or when the Legislature is in session, when requested~~
24 ~~by the chairperson of the committee, the Joint Legislative Budget~~
25 ~~Committee shall schedule a hearing on the proposed allocation~~
26 ~~formula to be established or changed, as the case may be.~~

27 ~~"Local agency" as used in this section, means any city, county,~~
28 ~~city and county, special district, school district, community college~~
29 ~~district, and county office of education.~~

30 ~~The establishment or changes in federal aid allocation formulas~~
31 ~~affecting less than one hundred thousand dollars (\$100,000) in~~
32 ~~federal aid in any fiscal year shall be exempt from the provisions~~
33 ~~of this section.~~

34 ~~The provisions of this section shall not apply to any reallocation~~
35 ~~of funds by a state agency from or to a local agency if the state~~
36 ~~agency finds that either of the following conditions, or both, exist:~~

37 ~~(a) The local agency cannot spend its entire allocation within~~
38 ~~the period established by the federal government.~~

- 1 ~~(b) The failure to spend the funds could lead to their recapture~~
- 2 ~~by the federal government or to a reduced allocation of federal~~
- 3 ~~funds in subsequent years.~~

**Orange County Transportation Authority Legislative Matrix**

**2024 State Legislation Session
April 18, 2024**

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
BILLS WITH POSITIONS			
AB 6 (Friedman – D) Transportation Planning: Regional Transportation Plans	Requires a metropolitan planning organization to submit an adopted sustainable communities strategy or an alternative planning strategy, if applicable, to the State Air Resources Board for review.	INTRODUCED: 12/05/2022 LOCATION: Senate Transportation Committee LAST AMEND: 03/16/2023 STATUS: 07/14/2023 In SENATE. Failed Deadline pursuant to Rule 61(a)(10).	Oppose (partial list) Support: 350 Bay Area Action, Streets For All, California Environmental Voters Oppose: Mobility 21, Orange County Business Council, Rebuild SoCal Partnership, Transportation California, San Bernardino County Transportation Authority (SBCTA), Riverside County Transportation Commission (RCTC)

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 7 (Friedman – D) Transportation: Planning: Project Selection Processes	Requires the California State Transportation Agency, the California Department of Transportation, and the California Transportation Commission to incorporate specified principles into their existing program funding guidelines and processes.	INTRODUCED: 12/05/2022 LOCATION: Senate Appropriations Committee LAST AMEND: 09/01/2023 STATUS: 09/14/2023 In SENATE. Failed Deadline pursuant to Rule 61(a)(14).	Oppose (partial list) Support: Coalition for Clean Air, Streets For All, California Environmental Voters Oppose: Mobility 21, Orange County Business Council, Rebuild SoCal Partnership, Transportation California, RCTC, SBCTA

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
AB 817 (Pacheco – D) Open Meetings: Teleconferencing: Subsidiary Body	Relates to the Ralph Brown Act. Authorizes a subsidiary body to use alternative teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency.	INTRODUCED: 02/13/2023 LOCATION: Senate Rules Committee LAST AMEND: 01/10/2024 STATUS: 01/25/2024 In SENATE. Read first time. To Committee on RULES for assignment.	Support Support: California Association of Recreation and Park Districts (co-sponsor), League of California Cities (co-sponsor), Rural County Representatives of California (co-sponsor), and the Urban Counties of California (co-sponsor)
► AB 2043 (Boerner – D) Medi-Cal: Nonmedical and Nonemergency Medical Transportation	Requires the State Department of Health Care Services to require Medi-Cal managed care plans that are contracted to provide nonmedical transportation or nonemergency medical transportation to contract with public paratransit service operators who are enrolled Medi-Cal providers for the purpose of establishing reimbursement rates for nonmedical and nonemergency medical transportation trips provided by a public paratransit service operator. Conditions implementation on receipt of necessary federal approvals.	INTRODUCED: 02/01/2024 LOCATION: Assembly Health Committee HEARING: 04/09/2024 STATUS: 04/01/2024 <i>In ASSEMBLY. Amend, and re-referred to Committee on HEALTH. Read second time and amended.</i>	Support Support: San Diego Metropolitan Transit System (sponsor)

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 2259 (Boerner – D)</p> <p>Transportation: Bicycle Safety Handbook</p>	<p>Would require CalSTA to develop and distribute, on or before September 1, 2025, a bicycle safety handbook that includes information on, among other things, existing laws regulating bicycles and e-bikes. CalSTA must make a downloadable electronic version of the bicycle safety handbook available online and in print at certain state offices. CalSTA will also be required to collaborate with other state agencies to develop the handbook.</p>	<p>INTRODUCED: 02/08/2024 LOCATION: Assembly <i>Appropriations Committee</i></p> <p>STATUS: 03/19/2024 <i>In ASSEMBLY. Referred to Committee on APPROPRIATIONS.</i></p>	<p><i>Support</i></p> <p><i>Support: California Association of Bicycling Organizations</i></p>
<p>► AB 2535 (Bonta – D)</p> <p>Trade Corridor Enhancement Program</p>	<p><i>Would prohibit the CTC from allocating Trade Corridor Enhancement Program (TCEP), funding to a project that adds a general-purpose lane to a highway or expands highway capacity in a community that ranks in the highest quintile in CalEnviroScreen for disproportionate burdens from multiple sources of pollution and with population characteristics that makes the community more sensitive to pollution.</i></p>	<p>INTRODUCED: 02/13/2024 LOCATION: Assembly <i>Transportation Committee</i> HEARING: 04/15/2024</p> <p>STATUS: 03/04/2024 <i>In ASSEMBLY. Referred to Committee on TRANSPORTATION and NATURAL RESOURCES.</i></p>	<p>STAFF RECOMMENDS OPPOSE</p> <p><i>Oppose: Riverside County Transportation Commission, Contra Costa Transportation Authority</i></p>

BILL NO. / AUTHOR	COMMENTARY	STATUS	OCTA POSITION / OTHER AGENCY POSITIONS
<p>► AB 2824 (McCarty – D)</p> <p><i>Battery: Public Transportation Provider</i></p>	<p><i>Would expand the enhanced penalties for battery or assault against a transit operator or ticketing agent to transit employees and contractors of a public transportation provider.</i></p>	<p>INTRODUCED: 02/15/2024 LOCATION: Assembly Public Safety Committee LAST AMEND: 03/21/2024</p> <p>STATUS: 03/21/2024 <i>In ASSEMBLY. Referred to Committee on PUBLIC SAFETY. Amend and re-referred to Committee on PUBLIC SAFETY. Read second time and amended.</i></p>	<p>STAFF RECOMMENDS SUPPORT</p> <p><i>Support: California Transit Association (co-sponsor), Amalgamated Transit Union (co-sponsor), Transport Workers Union (co-sponsor)</i></p>

BILLS BEING MONITORED

AB 627 (Jackson, D) Drayage trucks: voucher incentive project.

Introduced: 02/09/2023

Last Amended: 01/22/2024

Status: 01/29/2024 - Read third time. Passed. Ordered to the Senate. (Ayes 67. Noes 1.) In Senate. Read first time. To Com. on RLS. for assignment.

Location: 01/29/2024 - Senate Rules

Summary: Current law establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The state board, in this capacity, administers the California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project under which the agency issues a limited number of vouchers to incentivize the purchase and use of zero-emission commercial vehicles. The Budget Act of 2023 appropriated funds from the Greenhouse Gas Reduction Fund to the state board for zero-emission drayage trucks to be administered through the project and, in expending those funds, requires the state board, before January 1, 2025, to limit the number and award amount levels under the project based on fleet size. This bill would require the state board to ensure that a voucher provided under the project for the purchase of a new, or the retrofit of a used, drayage truck is provided to an operator in an amount determined pursuant to a sliding scale established by the state board, based on the number of drayage trucks the operator owns. In administering the project, the bill would require the state board to prioritize the award of those vouchers to operators meeting certain criteria.

Subject: Funding

AB 637 (Jackson, D) Zero-emission vehicles: fleet owners: rental vehicles.

Introduced: 02/09/2023

Last Amended: 09/06/2023

Status: 01/25/2024 - Read third time. Passed. Ordered to the Senate. (Ayes 70. Noes 0.) In Senate. Read first time. To Com. on RLS. for assignment.

Location: 01/25/2024 - Senate Rules

Summary: Current law requires the State Air Resources Board to adopt and implement motor vehicle emission standards, in-use performance standards, and motor vehicle fuel specifications for the control of air contaminants and sources of air pollution the state board has found to be necessary, cost effective, and technologically feasible, to carry out specified purposes, unless preempted by federal law. This bill would, if the state board requires a fleet owner to acquire zero-emission vehicles as part of its fleet, require the state board to authorize the rental of a zero-emission vehicle or vehicles for a cumulative total of 260 days in a calendar year to be deemed ownership of one zero-emission vehicle for purposes of meeting that obligation.

Subject: Zero Emission

AB 761 (Friedman, D) Local finance: enhanced infrastructure financing districts.

Introduced: 02/13/2023

Last Amended: 09/13/2023

Status: 09/14/2023 - Withdrawn from committee. Re-referred to Com. on RLS.

Location: 09/14/2023 - Senate Rules

Summary Current law authorizes the legislative body of a city or a county to designate a proposed enhanced infrastructure financing district by adopting a resolution of intention to establish the proposed district which, among other things, is required to state that an enhanced infrastructure financing district is proposed and describe the boundaries of the proposed district. Current law requires the public financing authority to direct the preparation of and adopt an infrastructure financing plan consistent with the general plan and any relevant specific plan, and consisting of, among other things, a financing section. This bill, for plans proposed on or after January 1, 2024, would specify that for the purpose of development and construction of passenger rail projects in the County of Los Angeles where at least 75% of the revenue from the district is used for debt service on a federal Transportation Infrastructure Finance and Innovation Act loan, the date on which the district will cease to exist shall not be more than 75 years from the date of the issuance of bonds or approval of a loan, as specified. This bill would make legislative findings and declarations as to the necessity of a special statute for specified districts enacted primarily for the purpose of development and construction of zero-emission mass transit projects.

Subject: Transit

AB 930 **(Friedman, D) Local government: Reinvestment in Infrastructure for a Sustainable and Equitable California (RISE) districts.**

Introduced: 02/14/2023

Last Amended: 01/22/2024

Status: 01/29/2024 - Read third time. Passed. Ordered to the Senate. (Ayes 52. Noes 16.) In Senate. Read first time. To Com. on RLS. for assignment.

Location: 01/29/2024 - Senate Rules

Summary: Would authorize the legislative bodies of 2 or more cities or counties to jointly form a Reinvestment in Infrastructure for a Sustainable and Equitable California district (RISE district) in accordance with specified procedures. The bill would authorize a special district to join a RISE district, by resolution, as specified. The bill would require the Office of Planning and Research (OPR) to develop guidelines for the formation of RISE districts no later than November 30, 2026. The bill would provide for the establishment of a governing board of a RISE district with representatives of each participating local government.

Subject: Planning

AB 1017 **(Holden, D) Homelessness: Striking Worker Emergency Homelessness Prevention program.**

Introduced: 02/15/2023

Last Amended: 09/13/2023

Status: 09/14/2023 - Read second time. Ordered to third reading. Re-referred to Com. on RLS pursuant to Senate Rule 29.10(c).

Location: 09/14/2023 - Senate Rules

Summary: Would, upon appropriation by the Legislature, create within the Encampment Resolution Funding program the Striking Worker Emergency Homelessness Prevention (SWEHP) program administered by the Labor and Workforce Development Agency. The bill would specify that purpose of the program would be to prevent workers suffering strike-related hardship, as defined, from becoming homeless due to a prolonged labor dispute by making zero-interest loans available to eligible striking workers to assist them in paying their housing costs. The bill would require the agency, in consultation with the Business, Consumer Services, and Housing Agency, to develop an internet website and online application for the program, as specified. The bill would require an applicant for the program to electronically sign a declaration of strike-related hardship, as specified, under penalty of perjury. By expanding the scope of an existing crime, the bill would impose a state-mandated local program. The bill would make other conforming changes to the Encampment Resolution Funding program.

Subject: Planning

AB 1447 **(Flora, R) Vehicles: motorized scooters.**

Introduced: 02/17/2023

Last Amended: 09/08/2023

Status: 03/04/2024 - Withdrawn from committee. Withdrawn from committee.

Location: 09/11/2023 - Senate Rules

Summary: Existing law defines a motorized scooter as any 2-wheeled device that has handlebars, either a floorboard that is designed to be stood upon when riding or a seat and footrests in place of the floorboard, and is powered by an electric motor. Existing law prohibits a person from operating a motorized scooter in excess of 15 miles per hour. Existing law prohibits an operator of a motorized scooter under 18 years of age from operating a motorized scooter without a specified bicycle helmet and requires a manufacturer of a motorized scooter to provide a disclosure to buyers that existing insurance policies may not provide coverage for a motorized scooter. Under existing law, a violation or failure to comply with a provision of the Vehicle Code constitutes an infraction. This bill would change the definition of a motorized scooter by including 3-wheeled devices, limiting its maximum weight to 200 pounds and width to 3 feet, and specifying that it is powered by a motor that ceases to provide power at 20 miles per hour. The bill would require a manufacturer of a motorized scooter to apply a sticker to certain motorized scooters certifying the scooter is capable of achieving braking requirements, as specified, and would prohibit a person from operating a motorized scooter that does not have that certifying sticker and, if the scooter is capable of exceeding 15 miles per hour, a speedometer in good working order. The bill would prohibit a person from operating a motorized scooter in excess of 15 miles per hour while standing up or in excess of 20 miles per hour while sitting down. This bill contains other related provisions and other existing laws.

Subject: Active Transportation

AB 1567 **(Garcia, D) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024.**

Introduced: 02/17/2023

Last Amended: 05/26/2023

Status: 06/14/2023 - Referred to Coms. on N.R. & W. and GOV. & F.

Location: 06/14/2023 - Senate Natural Resources and Water

Summary: Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,995,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, clean energy, and workforce development programs.

Subject: Funding

AB 1773 **(Dixon, R) Vehicles: electric bicycles.**

Introduced: 01/03/2024

Last Amended: 02/22/2024

Status: 04/01/2024 - In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 01/16/2024 - Assembly Transportation

Summary: Current law prohibits the use of a motorized bicycle on a bicycle path or trail, bikeway, bicycle lane, equestrian trail, or hiking or recreational trail, as specified, unless the governing body of a local public agency, which has jurisdiction over the path or trail, permits the operation. Current law authorizes a governing body of a local public agency, which has jurisdiction over the path or trail, to prohibit the use of an electric bicycle on an equestrian trail, or hiking or recreational trail. A violation of the Vehicle Code is a crime and a person convicted of an infraction for a violation of either the Vehicle Code or a local ordinance adopted pursuant to the code is subject to a specified fine schedule, except as otherwise provided. This bill would clarify that a recreational trail for these purposes includes a boardwalk, as defined, regardless of whether the facility also provides bicycle access. Notwithstanding specified law, the bill would impose a fine, not to exceed \$35, against a person convicted of an infraction for a violation of an ordinance prohibiting or regulating electric bicycles on recreational trails.

Subject: Active Transportation

AB 1774 **(Dixon, R) Vehicles: electric bicycles.**

Introduced: 01/03/2024

Status: 01/16/2024 - Referred to Com. on TRANS.

Hearing: 04/08/2024

Location: 01/16/2024 - Assembly Transportation

Summary: Current law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor of less than 750 watts, and requires electric bicycles to comply with specified equipment and manufacturing requirements. Current law prohibits a person from tampering with or modifying an electric bicycle so as to change the speed capability of the bicycle, unless they appropriately replace the label indicating the classification required, as specified. A violation of the Vehicle Code is a crime. This bill would clarify that the exception to this prohibition only applies if the bicycle continues to meet the definition of an electric bicycle. This bill would prohibit a person from selling a product or device that can modify the speed capability of an electric bicycle such that it no longer meets the definition of an electric bicycle.

Subject: Active Transportation

AB 1777 **(Ting, D) Autonomous vehicles.**

Introduced: 01/03/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on TRANS.

Hearing: 04/15/2024

Location: 03/21/2024 - Assembly Transportation

Summary: Current law authorizes the operation of an autonomous vehicle on public roads for testing purposes by a driver who possesses the proper class of license for the type of vehicle operated if specified requirements are satisfied. Current law prohibits the operation of an autonomous vehicle on public roads until the manufacturer submits an application to the Department of Motor Vehicles, as specified, and that application is approved. Current law requires the manufacturer to certify in the application that, among other things, the autonomous technology satisfies specified requirements and the manufacturer has tested the autonomous vehicle on public roads and has complied with the testing standards established by the department, as specified. This bill would require a manufacturer to additionally certify that, among other things, the autonomous vehicle is capable of responding to and complying with geofencing protocols, as defined, and the manufacturer has clearly displayed a working telephone number on the autonomous vehicle that is being monitored at all times to enable communication between the manufacturer and law enforcement officers, emergency responders, and traffic control officers, as specified. If an autonomous vehicle is operating without a human operator and is found to have committed a violation of the Vehicle Code that is only punishable as an infraction, the bill would require the manufacturer to be cited for the violation.

Subject: Transit

AB 1778 **(Connolly, D) Vehicles: electric bicycles.**

Introduced: 01/03/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.

Hearing: 04/08/2024

Location: 01/16/2024 - Assembly Transportation

Summary: Would, until January 1, 2029, authorize a local authority within the County of Marin, or the County of Marin in unincorporated areas, to adopt an ordinance or resolution that would prohibit a person under 16 years of age from operating a class 2 electric bicycle or require a person operating a class 2 electric bicycle to wear a bicycle helmet, as specified. The bill would require an ordinance or resolution that is adopted for this purpose to make a violation an infraction punishable by either a fine of \$25 or completion of an electric bicycle safety and training course, as specified. The bill would, if an ordinance or resolution is adopted, require the county to, by January 1, 2028, submit a report to the Legislature that includes, among other things, the total number of traffic stops initiated for violations, the results of the traffic stops, and the actions taken by peace officers during the traffic stops, as specified. The bill would require the local authority or county to administer a public information campaign for at least 30 calendar days prior to the enactment of the ordinance or resolution, as specified. The bill would require the local authority or county to only issue warning notices for the first 60 days after the passage of the ordinance or resolution.

Subject: Active Transportation

AB 1785 **(Pacheco, D) California Public Records Act.**

Introduced: 01/03/2024

Status: 03/06/2024 - In committee: Hearing postponed by committee.

Hearing: 04/02/2024

Location: 01/16/2024 - Assembly Judiciary

Summary: The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. The act prohibits a state or local agency from posting the home address or telephone number of any elected or appointed official on the internet without first obtaining the written permission of that individual. This bill would define "home address," for purposes of the above provision, to include an assessor's parcel number, which may be converted to a physical address through reference to other information made available online by the state or local agency.

Subject: Records

AB 1786 **(Rodriguez, D) California Individual Assistance Act: California Local Assistance Act.**

Introduced: 01/03/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on E.M.

Hearing: 04/08/2024

Location: 03/21/2024 - Assembly Emergency Management

Summary: The California Emergency Services Act empowers the Governor to proclaim a state of emergency under certain circumstances. Current law defines a state of emergency to mean the duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions such as, among others, air pollution, fire, flood, and storm. This bill would add climate change and climate change exacerbated conditions to the list of conditions for which a state of emergency or local emergency may be proclaimed. (Based on 03/21/2024 text)

Subject: Safety and Security

AB 1798 **(Papan, D) Department of Transportation: contaminated stormwater runoff: salmon and steelhead trout bearing surface waters.**

Introduced: 01/08/2024

Last Amended: 03/12/2024

Status: 03/19/2024 - From committee: Do pass and re-refer to Com. on E.S. & T.M. (Ayes 10. Noes 0.) (March 19). Re-referred to Com. on E.S. & T.M.

Hearing: 04/09/2024

Location: 03/19/2024 - Assembly Environmental Safety and Toxic Materials

Summary: Would require the Department of Transportation, in conjunction with the State Water Resources Control Board, to develop a programmatic environmental review process to prevent 6PPD and 6PPD-quinone from entering salmon and steelhead trout bearing surface waters of the state. The bill would require the state board to establish the parameters of the department's programmatic environmental review process, as specified, and, to the extent practical, with the department, consult with the States of Washington and Oregon in the development of the programmatic environmental review process. The bill would require the department's 6PPD and 6PPD-quinone programmatic environmental review process to include specified components, including 5 pilot projects at specified locations to study the effectiveness and cost effectiveness of installing and maintaining bioretention and biofiltration comparatively along department rights-of-way to eliminate the discharge of 6PPD and 6PPD-quinone into surface waters of the state, as specified. The bill would require all information provided by the department to the state board pursuant to these provisions be made publicly available through the state board's stormwater data collection system.

Subject: Environment

AB 1837 **(Papan, D) San Francisco Bay area: public transit: Regional Network Management Council.**

Introduced: 01/16/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on TRANS. In committee: Hearing postponed by committee.

Location: 03/21/2024 - Assembly Transportation

Summary: Current law creates the Metropolitan Transportation Commission as a local area planning agency for the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Current law creates various transit districts located in the San Francisco Bay area, with specified powers and duties relating to providing public transit services. Current law requires the commission to adopt rules and regulations to promote the coordination of fares and schedules for all public transit systems within its jurisdiction, as specified. This bill would create the Regional Network Management Council as an 11-member council to represent the interests of its stakeholders, to provide leadership and critical input on regional transit policies, and to provide executive guidance on regional transit policies and actionable implementation plans in pursuit of transformative improvements in the customer experience San Francisco Bay area transit. The bill would require the commission to facilitate the creation of the council.

Subject: Miscellaneous

AB 1853 **(Villapudua, D)** San Joaquin Regional Transit District: meetings: surplus money investments.

Introduced: 01/17/2024

Last Amended: 03/11/2024

Status: 03/21/2024 - Read second time. Ordered to third reading.

Hearing: 04/04/2024

Location: 03/21/2024 - Assembly THIRD READING

Summary: The San Joaquin Regional Transit District Act requires the San Joaquin Regional Transit District to be governed by a board of directors, requires the board to adopt rules for its proceedings, and authorizes the board to provide, by ordinance or resolution, that each board member receive \$50 for each board meeting attended, not to exceed \$100 in a calendar month. This bill instead would authorize the board to provide, by ordinance or resolution, that each board member receive \$100 for each board meeting and committee meeting attended, not to exceed \$500 in a calendar month. This bill contains other related provisions and other existing laws.

Subject: Records

AB 1870 **(Ortega, D)** Notice to employees: legal services.

Introduced: 01/22/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on INS. Read second time and amended.

Hearing: 04/03/2024

Location: 02/05/2024 - Assembly Insurance

Summary: Current law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of employment. Employers who are subject to the workers' compensation system are generally required to keep posted in a conspicuous location frequented by employees and easily read by employees during the hours of the workday a notice that includes, among other information, to whom injuries should be reported, the rights of an employee to select and change a treating physician, and certain employee protections against discrimination. Current law requires the administrative director to make the form and content of this notice available to self-insured employers and insurers. This bill would require the notice to include information concerning an injured employee's ability to consult a licensed attorney to advise them of their rights under workers' compensations laws, as specified.

Subject: Employment

AB 1879 **(Gipson, D)** Electronic signatures.

Introduced: 01/22/2024

Last Amended: 03/07/2024

Status: 03/12/2024 - From committee: Do pass and re-refer to Com. on REV. & TAX. with recommendation: To Consent Calendar. (Ayes 10. Noes 0.) (March 12). Re-referred to Com. on REV. & TAX.

Location: 03/12/2024 - Assembly Revenue and Taxation

Summary: Current law authorizes, in any written communication with a public entity, the use of a digital signature, which is defined, in part, as a type of electronic signature, as defined. Under current law, a digital signature has the same force and effect as the use of a manual signature if it complies with specified requirements and the public entity elects to use a digital signature. Current law requires, at the option of the parties, the use or acceptance of a digital signature. This bill would require, at the option of the parties, the use or acceptance of an electronic signature, including a digital signature, unless otherwise provided. Under the bill, a digital signature would also have the same force and effect as the use of a manual signature if it complies with the above-referenced requirements and the public entity's use of a digital signature is mandated.

Subject: Records

AB 1889 **(Friedman, D) conservation element: wildlife and habitat connectivity.**

Introduced: 01/22/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended.

Hearing: 04/10/2024

Location: 02/05/2024 - Assembly Local Government

Summary: The Planning and Zoning Law requires the legislative body of a city or county to adopt a comprehensive general plan that includes various elements, including land use, housing, and conservation elements, as specified. Current law requires the conservation element to consider the effect of development within the jurisdiction on natural resources located on public lands. This bill would additionally require the conservation element to consider the effect of development within the jurisdiction on the movement of wildlife and habitat connectivity. The bill would require the conservation element, upon the next update of one or more elements on or after January 1, 2026, to, among other things, identify and analyze connectivity areas, permeability, and natural landscape areas within the jurisdiction, identify and analyze existing or planned wildlife passage features, and consider the impacts of development and the barriers caused by development to wildlife and habitat connectivity. The bill would authorize a city, county, or city and county to incorporate by reference into their general plan an existing plan that meets these requirements. The bill would require a city, county, or city and county preparing to update its conservation element to consider incorporating appropriate standards, policies, and zoning, consult with specified entities, and consider relevant best available science.

Subject: Planning

AB 1890 **(Patterson, Joe, R) Public works: prevailing wage.**

Introduced: 01/22/2024

Status: 03/14/2024 - Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 7. Noes 0.) (March 13). Re-referred to Com. on APPR.

Location: 01/22/2024 - Assembly Appropriations

Summary: Current law defines the term "public works" for the purposes of requirements regarding the payment of prevailing wages, the regulation of working hours, and the securing of workers' compensation for public works projects. Current law requires an entity awarding a public works contract, as specified, to provide notice to the Department of Industrial Relations. Current law requires civil penalties to be imposed on an entity that fails to provide that required notice and authorizes the Labor Commissioner to issue a citation for civil penalties to an entity that fails to provide the required notice. This bill would additionally require the awarding body to provide notice to the department if there is a change in the identity of a contractor or subcontractor performing the project or, within 30 days, if the total amount of the contract change exceeds \$10,000.

Subject: Public Works

AB 1904 **(Ward, D) Transit buses: yield right-of-way sign.**

Introduced: 01/23/2024

Status: 04/01/2024 - Read third time. Passed. Ordered to the Senate. (Ayes 72. Noes 0.) In Senate. Read first time. To Com. on RLS. for assignment.

Location: 04/01/2024 - Senate Rules

Summary: Current law authorizes a transit bus in the Santa Cruz Metropolitan Transit District and the Santa Clara Valley Transportation Authority to be equipped with a yield right-of-way sign on the left rear of the bus if the applicable entity approves a resolution requesting that this section be made applicable to it. Current law requires the sign to be designed to warn a person operating a motor vehicle approaching the rear of the bus that the bus is entering traffic and be illuminated by a red flashing light when the bus is signaling in preparation for entering a traffic lane after having stopped to receive or discharge passengers. This bill would expand the authorization to equip transit buses, as described above, to apply to any transit agency if the transit agency approves a resolution that this authorization be made applicable to it.

Subject: Transit

AB 1924 **(Nguyen, Stephanie, D) Sacramento Regional Transit District.**

Introduced: 01/25/2024

Last Amended: 03/06/2024

Status: 03/21/2024 - Read second time. Ordered to third reading.

Hearing: 04/04/2024

Location: 03/21/2024 - Assembly THIRD READING

Summary: The Sacramento Regional Transit District Act authorizes the Sacramento Regional Transit District to comprise the Cities of Citrus Heights, Davis, Elk Grove, Folsom, Rancho Cordova, Roseville, Sacramento, West Sacramento, and Woodland, the territory of the County of Sacramento that is the same area as the urban service area of the county, and other specified portions of the County of Yolo, provided those cities and counties have agreed to annexation by the district, as specified. This bill would authorize the district to also comprise the Cities of Galt and Isleton, and the unincorporated portions of the County of Sacramento where the county has declared a need for the district to operate, provided the cities and county agree to annexation, as specified.

Subject: Planning

AB 1928 **(Sanchez, R) Worker classification: employees and independent contractors.**

Introduced: 01/25/2024

Last Amended: 03/04/2024

Status: 03/06/2024 - Re-referred to Com. on L. & E.

Location: 02/12/2024 - Assembly Labor and Employment

Summary: Current law, as established in the case of Dynamex Operations W. v. Superior Court (2018) 4 Cal.5th 903 (Dynamex), creates a presumption that a worker who performs services for a hirer is an employee for purposes of claims for wages and benefits arising under wage orders issued by the Industrial Welfare Commission. Current law requires a 3-part test, commonly known as the "ABC" test, to determine if workers are employees or independent contractors for those purposes. Current law establishes that, for purposes of the Labor Code, the Unemployment Insurance Code, and the wage orders of the Industrial Welfare Commission, a person providing labor or services for remuneration is considered an employee rather than an independent contractor unless the hiring entity demonstrates that the person is free from the control and direction of the hiring entity in connection with the performance of the work, the person performs work that is outside the usual course of the hiring entity's business, and the person is customarily engaged in an independently established trade, occupation, or business. This test is known as the "ABC" test, as described above. This bill would repeal the above-described provisions that codify the ABC test. The bill would declare that its purpose is to suspend and nullify the California Supreme Court's decision in Dynamex and provide that this decision does not apply for purposes of California law.

Subject: Employment

AB 1951 **(Fong, Vince, R) California Environmental Quality Act: exemption: roadside wildfire prevention projects.**

Introduced: 01/29/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on NAT. RES.

Location: 02/12/2024 - Assembly Natural Resources

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would exempt from CEQA a project for wildfire prevention within 50 feet of either side of a roadway. Because a lead agency would be required to determine whether a project qualifies for this exemption, the bill would impose a state-mandated local program.

Subject: Public Works

AB 1957 **(Wilson, D) Public contracts: best value construction contracting for counties.**

Introduced: 01/29/2024

Status: 02/12/2024 - Referred to Com. on L. GOV.

Location: 02/12/2024 - Assembly Local Government

Summary: Current law establishes a pilot program to allow the Counties of Alameda, Los Angeles, Monterey, Riverside, San Bernardino, San Diego, San Mateo, Santa Clara, Solano, and Yuba to select a bidder on the basis of best value, as defined, for construction projects in excess of \$1,000,000. Current law also authorizes these counties to use a best value construction contracting method to award individual annual contracts, not to exceed \$3,000,000, for repair, remodeling, or other repetitive work to be done according to unit prices, as specified. Current law establishes procedures and criteria for the selection of a best value contractor and requires that bidders verify specified information under oath. Current law requires the board of supervisors of a participating county to submit a report that contains specified information about the projects awarded using the best value procedures described above to the appropriate policy committees of the Legislature and the Joint Legislative Budget Committee before March 1, 2024. Current law repeals the pilot program provisions on January 1, 2025. This bill would instead authorize any county of the state to utilize this program and would remove the January 1, 2025, sunset date, thereby extending the operation of those provisions indefinitely.

Subject: Public Works

AB 1958 **(Berman, D) Santa Clara Valley Transportation Authority: board of directors.**

Introduced: 01/29/2024

Status: 03/21/2024 - Read second time. Ordered to Consent Calendar.

Hearing: 04/04/2024

Location: 03/20/2024 - Assembly CONSENT CALENDAR

Summary: Current law vests the government of the Santa Clara Valley Transportation Authority (VTA) in a 12-member board of directors, appointed by the County of Santa Clara and the cities within the county, as specified. Current law requires, to the extent possible, the county and cities to appoint individuals to the board of directors who have expertise, experience, or knowledge relative to transportation issues. This bill would require, to the extent possible, the county and cities to appoint individuals to the board of directors who have expertise, experience, or knowledge relative to transportation or project management issues.

Subject: Public Works

AB 1964 **(Fong, Vince, R) State agencies: budgeting.**

Introduced: 01/29/2024

Status: 02/12/2024 - Referred to Com. on BUDGET.

Location: 02/12/2024 - Assembly Budget

Summary: Would require the Department of Finance, on or before January 1, 2026, to compile a list of all state agencies and to split the list into 1/5 sections with each section equally distributing state agencies across the legislative budget subcommittees, as specified. The bill would require the department, on January 1, 2027, to publish on its internet website the full list of state agencies, as described above. The bill would require the department, on January 1, 2027, and annually thereafter, to publish a list of which section of state agencies is required to develop its budget using a zero-based budgeting method, as defined. The bill, commencing January 1, 2027, would require each state agency, as specified, to develop its budget based on a zero-based budgeting method for review during the budget process, as prescribed. In developing its budget based on a zero-based budgeting method, the bill would require, among other things, representatives from each state agency to work with the department to submit a report, as specified, to the Senate Committee on Budget and Fiscal Review, the Assembly Committee on Budget, and the Joint Legislative Budget Committee.

Subject: Funding

AB 1976 **(Haney, D) Occupational safety and health standards: first aid kits: naloxone hydrochloride.**

Introduced: 01/30/2024

Status: 03/13/2024 - In committee: Set, first hearing. Hearing canceled at the request of author.

Hearing: 04/03/2024

Location: 02/12/2024 - Assembly Labor and Employment

Summary: The California Occupational Safety and Health Act of 1973 (OSHA) requires employers to comply with certain safety and health standards, as specified, and charges the division with enforcement of the act. Current law requires the Division of Occupational Safety and Health, before December 1, 2025, to submit to the Occupational Safety and Health Standards Board a rulemaking proposal to consider revising certain standards relating to the prevention of heat illness, protection from wildfire smoke, and toilet facilities on construction jobsites. Current law also requires the standards board to review the proposed changes and consider adopting revised standards on or before December 31, 2025. This bill would require the standards board, before December 1, 2026, to draft a rulemaking proposal to revise a regulation on first aid materials to require all first aid kits in a workplace to include nasal spray naloxone hydrochloride. The bill would require the standards board to adopt revised standards for the standards described above on or before December 31, 2026.

Subject: Safety and Security

AB 2029 **(Jackson, D) Electric vehicle charging stations study.**

Introduced: 02/01/2024

Last Amended: 03/11/2024

Status: 03/19/2024 - From committee: Do pass and re-refer to Com. on U. & E. (Ayes 13. Noes 0.) (March 19). Re-referred to Com. on U. & E.

Hearing: 04/17/2024

Location: 03/19/2024 - Assembly Utilities and Energy

Summary: Current law requires the State Energy Resources Conservation and Development Commission (Energy Commission), working with the State Air Resources Board and the Public Utilities Commission, to prepare, and update at least once every 2 years, a statewide assessment of the electric vehicle charging infrastructure needed to support the levels of electric vehicle adoption required for the state to meet its goals of putting at least 5,000,000 zero-emission vehicles on California roads by 2030 and of reducing emissions of greenhouse gases to 40% below 1990 levels by 2030. This bill would require the Energy Commission, beginning January 1, 2025, to biennially conduct a study on electric vehicle charging stations, as provided. The bill would require the study to adhere to certain criteria, including, among other things, that the study include information on whether electric vehicle charging stations have a feature to call or prompt an attendant to assist the customer with the operation of the electric vehicle charging station equipment and whether electric vehicle charging stations have attendants present to provide assistance. The bill would require the commission to incorporate the information and recommendations required to be included in the study into the statewide assessment of the electric vehicle charging infrastructure described above and to concurrently provide a report of the study to the Legislature, as provided.

Subject: Environment

AB 2030 **(Davies, R) Public contracts: small business participation.**

Introduced: 02/01/2024

Status: 02/12/2024 - Referred to Com. on J., E.D., & E.

Location: 02/12/2024 - Assembly Jobs, Economic Development, and the Economy

Summary: The Small Business Procurement and Contract Act authorizes a state agency to award a contract for goods, services, or information technology with an estimated value of greater than \$5,000 but less than \$250,000 to a certified small business, including a microbusiness and a disabled veteran business enterprise, without complying with certain competitive bidding requirements, if the agency obtains price quotations from 2 or more of those businesses, as specified. Current law requires a state agency to consider a responsive offer timely received from a responsible certified small business, including a microbusiness, or from a disabled veteran business enterprise. This bill would expand the above-described authorization to permit a state agency to award a contract for goods, services, or information technology with an estimated value of greater than \$5,000 but less than \$250,000 to an LGBT business enterprise, a minority business enterprise, or a women business enterprise, as defined.

Subject: Public Works

AB 2043 (Boerner, D) Medi-Cal: nonmedical and nonemergency medical transportation.

Introduced: 02/01/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on HEALTH. Read second time and amended.

Hearing: 04/09/2024

Location: 02/12/2024 - Assembly Health

Summary: Current law covers emergency or nonemergency medical transportation, and nonmedical transportation, under the Medi-Cal program, as specified. This bill would require the State Department of Health Care Services to ensure that the fiscal burden of nonemergency medical transportation or nonmedical transportation is not unfairly placed on public paratransit service operators and would authorize the department to direct Medi-Cal managed care plans to reimburse public paratransit service operators who are enrolled as Medi-Cal providers at the fee-for-service rates for conducting that transportation, as described. The bill would require the department to engage with public paratransit service operators to understand the challenges as public operators of nonemergency medical transportation or nonmedical transportation services and would require the department to issue new guidance to ensure the fiscal burden is not unfairly placed on public operators on or before June 1, 2026.

Subject: Funding

AB 2061 (Wilson, D) Sales and Use Tax: exemptions: zero-emission public transportation ferries.

Introduced: 02/01/2024

Status: 03/11/2024 - In committee: Set, first hearing. Referred to REV. & TAX. suspense file.

Location: 03/11/2024 - Assembly REV. & TAX SUSPENSE FILE

Summary: Current sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. This bill, beginning January 1, 2025, and until January 1, 2030, would exempt from those taxes the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, zero-emission public transportation ferries, as defined, sold to a public agency, as specified.

Subject: Funding

AB 2086 (Schiavo, D) Department of Transportation funding: report and public dashboard.

Introduced: 02/05/2024

Status: 02/20/2024 - Referred to Com. on TRANS.

Location: 02/20/2024 - Assembly Transportation

Summary: Would require the California Transportation Commission, on or before January 1, 2026, to adopt guidelines for the Department of Transportation to use to determine whether the use of the funding made available to the department is advancing the Core Four priorities of safety, equity, climate action, and economic prosperity established by the Transportation Agency. In developing the guidelines, the bill would require the commission to conduct a public engagement process, hold a public comment period, and allow the interagency equity advisory committee established by these 3 agencies an opportunity to review, provide recommendations on, and evaluate potential changes to, the proposed guidelines.

Subject: Planning

AB 2087 (Alanis, R) California Environmental Quality Act: disclosure: identity and interests.

Introduced: 02/05/2024

Status: 02/26/2024 - Referred to Coms. on JUD. and NAT. RES.

Location: 02/26/2024 - Assembly Judiciary

Summary: This bill would require, in all actions or proceedings brought pursuant to the provisions of CEQA, that a filing party include with the filing a disclosure of the identity and interests of the party, as provided. The bill would authorize a court to request more information as needed, including, but not limited to, financial statements and testimony, in the event a filing party that has previously brought an action or proceeding concerning a project makes a subsequent filing in an action or proceeding concerning the same project. Because the bill would impose additional duties on a lead agency that is a filing party to an action or proceeding, the bill would impose a state-mandated local program.

Subject: Environment

AB 2116 **(Grayson, D) Road Maintenance and Rehabilitation Account: University of California: California State University: reports.**

Introduced: 02/05/2024

Status: 04/01/2024 - VOTE: Do pass and be re-referred to the Committee on [Appropriations] with recommendation: To Consent Calendar (PASS)

Location: 04/01/2024 - Assembly Appropriations

Summary: Current law creates the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. Current law provides for the deposit of various moneys, including revenues from certain fuel taxes and vehicle fees, for the program into the Road Maintenance and Rehabilitation Account. Current law, after deducting certain appropriations and allocations, authorizes annual appropriations of \$5,000,000 of the moneys available for the program to the University of California to conduct transportation research and of \$2,000,000 of the available moneys to the California State University to conduct transportation research and transportation-related workforce education, training, and development, as specified. This bill would require the University of California and the California State University, on or before January 1 of each year, to each submit a report to the Transportation Agency and specified legislative committees detailing its expenditures of those moneys for the previous fiscal year, including, but not limited to, research activities and administration.

Subject: Reports

AB 2123 **(Papan, D) Disability compensation: paid family leave.**

Introduced: 02/06/2024

Status: 02/20/2024 - Referred to Com. on INS.

Hearing: 04/03/2024

Location: 02/20/2024 - Assembly Insurance

Summary: Current law establishes, within the state disability insurance program, a family temporary disability insurance program, also known as the paid family leave program, for the provision of wage replacement benefits to workers who take time off work to care for certain seriously ill family members, to bond with a minor child within one year of birth or placement, as specified, or to participate in a qualifying exigency related to the covered active duty or call to covered active duty of certain family members. This bill would eliminate that authorization and related provisions.

Subject: Employment

AB 2135 **(Schiavo, D) Public works contracts: wage and penalty assessment.**

Introduced: 02/06/2024

Status: 03/14/2024 - From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 0.) (March 13). Re-referred to Com. on APPR.

Location: 03/13/2024 - Assembly Appropriations

Summary: Current law requires the Labor Commissioner to issue a civil wage and penalty assessment to a contractor or subcontractor, or both, if, after an investigation, the commissioner determines there has been a violation of the laws regulating public works contracts, including the payment of prevailing wages. Current law requires the assessment to be served not later than 18 months after the filing of a valid notice of completion in the office of the county recorder in each county in which the public work or some part thereof was performed, or not later than 18 months after acceptance of the public work, whichever occurs last. This bill would extend the above-described time period to 24 months, and would authorize an extension for good cause, including ongoing investigation and assessment by the Labor Commissioner or their designee.

Subject: Public Works

AB 2147 **(Mathis, R) Clean Transportation Program: hydrogen-fueling stations: report: job creation and workforce development.**

Introduced: 02/06/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.

Hearing: 04/08/2024

Location: 02/26/2024 - Assembly Transportation

Summary: Current law requires the State Energy Resources Conservation and Development Commission and the State Air Resources Board to annually jointly review and report on progress toward establishing a hydrogen-fueling network that provides the coverage and capacity to fuel vehicles requiring hydrogen fuel that are being placed into operation in the state. Current law requires the commission and the state board to consider several things, including, but not limited to, the available plans of automobile manufacturers to deploy hydrogen-fueled vehicles in California and their progress toward achieving those plans in their report. This bill would require the commission and state board's joint review and report to also include information on the progress made on job creation and workforce development in support of hydrogen fueling, limited to the construction, operation, and maintenance of hydrogen-fueling stations that are funded by active commission agreements. The bill would require the report to include the number of related workforce training programs in the state, the number of participants in those workforce training programs, the number of graduates of those workforce training programs, and the number of related jobs in the state that are created annually.

Subject: Funding

AB 2153 **(Lowenthal, D) California Public Records Act: public agency employees: notice requirements: personnel and medical information.**

Introduced: 02/06/2024

Status: 03/13/2024 - In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 02/20/2024 - Assembly Judiciary

Summary: This bill would require each agency, upon receipt of a request for a copy of, or the inspection of, any personnel, medical, or similar records of a public agency employee or any record that would disclose a public agency employee's personal identity in connection with the performance of that employee's work duties, to promptly and prior to the release of the records, provide written notice of the request to that public agency employee.

Subject: Records

AB 2182 **(Haney, D) Public works.**

Introduced: 02/07/2024

Last Amended: 03/18/2024

Status: 03/19/2024 - Re-referred to Com. on L. & E.

Location: 03/18/2024 - Assembly Labor and Employment

Summary: Current law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Current law requires the body awarding a contract for a public work to obtain from the director the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is to be performed, and the general prevailing rate of per diem wages for holiday and overtime work, for each craft, classification, or type of worker needed to execute the contract. Under current law, if the director determines during any quarterly period that there has been a change in any prevailing rate of per diem wages in a locality, the director is required to make that change available to the awarding body and their determination is final. This bill would instead require the director, if the director determines during any semiannual period that there has been a change in any prevailing rate of per diem wages in a locality, to make that change available to the awarding body and that decision would have exceptions to its finality, including authorizing a contractor, awarding body, or representative to file a petition to review the director's determination.

Subject: Public Works

AB 2190 **(Mathis, R) California Environmental Quality Act: expedited judicial review: infrastructure projects: hydrogen.**

Introduced: 02/07/2024

Status: 03/19/2024 - In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 02/26/2024 - Assembly Natural Resources

Summary: Current law authorizes the Governor to certify certain projects, including energy infrastructure projects that meet specified requirements, for streamlining benefits related to the California Environmental Quality Act (CEQA), such as the requirement that judicial actions, including any potential appeals, challenging the certification of an EIR or the granting of approval by a lead agency for certified projects be resolved, to the extent feasible, within 270 days after the filing of the certified record of proceedings with the court. Current law excludes from the definition of "energy infrastructure project" for these purposes any project using hydrogen as a fuel. This bill would delete that exclusion, thereby authorizing the Governor to certify energy infrastructure projects that use hydrogen as a fuel for streamlining benefits related to CEQA, as described above. Because the bill would impose additional duties on lead agencies in conducting the environmental review of energy infrastructure projects using hydrogen as a fuel that are certified by the Governor, including the concurrent preparation of the record of proceedings, this bill would impose a state-mandated local program.

Subject: Environment

AB 2204 **(Bennett, D) Green hydrogen.**

Introduced: 02/07/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on U. & E.

Location: 03/21/2024 - Assembly Utilities and Energy

Summary: Would require, on and after an unspecified date, all hydrogen produced or used in California to be green hydrogen that excludes the use of any fossil fuel as a feedstock or as an energy source in the production process and that complies with any applicable requirements to show the use of new and incremental renewable generation resources, temporal matching of renewable generation resources, and geographic deliverability of renewable energy resources.

Subject: Zero Emission

AB 2234 **(Boerner, D) Vehicles: electric bicycles.**

Introduced: 02/08/2024

Status: 04/01/2024 - In committee: Hearing postponed by committee.

Location: 02/26/2024 - Assembly Transportation

Summary: Current law requires the Department of the California Highway Patrol to develop, on or before September 1, 2023, statewide safety and training programs based on evidence-based practices for users of electric bicycles, as defined, including, but not limited to, general electric bicycle riding safety, emergency maneuver skills, rules of the road, and laws pertaining to electric bicycles. Current law requires the safety and training programs to be developed in collaboration with relevant stakeholders and to be posted on the department's internet website. This bill would require the department, on or before June 30, 2025, to issue a skills waiver containing specific information, in an electronic format, to each person who completes the electric bicycle safety and training programs described above.

Subject: Active Transportation

AB 2259 **(Boerner, D) Transportation: bicycle safety handbook.**

Introduced: 02/08/2024

Status: 03/19/2024 - From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 13. Noes 0.) (March 19). Re-referred to Com. on APPR.

Location: 03/19/2024 - Assembly Appropriations

Summary: Current law establishes within state government the Transportation Agency, which consists of the Department of the California Highway Patrol, the California Transportation Commission, the Department of Motor Vehicles, the Department of Transportation, the High-Speed Rail Authority, and the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun. The agency is under the supervision of the Secretary of Transportation, who has the power of general supervision over each department within the agency. Current law imposes various duties on the secretary, including advising the Governor on, and assisting the Governor in establishing, major policy and program matters affecting each department, office, or other unit within the agency. This bill would, upon appropriation by the Legislature, require the agency to develop and distribute, on or before September 1, 2025, a bicycle safety handbook that includes information on, among other things, existing laws regulating bicycles and e-bikes.

Subject: Active Transportation

AB 2261 **(Garcia, D) Transportation: federal funding: tribes.**

Introduced: 02/08/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.

Hearing: 04/08/2024

Location: 03/11/2024 - Assembly Transportation

Summary: Would, to the extent permitted by federal and state law, require a federally recognized Native American tribe to be eligible for federal funding for a transportation project and authorize the tribe to be the lead agency for a transportation project that receives federal funding.

Subject: Funding

AB 2266 **(Petrie-Norris, D) California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: vehicle eligibility.**

Introduced: 02/08/2024

Status: 02/26/2024 - Referred to Coms. on TRANS. and NAT. RES.

Hearing: 04/15/2024

Location: 02/26/2024 - Assembly Transportation

Summary: The State Air Resources Board administers the California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project under which the agency issues a limited number of vouchers to incentivize the purchase and use of zero-emission commercial vehicles. This bill would require the state board to authorize a voucher issued under the program to be used for the acquisition of any zero-emission vehicle that meets specified requirements.

Subject: Funding

AB 2274 **(Dixon, R) Taxation: sales and use taxes: exemption: school supplies tax holiday.**

Introduced: 02/08/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on REV. & TAX. In committee: Set, second hearing. Hearing canceled at the request of author.

Location: 02/26/2024 - Assembly Revenue and Taxation

Summary: Would, on and after January 1, 2025, and before January 1, 2030, exempt from sales and use taxes the gross receipts from the sale of, and the storage, use, or other consumption of, qualified school supplies, as defined, purchased during the first weekend in August, beginning at 12:01 a.m. on Saturday and ending at 11:59 p.m. on Sunday.

Subject: Funding

AB 2283 **(Pacheco, D) Public Records: employee personnel records: notice.**

Introduced: 02/08/2024

Status: 02/26/2024 - Referred to Com. on JUD.

Location: 02/26/2024 - Assembly Judiciary

Summary: Would require a public agency that receives a request for the personnel records of one of the public agency's employees to provide written notice, as prescribed, to the employee within 48 hours of receipt of the request if specified conditions are met. By imposing new duties on local agencies, this bill would impose a state-mandated local program.

Subject: Records

AB 2284 **(Grayson, D) County employees' retirement: compensation.**

Introduced: 02/08/2024

Status: 02/26/2024 - Referred to Com. on P.E. & R.

Location: 02/26/2024 - Assembly Public Employment and Retirement

Summary: This bill would authorize a retirement system under CERL, to the extent it has not defined "grade" in the above-described circumstances, to define "grade" to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related grouping.

Subject: Employment

AB 2286 (Aguiar-Curry, D) Vehicles: autonomous vehicles.

Introduced: 02/08/2024

Status: 03/18/2024 - Referred to Coms. on TRANS. and C. & C.

Hearing: 04/15/2024

Location: 03/18/2024 - Assembly Transportation

Summary: Would require a manufacturer of an autonomous vehicle to report to the Department of Motor Vehicles a collision on a public road that involved one of its autonomous vehicles with a gross vehicle weight of 10,001 pounds or more that is operating under a testing permit that resulted in damage of property, bodily injury, or death within 10 days of the collision.

Subject: Safety and Security

AB 2290 (Friedman, D) Transportation: Class III bikeways: bicycle facilities: Bikeway Quick-Build Project Pilot Program.

Introduced: 02/12/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.

Hearing: 04/08/2024

Location: 02/26/2024 - Assembly Transportation

Summary: Current law establishes 4 classifications of bikeways and defines a "Class III bikeway" as a bikeway that provides a right-of-way on-street or off-street, designated by signs or permanent markings and shared with pedestrians and motorists. This bill would prohibit the allocation of Active Transportation Program funds for a project that creates a Class III bikeway unless the project is on a street with a design speed limit of 20 miles per hour or less or the project will reduce the design speed limit to 20 miles per hour or less.

Subject: Active Transportation

AB 2302 (Addis, D) Open meetings: local agencies: teleconferences.

Introduced: 02/12/2024

Status: 02/26/2024 - Referred to Com. on L. GOV.

Hearing: 04/10/2024

Location: 02/26/2024 - Assembly Local Government

Summary: The Ralph M. Brown Act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in specified circumstances if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law imposes prescribed restrictions on remote participation by a member under these alternative teleconferencing provisions, including establishing limits on the number of meetings a member may participate in solely by teleconference from a remote location, prohibiting such participation for a period of more than 3 consecutive months or 20% of the regular meetings for the local agency within a calendar year, or more than 2 meetings if the legislative body regularly meets fewer than 10 times per calendar year. This bill would revise those limits, instead prohibiting such participation for more than a specified number of meetings per year, based on how frequently the legislative body regularly meets.

Subject: Public Meetings

AB 2320 **(Irwin, D) Wildlife Connectivity and Climate Adaptation Act of 2024: wildlife corridors.**

Introduced: 02/12/2024

Status: 02/26/2024 - Referred to Coms. on W., P., & W. and NAT. RES.

Hearing: 04/09/2024

Location: 02/26/2024 - Assembly Water, Parks and Wildlife

Summary: Current law requires the Natural Resources Agency, in implementing actions to achieve the goal to conserve at least 30% of the state's lands and coastal waters by 2030 established by executive order, to prioritize specified actions. Current law requires the Secretary of the Natural Resources Agency to prepare and submit an annual report to the Legislature on the progress made during the prior calendar year toward achieving that goal, as provided. Current law requires that annual report to include certain information, including, among other information, the progress made in the prior calendar year to address equity as part of the above-described goal. This bill, the Wildlife Connectivity and Climate Adaptation Act of 2024, would additionally require the agency, as part of that report, to identify key wildlife corridors, as defined, in the state, connections between large blocks of natural areas and habitats, progress on protecting additional acres of wildlife corridors, and goals for wildlife corridor protection in the next 5 years, as provided.

Subject: Environment

AB 2333 **(Santiago, D) State highways: airspace leases: report.**

Introduced: 02/12/2024

Last Amended: 03/19/2024

Status: 04/01/2024 - VOTE: Do pass and be re-referred to the Committee on [Appropriations] with recommendation: To Consent Calendar (PASS)

Location: 04/01/2024 - Assembly Appropriations

Summary: Current law authorizes the Department of Transportation to lease to public agencies or private entities areas above or below state highways, subject to any reservations, restrictions, and conditions that the department deems necessary to ensure adequate protection to the safety and the adequacy of highway facilities and to abutting or adjacent land uses. This bill would require the department, on or before January 1, 2026, and annually thereafter, to submit a report to the Assembly and Senate Committees on Transportation with specified information on every airspace site leased by the department, including information about site inspections and each site's proximity to sensitive infrastructure.

Subject: Reports

AB 2337 **(Dixon, R) Workers' compensation: electronic signatures.**

Introduced: 02/12/2024

Status: 02/26/2024 - Referred to Coms. on INS. and JUD.

Hearing: 04/03/2024

Location: 02/26/2024 - Assembly Insurance

Summary: Current law establishes a Workers' Compensation Appeals Board and sets forth various proceedings that are required to be brought forth before the board. Current law provides that the appeals board is vested with full power, authority, and jurisdiction to try and determine finally all the matters specified in those proceedings subject only to the review by the courts, as specified. This bill would define "signature" for purposes of a proceeding before the board to include an electronic signature, as specified.

Subject: Employment

AB 2372 **(Bains, D) Greenhouse gas emissions: state board: report.**

Introduced: 02/12/2024

Status: 02/26/2024 - Referred to Com. on NAT. RES.

Location: 02/26/2024 - Assembly Natural Resources

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board, by December 31, 2035, to evaluate and report its findings and recommendations to the Legislature on the feasibility and tradeoffs of achieving the policy goal of ensuring that by 2045 statewide anthropogenic greenhouse gas emissions are reduced to at least 85% below the statewide greenhouse gas emissions limit, relative to alternative scenarios that achieve the policy goal of achieving net zero greenhouse gas emissions as soon as possible, but no later than 2045, and achieving and maintaining net negative greenhouse gas emissions thereafter. This bill would instead require the state board to do the evaluation and report its findings and recommendations to the Legislature by December 31, 2030.

Subject: Reports

AB 2400 **(Rivas, Luz, D) California Alternative Energy and Advanced Transportation Financing Authority Act.**

Introduced: 02/12/2024

Status: 04/01/2024 - VOTE: Do pass and be re-referred to the Committee on [Revenue and Taxation] (PASS)

Location: 04/01/2024 - Assembly Revenue and Taxation

Summary: The California Alternative Energy and Advanced Transportation Financing Authority Act establishes the California Alternative Energy and Advanced Transportation Financing Authority. The act authorizes, until January 1, 2026, the authority to provide financial assistance to a participating party in the form of specified sales and use tax exclusions for projects, including those that promote California-based manufacturing, California-based jobs, advanced manufacturing, reduction of greenhouse gases, or reduction in air and water pollution or energy consumption. The act prohibits the sales and use tax exclusions from exceeding \$100,000,000 for each calendar year, except as provided. The Sales and Use Tax Law, for the purposes of the taxes imposed pursuant to that law, until January 1, 2026, excludes the lease or transfer of title of tangible personal property constituting a project to any contractor for use in the performance of a construction contract for a participating party that will use that property as an integral part of the approved project. This bill would extend the authorization to provide financial assistance in the form of a sales and use tax exclusion for qualifying projects to January 1, 2031, and would extend the sales and use tax exclusion to January 1, 2031.

Subject: Funding

AB 2401 **(Ting, D) Clean Cars 4 All Program.**

Introduced: 02/12/2024

Status: 03/27/2024 - In committee: Hearing postponed by committee.

Hearing: 04/15/2024

Location: 02/26/2024 - Assembly Transportation

Summary: Current law establishes the Clean Cars 4 All Program, which is administered by the State Air Resources Board, to focus on achieving reductions in the emissions of greenhouse gases, improvements in air quality, and benefits to low-income state residents through the replacement of high-polluter motor vehicles with cleaner and more efficient motor vehicles or a mobility option. Current law requires the implementing regulations to ensure that the program complies with certain requirements. This bill would require the implementing regulations for the Clean Cars 4 All Program to additionally ensure that, among other things, incentives provided under the program are available in all areas of the state and that, in those areas where a local air district has not elected to manage the distribution of incentives, the state board manages the distribution of incentives to eligible residents of those areas, and would make certain conforming changes in that regard.

Subject: Environment

AB 2404 **(Lee, D) State and local public employees: labor relations: strikes.**

Introduced: 02/12/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on P.E. & R.

Location: 03/21/2024 - Assembly Public Employment and Retirement

Summary: The Meyers-Milius-Brown Act and the Ralph C. Dills Act regulate the labor relations of employees and employers of local public agencies and the state, respectively. The acts grant specified employees of local public agencies and the state the right to form, join, and participate in the activities of employee organizations of their choosing. This bill would provide, except as specified, that it is not unlawful or a cause for discipline or other adverse action against a public employee for that public employee to refuse to enter property that is the site of a primary strike, perform work for a public employer involved in a primary strike, or go through or work behind a primary strike line. The bill would prohibit a public employer from directing a public employee to take those actions. The bill would authorize a recognized employee organization to inform employees of these rights and encourage them to exercise those rights.

Subject: Employment

AB 2409 **(Papan, D) Office of Planning and Research: permitting accountability transparency dashboard.**

Introduced: 02/12/2024

Status: 03/21/2024 - Referred to Com. on W., P., & W.

Hearing: 04/09/2024

Location: 03/21/2024 - Assembly Water, Parks and Wildlife

Summary: Would require the Office of Planning and Research, on or before January 1, 2026, to create and maintain, as specified, a permitting accountability transparency internet website (dashboard). The bill would require the dashboard to include a display for each permit to be issued by specified state agencies for all covered projects. The bill would define various terms for these purposes. The bill would also require the dashboard to include, but not be limited to, information for each permit to be issued by a state agency that is required for the completion of the project, including, among other requirements, the permit application submission date. The bill would require each state agency with a responsibility for issuing a permit for a covered project to provide information in the appropriate time and manner as determined by the office.

Subject: Public Works

AB 2418 **(Patterson, Jim, R) Vehicular air pollution: heavy-duty trucks.**

Introduced: 02/13/2024

Status: 02/26/2024 - Referred to Com. on TRANS.

Location: 02/26/2024 - Assembly Transportation

Summary: Current law requires the state board to adopt and implement emission standards for new motor vehicles for the control of emissions from new motor vehicles that the State Air Resources Board finds to be necessary and technologically feasible, as provided. Current state regulations establish exhaust emissions standards and test procedures for 1985 and subsequent model heavy-duty engines and vehicles, as provided. Current law defines "heavy-duty" for purposes of laws governing air resources. This bill would exempt, notwithstanding any other law, a 2024 and subsequent model heavy-duty truck that meets federal exhaust emission standards from the state regulations described above governing exhaust emissions standards and test procedures for 1985 and subsequent model heavy-duty engines and vehicles.

Subject: Zero Emission

AB 2421 **(Low, D) Employer-employee relations: confidential communications.**

Introduced: 02/13/2024

Status: 02/26/2024 - Referred to Com. on P.E. & R.

Hearing: 04/03/2024

Location: 02/26/2024 - Assembly Public Employment and Retirement

Summary: Current law that governs the labor relations of public employees and employers, including the Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, provisions relating to higher education, and provisions relating to the San Francisco Bay Area Rapid Transit District, prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. This bill would also prohibit a local public agency employer, a state employer, a public school employer, a higher education employer, or the district from questioning any employee or employee representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation.

Subject: Employment

AB 2431 **(Mathis, R) Taxation: Transactions and Use Tax Law: limit increase.**

Introduced: 02/13/2024

Status: 03/04/2024 - Referred to Coms. on L. GOV. and REV. & TAX.

Location: 03/04/2024 - Assembly Local Government

Summary: This bill would authorize a city, county, or city and county to impose a transactions and use tax at a rate of no more than an unspecified percentage that, in combination with other transactions and use taxes, would exceed the above-described combined rate limit of 2%, if certain conditions are met, including that the city, county, or city and county has reached the 2% rate limitation.

Subject: Funding

AB 2439 **(Quirk-Silva, D)** Public works: prevailing wages: access to records.

Introduced: 02/13/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on JUD. Read second time and amended.

Location: 02/26/2024 - Assembly Judiciary

Summary: This bill would require an owner, a developer, or the agent of an owner or developer, that, among other things, receives public funds from a public agency to perform specified public works projects, to make available upon written request from a joint labor-management committee, a multiemployer Taft-Hartley trust fund, or a specified tax-exempt organization specified public works records in their possession, including requests for bids and submitted bid documents, inspection and work logs, and funding documentation.

Subject: Records

AB 2448 **(Jackson, D)** Electric Vehicle Economic Opportunity Zone: County of Riverside.

Introduced: 02/13/2024

Status: 03/21/2024 - Referred to Com. on J., E.D., & E.

Location: 03/21/2024 - Assembly Jobs, Economic Development, and the Economy

Summary: Would, upon appropriation by the Legislature, establish an Electric Vehicle Economic Opportunity Zone (EVEOZ) for the County of Riverside, administered by the California Competes Tax Credit Committee, for the purpose of creating programs to make electric vehicle manufacturing jobs and education more accessible to lower income communities. The bill would require County of Riverside to assist in determining the geographical boundaries of the EVEOZ. By imposing additional duties on local officials, the bill would impose a state-mandated local program. The bill would authorize the committee to partner with educational institutions, electric vehicle manufacturing businesses, and local and national financial intuitions to develop EVEOZ education, training, and investment programs, as specified.

Subject: Zero Emission

AB 2453 **(Villapudua, D)** Weights and measures: electric vehicle chargers and electric vehicle supply equipment.

Introduced: 02/13/2024

Status: 04/01/2024 - In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 03/04/2024 - Assembly Privacy and Consumer Protection

Summary: Current law provides that the Department of Food and Agriculture has general supervision of the weights and measures and weighing and measuring devices sold or used in the state, including devices used to measure electricity sold as a motor vehicle fuel. Current law requires the Secretary of Food and Agriculture to establish tolerances and specifications and other technical requirements for commercial weighing and measuring, as specified. Current law requires that weighing and measuring devices be of a type or design approved by the department under a process known as "type evaluation" before they may be used for commercial purposes. This bill would authorize a measuring instrument used to measure the amount of electricity transferred from an electric vehicle charger to be used in connection with the sale of electricity as a motor vehicle fuel without first being tested if it is a type approved by the department, is calibrated and sealed by the manufacturer, and is unalterable.

Subject: Zero Emission

AB 2455 **(Gabriel, D)** Whistleblower protection: state and local government procedures.

Introduced: 02/13/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on JUD.

Hearing: 04/09/2024

Location: 03/21/2024 - Assembly Judiciary

Summary: Current law authorizes a city, county, or city and county auditor or controller to maintain a whistleblower hotline to receive calls from persons who have information regarding fraud, waste, or abuse by local government employees, as specified. Current law authorizes the county auditor to refer calls received on the whistleblower hotline to the appropriate government authority for review and possible investigation. During the initial review of a call, existing law requires the auditor, controller, or other appropriate governmental agency to hold in confidence information disclosed through the whistleblower hotline, as specified. Upon receiving specific information that an employee or local government has engaged in an improper activity, as defined, existing law authorizes a city or county auditor to conduct an investigative audit of the matter, as specified. This bill would expand the above-described duties and authorizations to the auditor's or controller's designee, as specified.

Subject: Miscellaneous

AB 2474 **(Lackey, R)** Retirement: County Employees Retirement Law of 1937: benefit payments and overpayments.

Introduced: 02/13/2024

Status: 02/26/2024 - Referred to Com. on P.E. & R.

Location: 02/26/2024 - Assembly Public Employment and Retirement

Summary: The Public Employees' Pension Reform Act of 2013 (PEPRA) prescribed various limitations on public employees, employers, and retirement systems concerning, among other things, the types of remuneration that may be included in compensation that is applied to pensions. Under the County Employees Retirement Law of 1937 (CERL), the board of retirement is required to comply with and give effect to a revocable written authorization signed by a retired member or beneficiary of a retired member, as described, authorizing the treasurer or other entity authorized by the board to deliver the monthly warrant, check, or electronic fund transfer for the retirement allowance or benefit to any specified bank, savings and loan institution, or credit union to be credited to the account of the retired member or survivor of a deceased retired member. This bill would also authorize the monthly warrant, check, or electronic fund transfer for the retirement allowance or benefit to be delivered to a prepaid account, as defined. The bill would also define "account of the retired member or survivor of a deceased retired member" to include an account held in a living trust or an income-only trust, as specified.

Subject: Employment

AB 2480 **(Garcia, D)** Zero-emission schoolbus replacement grants: private contractors.

Introduced: 02/13/2024

Last Amended: 03/20/2024

Status: 03/21/2024 - Re-referred to Com. on TRANS.

Location: 03/04/2024 - Assembly Transportation

Summary: Current law appropriates, for the 2023–24 fiscal year, \$375,000,000 from the General Fund to the State Air Resources Board for the Hybrid and Zero-Emission Truck and Voucher Incentive Project to fund grants to local educational agencies, as defined, for zero-emission schoolbuses to replace heavy-duty internal combustion schoolbuses owned by local educational agencies, as specified, and \$125,000,000 from the General Fund to the State Energy Resources Conservation and Development Commission to fund grants to local educational agencies for zero-emission schoolbus charging or fueling infrastructure and related activities, including, but not limited to, charging or fueling stations, equipment, site design, construction, and related infrastructure upgrades, in order to complement those vehicle investments, as specified. This bill would include, for the definition of a local educational agency for purposes of these provisions, a private contractor with ownership of title for a schoolbus that is used to provide transportation services for a school district, county office of education, or charter school, as provided.

Subject: Funding

AB 2489 **(Ward, D)** Local agencies: contracts for special services and temporary help.

Introduced: 02/13/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on P.E. & R.

Location: 03/21/2024 - Assembly Public Employment and Retirement

Summary: Current law relating to the government of counties authorizes a county board of supervisors to contract for certain types of special services on behalf of the county, any county officer or department, or any district or court in the county. Current law requires those special services contracts to be with persons who are specially trained, experienced, expert, and competent to perform those services. This bill would require the board or a representative, at least 10 months before beginning a procurement process to contract with persons for special services that are currently, or were in the previous 10 years, performed by employees of the county represented by an employee organization, to notify, in writing, the exclusive employee representative of the workforce affected by the contract of its determination to begin that process. The bill would require persons with whom the board of supervisors enter into a contract for special services to perform functions that are currently, or were in the previous 10 years, performed by employees of the county, any county officer or department, or any district or court in the county represented by an employee organization to use employees who meet or exceed the minimum qualifications and standards required of bargaining unit civil service employees who perform or performed the same job functions, as specified.

Subject: Public Works

AB 2499 (Schiavo, D) Unlawful employment practices: discrimination for time off.

Introduced: 02/13/2024

Status: 02/26/2024 - Referred to Coms. on L. & E. and JUD.

Hearing: 04/03/2024

Location: 02/26/2024 - Assembly Labor and Employment

Summary: This bill would revise and recast the jury, court, and victim time off provisions for employees as unlawful employment practices within the California Fair Employment and Housing Act and, thus, within the enforcement authority of the Civil Rights Department. The bill would remove the threshold of 25 or more employees from the provisions for victims of crime or abuse and, except as specified, apply its provisions to a person who directly employs one or more persons to perform services for a wage or salary. The bill would refer to a "qualifying act of violence," as defined, instead of crime, or crime or abuse. The bill would substantially revise existing definitions for its purposes, including defining "victim" as an individual against whom a qualifying act of violence is committed.

Subject: Employment

AB 2503 (Lee, D) California Environmental Quality Act: exemption: rail projects.

Introduced: 02/13/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.

Hearing: 04/08/2024

Location: 03/04/2024 - Assembly Natural Resources

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would expand that exemption from CEQA to include a public project for the institution or increase of any rail service, which will be exclusively used by low-emission or zero-emission vehicles, on existing public rights-of-way or existing highway rights-of-way. Because a lead agency would be required to determine the applicability of this exemption, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Subject: Planning

AB 2522 (Carrillo, Wendy, D) South Coast Air Quality Management District: district board: compensation.

Introduced: 02/13/2024

Status: 03/11/2024 - Referred to Com. on NAT. RES.

Hearing: 04/08/2024

Location: 03/11/2024 - Assembly Natural Resources

Summary: Current law provides for the creation of the South Coast Air Quality Management District in those portions of the Counties of Los Angeles, Orange, Riverside, and San Bernardino included within the area of the South Coast Air Basin, as specified. Current law provides that the south coast district is governed by a district board consisting of 13 members. This bill would provide that each member of the board shall receive compensation of \$200 for each day, or portion thereof, but not to exceed \$2,000 per month, while attending meetings of the board or any committee thereof or, upon authorization of the board, while on official business of the district, and the actual and necessary expenses incurred in performing the member's official duties. The bill would provide that the compensation of each member of the board may be increased beyond this amount by the board, as specified.

Subject: Miscellaneous

AB 2525 **(Zbur, D)** State highways: property leases.

Introduced: 02/13/2024

Last Amended: 03/18/2024

Status: 03/19/2024 - Re-referred to Com. on TRANS.

Hearing: 04/08/2024

Location: 03/18/2024 - Assembly Transportation

Summary: Current law authorizes the Department of Transportation to offer leases to the City of Los Angeles on a right of first refusal basis for any airspace under a freeway or certain real property acquired for highway purposes located in the city for purposes of an emergency shelter or feeding program for a lease amount, for up to 10 parcels, of \$1 per month, and a payment of an administrative fee not to exceed \$500 per year, as specified. This bill would expand the purposes for which these leases may be issued to include an emergency shelter or feeding program, a secure vehicle lot program, or any combination of those purposes. The bill would define "secure vehicle lot program" to mean the use of the leased property to store a vehicle belonging to a person receiving services from the lessee or other governmental agency for the purpose of relieving homelessness. The bill would also increase the number of parcels that may be leased for \$1 per month to 25 parcels.

Subject: Planning

AB 2535 **(Bonta, D)** Trade Corridor Enhancement Program.

Introduced: 02/13/2024

Status: 03/04/2024 - Referred to Coms. on TRANS. and NAT. RES.

Hearing: 04/15/2024

Location: 03/04/2024 - Assembly Transportation

Summary: Current law requires the California Transportation Commission, under a program commonly known as the Trade Corridor Enhancement Program, to allocate, upon appropriation by the Legislature, revenues from a specified portion of the state excise tax on diesel fuel and certain federal funds for infrastructure projects located on or along specified transportation corridors. Under existing law, eligible projects under the program include, among others, highway improvements to more efficiently accommodate the movement of freight and environmental and community mitigation or efforts to reduce environmental impacts of freight movement. This bill would prohibit the commission from allocating funding under the program to a project that adds a general-purpose lane to a highway or expands highway capacity in a community that meets certain criteria relating to pollution impacts.

Subject: Planning

AB 2553 **(Friedman, D)** Housing development: major transit stops: vehicular traffic impact fees.

Introduced: 02/14/2024

Status: 03/21/2024 - Referred to Coms. on L. GOV. and H. & C.D.

Hearing: 04/10/2024

Location: 03/21/2024 - Assembly Local Government

Summary: The California Environmental Quality Act (CEQA) exempts from its requirements residential projects on infill sites and transit priority projects that meet certain requirements, including a requirement that the projects are located within 1/2 mile of a major transit stop. CEQA defines "major transit stop" to include, among other locations, the intersection of 2 or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. This bill would revise the definition of "major transit stop" to increase the frequency of service interval to 20 minutes. The bill would additionally define "major transit stop" to include a site in an urbanized area that is being served by an on-demand transit service at least 12 hours a day, 7 days a week. Because the bill would require a lead agency to make an additional determination as to whether a location is a major transit stop for purposes of determining whether residential or mixed-use residential projects are exempt from CEQA, this bill would impose a state-mandated local program.

Subject: Transit

AB 2559 **(Petrie-Norris, D) Local planning: electric vehicle service equipment: permitting delays.**

Introduced: 02/14/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on L. GOV.

Hearing: 04/10/2024

Location: 03/21/2024 - Assembly Local Government

Summary: This bill would require the Governor's Office of Business and Economic Development (GO-Biz) to create and maintain a publicly accessible internet website that contains a landing page with functionality to collect information and report delays and denials in the permitting of electric vehicle service equipment, as specified. The bill would require GO-Biz to establish a working group to evaluate the data it receives from the internet website and direct the working group to determine recommended solutions to address permitting delays. The bill would require, on or before January 1, 2026, GO-Biz to submit to the Legislature and publish on its internet website a comprehensive report regarding the challenges identified throughout the data collection process, as specified. The bill would also require GO-Biz to establish a permit streamlining specialist to assist authorities having jurisdiction with permit delays and denials related to these provisions.

Subject: Reports

AB 2561 **(McKinnor, D) Local public employees: vacant positions.**

Introduced: 02/14/2024

Last Amended: 03/11/2024

Status: 03/19/2024 - In committee: Hearing postponed by committee.

Location: 03/11/2024 - Assembly Public Employment and Retirement

Summary: Would require each public agency with bargaining unit vacancy rates exceeding 10% for more than 90 days within the past 180 days to meet and confer with a representative of the recognized employee organization to produce, publish, and implement a plan consisting of specified components to fill all vacant positions within the subsequent 180 days. The bill would require the public agency to present this plan during a public hearing to the governing legislative body and to publish the plan on its internet website for public review for at least one year. By imposing new duties on local public agencies, the bill would impose a state-mandated local program. The bill would also include findings that changes proposed by this bill address a matter of statewide concern.

Subject: Employment

AB 2570 **(Patterson, Joe, R) Department of Housing and Community Development: annual report: Homeless Housing, Assistance, and Prevention program.**

Introduced: 02/14/2024

Status: 03/11/2024 - Referred to Com. on H. & C.D.

Location: 03/11/2024 - Assembly Housing and Community Development

Summary: Current law requires the Department of Housing and Community Development to submit an annual report to the Governor and both houses of the Legislature on the operations and accomplishments during the previous fiscal year of the housing programs administered by the department. Current law requires that the report include, among other things, the number of units assisted by those programs and the number of individuals and households served and their income level. This bill would additionally require that this report include an evaluation of the Homeless Housing, Assistance, and Prevention (HHAP) program.

Subject: Reports

AB 2626 **(Dixon, R) Advanced Clean Fleets regulations: local governments.**

Introduced: 02/14/2024

Status: 03/04/2024 - Referred to Coms. on TRANS. and NAT. RES.

Location: 03/04/2024 - Assembly Transportation

Summary: Pursuant to its authority, the State Air Resources Board has adopted the Advanced Clean Fleets Regulation, which imposes various requirements for transitioning local, state, and federal government fleets of medium- and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles. The Advanced Clean Fleets Regulation authorizes entities subject to the regulation to apply for exemptions from its requirements under certain circumstances. This bill would extend the compliance dates for local government set forth in the Advanced Clean Fleets Regulation by 10 years. The bill would prohibit the state board from taking enforcement action against a local government for violating the Advanced Clean Fleets Regulation if the alleged violation occurs before January 1, 2025.

Subject: Zero Emission

AB 2634 **(McCarty, D)** Sacramento Regional Transit District.

Introduced: 02/14/2024

Status: 03/04/2024 - Referred to Com. on L. GOV.

Hearing: 04/10/2024

Location: 03/04/2024 - Assembly Local Government

Summary: Current law authorizes the formation of the Sacramento Regional Transit District with various powers and duties with respect to transportation planning, programming, construction, and operations. Current law requires each transit operator, including the district, that offers reduced fares to senior citizens to also offer reduced fares to disabled persons, as defined, and disabled veterans, as defined, at the same rate established for senior citizens, as specified. This bill would exempt the district from that requirement.

Subject: Transit

AB 2645 **(Lackey, R)** Electronic toll collection systems: information sharing: law enforcement.

Introduced: 02/14/2024

Status: 03/18/2024 - Referred to Coms. on PUB. S. and TRANS.

Hearing: 04/09/2024

Location: 03/18/2024 - Assembly Public Safety

Summary: Current law authorizes a law enforcement agency to request the Department of the California Highway Patrol (CHP) to activate the Emergency Alert System within the appropriate area if that agency determines that a child 17 years of age or younger, or an individual with a proven mental or physical disability, has been abducted and is in imminent danger of serious bodily injury or death, and there is information available that, if disseminated to the general public, could assist in the safe recovery of that person. Current law also authorizes the CHP, upon the request of a law enforcement agency, to activate various other alerts for missing individuals meeting certain criteria and alerts following an attack upon a law enforcement officer or a hit-and-run fatality. This bill, if the CHP activates one of the above-mentioned alerts and that alert contains a license plate number of a vehicle involved in the incident, would require a transportation agency that employs an electronic toll collection system to notify the CHP and the law enforcement agency that requested the alert upon identifying that vehicle with that license plate number using a camera-based vehicle identification system or other electronic medium employed in connection with the electronic toll collection system. The bill would require the notification to include the time and location that the vehicle was identified. By requiring a local transportation agency to report this information, this bill would impose a state-mandated local program.

Subject: Safety and Security

AB 2669 **(Ting, D)** Toll bridges: tolls.

Introduced: 02/14/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on TRANS.

Hearing: 04/08/2024

Location: 03/04/2024 - Assembly Transportation

Summary: Existing law provides for the construction and operation of various toll bridges by the state, the Golden Gate Bridge, Highway and Transportation District, and private entities that have entered into a franchise agreement with the state. This bill would prohibit a toll from being imposed on the passage of a pedestrian, bicycle, or personal micromobility device over these various toll bridges, unless the bridge was under construction on or before January 1, 2025, and the tolls are used to fund the cost of constructing the bridge.

Subject: Tolling

AB 2678 **(Wallis, R) Vehicles: high-occupancy vehicle lanes.**

Introduced: 02/14/2024

Last Amended: 03/18/2024

Status: 03/19/2024 - Re-referred to Com. on TRANS.

Hearing: 04/08/2024

Location: 03/04/2024 - Assembly Transportation

Summary: Current state law authorizes the Department of Transportation to designate certain lanes for the exclusive use of high-occupancy vehicles (HOVs). Current federal law authorizes, until September 30, 2025, a state to allow specified alternate fuel and plug-in electric or hybrid vehicles to use lanes designated for HOVs. Current state law authorizes the Department of Motor Vehicles to issue decals or other identifiers to qualified vehicles, as specified. Current state law allows a vehicle displaying a valid decal or identifier issued pursuant to these provisions to be operated in a lane designated for the exclusive use of HOVs regardless of the occupancy of the vehicle. These existing state laws, by operation of their provisions, become inoperative on the date the federal authorization expires. Current state law also repeals these provisions on September 30, 2025. This bill would extend the repeal date of these provisions until January 1, 2027.

Subject: Planning

AB 2697 **(Irwin, D) Transportation electrification: electric vehicle charging infrastructure.**

Introduced: 02/14/2024

Last Amended: 03/19/2024

Status: 04/01/2024 - In committee: Hearing postponed by committee.

Hearing: 04/15/2024

Location: 03/11/2024 - Assembly Transportation

Summary: Would require the State Energy Resources Conservation and Development Commission (Energy Commission) to develop network roaming requirements for electric vehicle chargers and charging station networks by January 1, 2026, that would apply to the charging network of owners or operators of electric vehicle charging stations that received an incentive from a state agency or through a charge on ratepayers, as specified. The bill would repeal this requirement on January 1, 2035.

Subject: Zero Emission

AB 2698 **(Ta, R) Route 405: Little Saigon Freeway.**

Introduced: 02/14/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on TRANS.

Hearing: 04/15/2024

Location: 03/21/2024 - Assembly Transportation

Summary: Existing law vests the Department of Transportation with full possession and control of all state highways. Existing law describes the authorized routes in the state highway system, including that for Route 405 from Route 5 near El Toro to Route 5 near San Fernando. This bill would specify that Route 405 from Bolsa Chica Road to Magnolia Street in the County of Orange shall be known and designated as the Little Saigon Freeway, and would require the department to determine the cost of appropriate signs showing that special designation and, upon receiving donations from nonstate sources sufficient to cover the cost, to erect those signs, as specified.

Subject: Miscellaneous

AB 2712 **(Friedman, D) Preferential parking privileges: transit-oriented development.**

Introduced: 02/14/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on L. GOV.

Hearing: 04/10/2024

Location: 03/11/2024 - Assembly Local Government

Summary: This bill, for a residential, commercial, or other development project that is exempt from minimum automobile parking requirements and located within a preferential parking area, would require the development project to be excluded from the boundaries of the preferential parking area and would prohibit the local authority, as defined, from issuing any permit to the residents, vendors, or visitors of the development project that grants preferential parking privileges. The bill would also authorize a local authority to issue permits to residents, vendors, and visitors of the development project that is within the boundaries of a preferential parking area if the local authority makes written findings that including the development project would not have a substantially negative impact on the preferential parking area, as specified. The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

Subject: Planning

AB 2715 **(Boerner, D) Ralph M. Brown Act: closed sessions.**

Introduced: 02/14/2024

Status: 03/04/2024 - Referred to Com. on L. GOV.

Location: 03/04/2024 - Assembly Local Government

Summary: The Ralph M. Brown Act generally requires that all meetings of a legislative body of a local agency be open and public and that all persons be permitted to attend and participate. Current law authorizes a legislative body to hold a closed session on, among other things, matters posing a threat to the security of essential public services, as specified. This bill would additionally authorize a closed session to consider or evaluate matters related to cybersecurity, as specified, provided that any action taken on those matters is done in open session.

Subject: Public Meetings

AB 2719 **(Wilson, D) Vehicles: commercial vehicle inspections.**

Introduced: 02/14/2024

Status: 04/01/2024 - VOTE: Do pass and be re-referred to the Committee on [Appropriations] with recommendation: To Consent Calendar (PASS)

Location: 04/01/2024 - Assembly Appropriations

Summary: Would authorize a public transit agency, as defined, to request the California Highway Patrol (CHP) to conduct an annual inspection and certification of its fleet. The bill would authorize the Commissioner of the CHP to issue stickers or other devices as evidence of certification. The bill would exempt any public transit agency vehicle that has been certified through that inspection from the requirement to stop at a roadside inspection.

Subject: Transit

AB 2733 **(Boerner, D) Vehicles: special permits.**

Introduced: 02/15/2024

Status: 03/04/2024 - Referred to Com. on TRANS.

Location: 03/04/2024 - Assembly Transportation

Summary: Current law authorizes the Department of Transportation to issue a special permit to the operator of a vehicle, combination of vehicles, or mobile equipment, permitting the operation and movement of the vehicle, combination, or equipment, and its load, on designated routes if the vehicle, combination, or equipment meets specified criteria, upon adoption of an ordinance or resolution by specified cities covering designated routes. This bill would additionally authorize the Department of Transportation to issue a special permit to the operator of a zero-emission vehicle, as defined, combination of vehicles, or mobile equipment, permitting the operation and movement of the vehicle, combination, or equipment, and its load, on designated routes if the vehicle, combination, or equipment meets specified criteria, upon adoption of an ordinance or resolution by the City of San Diego and City of National City covering designated routes.

Subject: Public Works

AB 2742 **(Sanchez, R) Emergency vehicles: penalties.**

Introduced: 02/15/2024

Status: 04/01/2024 - Referred to Com. on TRANS.

Location: 04/01/2024 - Assembly Transportation

Summary: Would prohibit a person driving a vehicle upon a highway or a pedestrian from willfully obstructing a highway, including in the course of a protest, in any manner that interferes with the ability of an authorized emergency vehicle to pass and would make a violation of this provision punishable by specified fines. By creating a new crime, this bill would impose a state-mandated local program.

Subject: Safety and Security

AB 2744 **(McCarty, D) Vehicles: pedestrian, bicycle, and vehicle safety.**

Introduced: 02/15/2024

Status: 04/01/2024 - In committee: Hearing postponed by committee.

Location: 03/04/2024 - Assembly Transportation

Summary: Current law authorizes a legislative body of a city, whenever this legislative body determines that it is necessary for the more efficient maintenance, construction, or repair of streets and roads within the city, to contract with the board of supervisors of any county for the rental of the county's equipment, as specified. This bill would, beginning on January 1, 2025, prohibit the addition of a right-turn or travel lane within 20 feet of a marked or unmarked crosswalk where there is not already a dedicated and marked right-turn or travel lane, and would prohibit vehicles from using this 20-foot area for right turns unless the area is already marked as a dedicated right-turn lane before January 1, 2025.

Subject: Active Transportation

AB 2751 **(Haney, D) Employer communications during nonworking hours.**

Introduced: 02/15/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on L. & E.

Location: 03/21/2024 - Assembly Labor and Employment

Summary: This bill would require a public or private employer to establish a workplace policy that provides employees the right to disconnect from communications from the employer during nonworking hours, except as specified. The bill would define the "right to disconnect" to mean that, except for an emergency or for scheduling, as defined, an employee has the right to ignore communications from the employer during nonworking hours. The bill would require nonworking hours to be established by written agreement between an employer and employee. The bill would authorize an employee to file a complaint of a pattern of violation of the bill's provisions with the Labor Commissioner, punishable by a specified civil penalty.

Subject: Employment

AB 2783 **(Alvarez, D) San Diego Unified Port District.**

Introduced: 02/15/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended.

Hearing: 04/10/2024

Location: 03/04/2024 - Assembly Local Government

Summary: The San Diego Unified Port District Act authorizes the establishment of the San Diego Unified Port District for the acquisition, construction, maintenance, operation, development, and regulation of harbor works and improvements for the harbor of San Diego and for the promotion of commerce, navigation, fisheries, and recreation. The act establishes the board of commissioners of the port district and vests it with specified authority and responsibilities regarding the management of the district. This bill would require the board to adopt a code of ethics and to accept and respond to ethics complaints, as specified. The bill would require the board to appoint a board of ethics to provide independent ethics advice to the board, as specified. The bill would require the board to submit ethics complaints to the board of ethics, as specified. The bill would require the board of ethics, upon the conclusion of an investigation into the conduct of a commissioner, to provide all findings from the investigation to the city that appointed the commissioner that was subject to the investigation.

Subject: Miscellaneous

AB 2796 **(Alvarez, D) Equitable Access to Zero-Emissions Vehicles Fund.**

Introduced: 02/15/2024

Status: 03/11/2024 - Referred to Coms. on TRANS. and NAT. RES.

Location: 03/11/2024 - Assembly Transportation

Summary: Would establish the Equitable Access to Zero-Emission Vehicles Fund and would make moneys in the fund available, upon appropriation by the Legislature, for a new vehicle rebate program and for other specified purposes. The bill would require the State Air Resources Board, by July 1, 2025, to establish a program to offer rebates for the purchase of zero-emission vehicles and other specified vehicles from moneys made available from the fund. The bill would require the state board to submit a biennial report to the Legislature that includes certain information relating to the expenditures from the fund.

Subject: Zero Emission

AB 2809 **(Haney, D) Vehicles: automated speed enforcement.**

Introduced: 02/15/2024

Status: 03/18/2024 - Referred to Coms. on TRANS. and P. & C.P.

Hearing: 04/15/2024

Location: 03/18/2024 - Assembly Transportation

Summary: Would require the Secretary of Transportation to develop guidelines for the implementation of a state highway work zone speed safety program using automated speed enforcement systems, as specified. The bill would authorize the Department of Transportation to establish a state highway work zone speed safety program in accordance with those guidelines. The bill would require the department, if a program is established, to prepare and submit a report to the Legislature, as specified.

Subject: Public Works

AB 2813 **(Aguilar-Curry, D) Government Investment Act.**

Introduced: 02/15/2024

Status: 04/01/2024 - Referred to Com. on L. GOV.

Location: 04/01/2024 - Assembly Local Government

Summary: This bill would authorize a local government that imposes a tax under ACA 1 to commit revenues to affordable housing programs, including downpayment assistance, first-time home buyer programs, and owner-occupied affordable housing rehabilitation programs. The bill would require a local government to ensure that any project that is funded with ACA 1 bonded indebtedness or ACA 1 special taxes to have an estimated useful life of at least 15 years or 5 years if the funds are for specified public safety buildings, facilities, and equipment.

Subject: Funding

AB 2815 **(Petrie-Norris, D) Clean Transportation Program: electric vehicle charging infrastructure.**

Introduced: 02/15/2024

Status: 03/11/2024 - Referred to Coms. on TRANS. and NAT. RES.

Hearing: 04/15/2024

Location: 03/11/2024 - Assembly Transportation

Summary: Would require the State Energy Resources Conservation and Development Commission to establish, on or before January 1, 2026, a program under the Clean Transportation Program to provide grants for repairs to electric vehicle charging infrastructure that has been in operation for at least 5 years and that is located in a publicly available parking space, as provided. The bill would authorize grant funding to be used for, among other things, the cost to repair, upgrade, or replace an electric vehicle charging port or supporting infrastructure and the cost of operations, maintenance, and warranties for repaired, upgraded, or replaced electric vehicle charging ports and supporting infrastructure. The bill would require the commission to allocate at least 50% of grant funding to low-income communities and disadvantaged communities. The bill would repeal these provisions on January 1, 2036.

Subject: Zero Emission

AB 2817 (Dixon, R) State highways: Route 1: relinquishment.

Introduced: 02/15/2024

Status: 04/01/2024 - VOTE: Do pass and be re-referred to the Committee on [Appropriations] with recommendation: To Consent Calendar (PASS)

Location: 04/01/2024 - Assembly Appropriations

Summary: Would authorize the California Transportation Commission to relinquish to the City of Laguna Beach a specified portion of Route 1 if the Department of Transportation and the city enter into an agreement providing for that relinquishment, as specified.

Subject: Planning

AB 2824 (McCarty, D) Battery: public transportation provider.

Introduced: 02/15/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on PUB. S.

Location: 03/21/2024 - Assembly Public Safety

Summary: Current law provides that when a battery is committed against the person of an operator, driver, or passenger on a bus, taxicab, streetcar, cable car, trackless trolley, or other motor vehicle, as specified, and the person who commits the offense knows or reasonably should know that the victim is engaged in the performance of their duties, the penalty is imprisonment in a county jail not exceeding one year, a fine not exceeding \$10,000, or both the fine and imprisonment. Current law also provides that if the victim is injured, the offense would be punished by a fine not exceeding \$10,000, by imprisonment in a county jail not exceeding one year or in the state prison for 16 months, 2, or 3 years, or by both that fine and imprisonment. This bill would expand this crime to apply to an employee or contractor of a public transportation provider.

Subject: Safety and Security

AB 2854 (Irwin, D) Bradley-Burns Uniform Local Sales and Use Tax Law.

Introduced: 02/15/2024

Last Amended: 03/18/2024

Status: 03/19/2024 - Re-referred to Com. on REV. & TAX.

Hearing: 04/08/2024

Location: 03/18/2024 - Assembly Revenue and Taxation

Summary: The Bradley-Burns Uniform Local Sales and Use Tax Law (Bradley-Burns) authorizes counties and cities to impose local sales and use taxes in conformity with the Sales and Use Tax Law. Current law, on or after January 1, 2016, prohibits a local agency from entering into any form of agreement that would result, directly or indirectly, in the payment, transfer, diversion, or rebate of Bradley-Burns local tax revenues to any person, as defined, for any purpose, if the agreement results in a reduction in the amount of Bradley-Burns local tax revenues that, in the absence of the agreement, would be received by another local agency and the retailer continues to maintain a physical presence within the territorial jurisdiction of that other local agency, with specified exceptions. This bill would require a local agency, as defined, to annually provide specified information relating to each agreement resulting in the direct or indirect payment, transfer, diversion, or rebate of Bradley-Burns local tax revenues to the California Department of Tax and Fee Administration.

Subject: Funding

AB 2855 (Flora, R) Skilled and trained workforce requirements.

Introduced: 02/15/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on L. & E.

Location: 03/21/2024 - Assembly Labor and Employment

Summary: Current law establishes requirements that apply when a public entity is required by statute or regulation to obtain an enforceable commitment that a bidder, contractor, or other entity will use a skilled and trained workforce to complete a contract or project. This bill would exempt from these requirements a contractor or subcontractor that is subject to a valid collective bargaining agreement requiring participation in a state-approved apprenticeship program provided that the contractor or subcontractor performs only work within the scope of that agreement and provides a declaration verifying the existence of that agreement. The bill would make its provisions severable.

Subject: Employment

AB 2869 **(Friedman, D) Department of Transportation: trail access: infrastructure projects.**

Introduced: 02/15/2024

Status: 03/21/2024 - Referred to Com. on TRANS.

Hearing: 04/08/2024

Location: 03/21/2024 - Assembly Transportation

Summary: Current law authorizes the Department of Transportation to do any act necessary, convenient, or proper for the construction, improvement, maintenance, or use of all highways that are under its jurisdiction, possession, or control. This bill would require the department to mitigate the impact of infrastructure projects that interfere with or eliminate trail access to parks and recreational areas by maintaining safe access for users of existing trails or providing alternative safe access to those parks and recreational areas.

Subject: Planning

AB 2879 **(Fong, Vince, R) High-Speed Rail Authority: contracting.**

Introduced: 02/15/2024

Status: 03/04/2024 - Referred to Com. on TRANS.

Hearing: 04/08/2024

Location: 03/04/2024 - Assembly Transportation

Summary: The California High-Speed Rail Act creates the High-Speed Rail Authority, composed of 11 members, to develop and implement a high-speed rail system in the state, with specified powers and duties. The act authorizes the authority to enter into contracts with private or public entities for the design, construction, and operation of high-speed trains. The act requires the authority to appoint an executive director to administer the affairs of the authority as directed by the authority. This bill, notwithstanding the authority's ability to delegate power to the executive director, would require any contract change order with a value greater than \$100,000,000 to be approved by the authority.

Subject: Public Works

AB 2895 **(Gipson, D) Tax administration.**

Introduced: 02/15/2024

Last Amended: 03/18/2024

Status: 03/19/2024 - Re-referred to Com. on REV. & TAX.

Location: 03/18/2024 - Assembly Revenue and Taxation

Summary: Current law establishes the California Department of Tax and Fee Administration (CDTFA) in the Government Operations Agency to administer specified taxes. Current law establishes in state government the Office of Tax Appeals (OTA) to conduct tax appeals hearings. Existing law requires that the director of the OTA administer and direct the day-to-day operations of the office, including that each hearing office is sufficiently staffed and that appeals hearings are heard and resolved in a timely and efficient manner. Current law prohibits the director from being involved in the decision making process of tax appeals panels. This bill would establish in the Government Operations Agency the California Department of Tax and Fee Board and the Office of Tax Appeals Board to control the CDTFA and the OTA, respectively, as specified. The bill would require each board to consist of the Controller, Director of Finance, and Chairperson of the State Board of Equalization.

Subject: Funding

AB 2912 **(Dixon, R) Energy: retail gasoline pricing.**

Introduced: 02/15/2024

Status: 03/11/2024 - Referred to Com. on U. & E.

Location: 03/11/2024 - Assembly Utilities and Energy

Summary: Current law establishes the Division of Petroleum Market Oversight in the State Energy Resources Conservation and Development Commission to, among other duties, provide guidance and recommendations to the Governor and the commission on issues related to transportation fuel pricing and transportation decarbonization in California. This bill would require the commission to post and update, on a monthly basis, on its internet website the difference between retail gasoline prices in California and the national average and a calculation of how much that difference has decreased since June 26, 2023, which is the effective date of the above-described provisions, due to the actions taken pursuant to those provisions.

Subject: Records

AB 2945 **(Alvarez, D) Reconnecting Communities Redevelopment Act.**

Introduced: 02/16/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on L. GOV.

Location: 03/21/2024 - Assembly Local Government

Summary: The California Constitution, with respect to any taxes levied on taxable property in a redevelopment project established under the Community Redevelopment Law, as it then read or may be amended, authorizes the Legislature to provide for the division of those taxes under a redevelopment plan between the taxing agencies and the redevelopment agency, as provided. Existing law dissolved redevelopment agencies as of February 1, 2012, and designates successor agencies to act as successor entities to the dissolved redevelopment agencies. This bill, the Reconnecting Communities Redevelopment Act, would authorize a city or county, or two or more cities acting jointly, to propose the formation of a reconnecting communities investment agency by adoption of a resolution of intention that meets specified requirements, including that the resolution of intention include a passthrough provision and an override passthrough provision, as defined. The bill would require the city or county to submit that resolution to each affected taxing entity and would authorize an entity that receives that resolution to elect to not receive a passthrough payment, as provided.

Subject: Miscellaneous

AB 3005 **(Wallis, R) Motor Vehicle Fuel Tax Law: adjustment suspension.**

Introduced: 02/16/2024

Status: 03/11/2024 - Referred to Com. on TRANS.

Location: 03/11/2024 - Assembly Transportation

Summary: Article XIX of the California Constitution restricts the expenditure of revenues from the Motor Vehicle Fuel Tax Law, Diesel Fuel Tax Law, and other taxes imposed by the state on fuels used in motor vehicles upon public streets and highways to street and highway and certain mass transit purposes. This bill would authorize the Governor to suspend an adjustment to the motor vehicle fuel tax, as described above, scheduled on or after July 1, 2025, upon making a determination that increasing the rate would impose an undue burden on low-income and middle-class families. The bill would require the Governor to notify the Legislature of an intent to suspend the rate adjustment on or before January 10 of that year, and would require the Department of Finance to submit to the Legislature a proposal by January 10 that would maintain the same level of funding for transportation purposes as would have been generated had the scheduled adjustment not been suspended.

Subject: Funding

AB 3025 **(Valencia, D) County employees' retirement: disallowed compensation: benefit adjustments.**

Introduced: 02/16/2024

Last Amended: 03/18/2024

Status: 03/19/2024 - Re-referred to Com. on P.E. & R.

Location: 03/18/2024 - Assembly Public Employment and Retirement

Summary: This bill would require a retirement system established under CERL, upon determining that the compensation reported for a member is disallowed compensation, to require the employer, as defined, to discontinue reporting the disallowed compensation. The bill would require, for an active member, the retirement system to credit all contributions made on the disallowed compensation against future contributions to the benefit of the employer that reported the disallowed compensation, and return any contribution paid by, or on behalf of, that member, to the member by the employer that reported the disallowed compensation, except in certain circumstances in which a system has already initiated a process, as defined, to recalculate compensation. The bill would require the system, for a retired member, survivor, or beneficiary whose final compensation was predicated upon the disallowed compensation, to credit the contributions made on the disallowed compensation against future contributions, to the benefit of the employer that reported the disallowed compensation, and to permanently adjust the benefit of the affected retired member, survivor, or beneficiary to reflect the exclusion of the disallowed compensation.

Subject: Employment

AB 3055 **(Carrillo, Juan, D) Vehicles: high-occupancy vehicle lanes: veterans.**

Introduced: 02/16/2024

Status: 03/11/2024 - Referred to Com. on TRANS.

Location: 03/11/2024 - Assembly Transportation

Summary: Would authorize the Department of Transportation and local authorities to permit exclusive or preferential use of high-occupancy vehicles (HOVs) lanes to be used by a vehicle driven by a disabled veteran of the United States Armed Forces, as defined, regardless of the number of passengers in the vehicle or the type of vehicle, provided that the vehicle is registered to or owned, and is driven, by the veteran and the vehicle displays a decal approved by the Department of Motor Vehicles. The bill would require the Department of Motor Vehicles to issue the decal to an applicant, upon proof of eligibility that the applicant is a disabled veteran.

Subject: Planning

AB 3123 **(Jones-Sawyer, D) Los Angeles County Metropolitan Transportation Authority: board code of conduct: lobbying rules.**

Introduced: 02/16/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on TRANS.

Hearing: 04/15/2024

Location: 03/21/2024 - Assembly Transportation

Summary: Current law creates the Los Angeles County Metropolitan Transportation Authority (MTA), governed by a 14-member board, with specified powers and duties relative to transportation planning, programming, and operations in the County of Los Angeles. Current law prescribes a code of conduct for the board of MTA, which includes, among other things, rules pertaining to gifts and financial conflicts of interest. As part of the provisions establishing this code of conduct, current law requires the board of MTA to appoint an ethics officer who reports to the board. Current law also requires MTA to appoint an inspector general and requires the code of conduct to be enforced by the inspector general. This bill would revise and recast the code of conduct by, among other things, specifying that board members are subject to all ethics laws applicable to other public officials and by eliminating specific rules from the code of conduct including, among others, certain rules pertaining to gifts and financial conflicts of interest. The bill would also provide that the code of conduct is in addition to any rules or codes adopted by the board.

Subject: Employment

AB 3153 **(Dixon, R) Emission standards: marine vessels: exemption.**

Introduced: 02/16/2024

Status: 03/11/2024 - Referred to Com. on TRANS.

Location: 03/11/2024 - Assembly Transportation

Summary: Current law requires the State Air Resources Board to adopt and implement motor vehicle emission standards, in-use performance standards, and motor vehicle fuel specifications for the control of air contaminants and sources of air pollution that the state board has found to be necessary, cost effective, and technologically feasible, as provided. Current law also requires the state board to adopt standards and regulations, consistent with those requirements, for motor vehicles and off-road or nonvehicle engine categories, including, but not limited to, marine vessels, to the extent permitted by federal law. This bill would require the state board to exempt certain vessels from any provision of a standard or regulation that would require the retirement, replacement, or retrofit of the vessel.

Subject: Zero Emission

AB 3177 **(Carrillo, Wendy, D) Mitigation Fee Act: land dedications: mitigating vehicular traffic impacts.**

Introduced: 02/16/2024

Status: 03/21/2024 - Referred to Coms. on H. & C.D. and L. GOV.

Location: 03/21/2024 - Assembly Housing and Community Development

Summary: The Mitigation Fee Act imposes various requirements with respect to the establishment, increase, or imposition of a fee by a local agency as a condition of approval of a development project. Current law requires a local agency that imposes a fee on a housing development for the purpose of mitigating vehicular traffic impacts to set the rate for the fee to reflect a lower rate of automobile trip generation if the housing development satisfies specified characteristics, including that the housing development is located within a 1/2 mile of a transit station. Current law defines transit station for these purposes to mean a rail or light-rail station, ferry terminal, bus hub, or bus transfer station. This bill would instead require the housing development to be located within a 1/2 mile of a transit priority area for purposes of a local agency setting the rate for a mitigating vehicular traffic impacts fee to reflect a lower rate of automobile trip generation. The bill would define "transit priority area" as an area within 1/2 mile of a major transit stop that is existing or planned, if the planned stop is scheduled to be completed within the planning horizon included in a Transportation Improvement Program or applicable regional transportation plan.

Subject: Planning

AB 3186 **(Petrie-Norris, D) Public works: prevailing wages: access to records.**

Introduced: 02/16/2024

Status: 03/11/2024 - Referred to Com. on L. & E.

Location: 03/11/2024 - Assembly Labor and Employment

Summary: This bill would require each contractor and subcontractor performing work on any public works project and any covered entity, as defined for these purposes as a corporation, limited liability company, partnership, joint venture, or other legal entity, that develops or undertakes such project, to make specified records available upon request to the Division of Labor Standards Enforcement, to multiemployer Taft-Hartley trust funds, and to joint labor-management committees, as specified. The bill would also apply this requirement to contractors, subcontractors, and covered entities that are developing, undertaking, or performing work on a development project for which contractors are required to maintain and verify payroll records, as specified. The bill would subject a contractor, subcontractor, or covered entity, for failing to comply with the provisions of this act, to a penalty by the commissioner, as specified, and would deposit the penalties into a specified fund.

Subject: Public Works

AB 3214 **(Fong, Mike, D) Public transit: advertising.**

Introduced: 02/16/2024

Last Amended: 03/21/2024

Status: 04/01/2024 - Re-referred to Com. on TRANS.

Location: 03/21/2024 - Assembly Transportation

Summary: Current law creates various transit districts with specified powers and duties related to providing public transit services. This bill would require the state, to the extent feasible, to prioritize using advertising space offered by a public transit operator over other advertising space for a public awareness campaign, as specified.

Subject: Miscellaneous

AB 3219 **(Sanchez, R) Advanced Clean Fleets Regulation: local governments.**

Introduced: 02/16/2024

Last Amended: 03/11/2024

Status: 03/12/2024 - Re-referred to Com. on TRANS.

Location: 03/11/2024 - Assembly Transportation

Summary: Pursuant to its authority, the State Air Resources Board has adopted the Advanced Clean Fleets Regulation, which imposes various requirements for transitioning local, state, and federal government fleets of medium- and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles. The Advanced Clean Fleets Regulation authorizes entities subject to the regulation to apply for exemptions from its requirements under certain circumstances. This bill would provide that the requirements of the Advanced Clean Fleets Regulation do not apply to the purchase by a local government of vehicles with a gross vehicle weight rating greater than 8,500 pounds if the price of the zero-emission version of a vehicle is more than an unspecified percentage of the price of a comparable internal combustion engine version of that vehicle.

Subject: Zero Emission

ACA 18 **(Wallis, R) Road usage charges: vote and voter approval requirements.**

Introduced: 02/16/2024

Status: 02/17/2024 - From printer. May be heard in committee March 18.

Location: 02/16/2024 - Assembly PRINT

Summary: The California Constitution requires any change in state statute that increases the tax liability of any taxpayer to be imposed by an act passed by 2/3 of the membership of each house of the Legislature, and prohibits specified taxes on real property from being so imposed. For these purposes, the California Constitution defines a "tax" as any state levy, charge, or exaction, except as described in certain exceptions. The California Constitution describes one of those exceptions as a charge imposed for entrance to or use of state property, or the purchase, rental, or lease of state property, except charges governed by a specified provision of the California Constitution. This measure, on or after its effective date, would provide that the exception described above does not include a road usage charge, as described, thereby requiring the imposition of this type of charge to be subject to the 2/3 vote requirement.

Subject: Funding

ACR 38 **(Alvarez, D) Freeway lids.**

Introduced: 03/09/2023

Status: 09/14/2023 - Ordered to inactive file at the request of Assembly Member Alvarez.

Location: 09/14/2023 - Assembly INACTIVE FILE

Summary: Would recognize the need to reunite communities split by the creation of the interstate highway system and the importance of freeway lids as a partial solution to that problem. The measure would also declare that the Legislature should utilize federal resources, in partnership with state agencies and local entities, to begin reconnecting these communities with, among other things, freeway lids.

Subject: Miscellaneous

ACR 87 **(Ta, R) "Surf City USA" interchange.**

Introduced: 05/26/2023

Last Amended: 06/15/2023

Status: 08/23/2023 - Referred to Com. on TRANS.

Hearing: 04/09/2024

Location: 08/23/2023 - Senate Transportation

Summary: Would designate the interchange at State Highway Route 405 and State Route 39 in the County of Orange at Beach Boulevard as the "Surf City USA" interchange. The measure would request the Department of Transportation to determine the cost of appropriate signs showing this special designation and, upon receiving donations from nonstate sources covering that cost, to erect those signs.

Subject: Miscellaneous

ACR 93 **(Dixon, R) Marian Bergeson Memorial Bridge.**

Introduced: 06/05/2023

Last Amended: 06/26/2023

Status: 08/23/2023 - Referred to Com. on TRANS.

Hearing: 04/09/2024

Location: 08/23/2023 - Senate Transportation

Summary: Would designate the North Arm Newport Bay Bridge on State Route 1, in the County of Orange, as the Marian Bergeson Memorial Bridge. The measure would also request the Department of Transportation to determine the cost of appropriate signs showing this special designation and, upon receiving donations from nonstate sources to cover that cost, to erect those signs.

Subject: Miscellaneous

SB 532 **(Wiener, D) San Francisco Bay area toll bridges: tolls: transit operating expenses.**

Introduced: 02/14/2023

Last Amended: 06/29/2023

Status: 08/23/2023 - August 23 set for first hearing canceled at the request of author.

Location: 07/05/2023 - Assembly Appropriations

Summary: Would, until December 31, 2028, require the Bay Area Toll Authority (BATA) to increase the toll rate for vehicles for crossing the state-owned toll bridges in the San Francisco Bay area by \$1.50, as adjusted for inflation. The bill would require the revenues collected from this toll to be deposited in the Bay Area Toll Account, would continuously appropriate moneys from this toll increase and other specified tolls, and would require moneys from this toll to be transferred to the Metropolitan Transportation Commission (MTC) for allocation to transit operators that provide service within the San Francisco Bay area and that are experiencing a financial shortfall, as specified. The bill would direct MTC to require each transit operator eligible to receive an allocation from the account to, on an annual basis, submit a 5-year projection of its operating needs, as specified.

Subject: Funding

SB 537 **(Becker, D) Open meetings: multijurisdictional, cross-county agencies: teleconferences.**

Introduced: 02/14/2023

Last Amended: 09/05/2023

Status: 09/14/2023 - Ordered to inactive file on request of Assembly Member Bryan.

Location: 09/14/2023 - Assembly INACTIVE FILE

Summary: Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. These circumstances include if a member shows "just cause," including for a childcare or caregiving need of a relative that requires the member to participate remotely. This bill would expand the circumstances of "just cause" to apply to the situation in which an immunocompromised child, parent, grandparent, or other specified relative requires the member to participate remotely. The bill would authorize the legislative body of a multijurisdictional, cross-county agency, as specified, to use alternate teleconferencing provisions if the eligible legislative body has adopted an authorizing resolution, as specified. The bill would also require the legislative body to provide a record of attendance of the members of the legislative body, the number of community members in attendance in the teleconference meeting, and the number of public comments on its internet website within 10 days after a teleconference meeting, as specified. The bill would require at least a quorum of members of the legislative body to participate from one or more physical locations that are open to the public and within the boundaries of the territory over which the local agency exercises jurisdiction.

Subject: Public Meetings

SB 569 **(Glazer, D) Political Reform Act of 1974: audits.**

Introduced: 02/15/2023

Last Amended: 08/28/2023

Status: 09/01/2023 - September 1 hearing: Held in committee and under submission.

Location: 08/28/2023 - Assembly Appropriations

Summary: Would transfer the responsibility for conducting audits and field investigations of lobbying reports to the Fair Political Practices Commission. The bill would also exclude lobbying firms and lobbyist employers with less than one dollar in payments or contributions from being selected for audit. Additionally, this bill would require the Fair Political Practices Commission to adopt regulations or policies that would ensure the operational independence of the commission's audit personnel from the Fair Political Practices Commission's enforcement operations. Audits conducted by the commission would be required to be posted on the commission's internet website for 10 years following the conclusion of the audit and the commission would be required to annually report to the Legislature on the number and types of audits completed by the commission. This bill would delay the operation of these provisions until the January 1 of the next odd numbered year following an appropriation made to support the commission's exercise of these responsibilities.

Subject: Reports

SB 638 **(Eggman, D) Climate Resiliency and Flood Protection Bond Act of 2024.**

Introduced: 02/16/2023

Last Amended: 06/28/2023

Status: 07/06/2023 - July 11 hearing postponed by committee.

Location: 06/15/2023 - Assembly Water, Parks and Wildlife

Summary: Would enact the Climate Resiliency and Flood Protection Bond Act of 2024 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$6,000,000,000 pursuant to the State General Obligation Bond Law, for flood protection and climate resiliency projects.

Subject: Funding

SB 689 **(Blakespear, D) Local coastal program: bicycle lane: amendment.**

Introduced: 02/16/2023

Last Amended: 01/03/2024

Status: 01/29/2024 - Read third time. Passed. (Ayes 31. Noes 8.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 01/29/2024 - Assembly DESK

Summary: Would provide that an application by a local government to convert an existing motorized vehicle travel lane into a dedicated bicycle lane shall not require a traffic study for the processing of either a coastal development permit or an amendment to a local coastal program. The bill would require, if a proposal to create a dedicated bicycle lane within the developed portion of an existing right-of-way requires an amendment to a local coastal program, the amendment be processed according to specified law, if the executive director of the commission makes specified determinations.

Subject: Active Transportation

SB 768 **(Caballero, D) California Environmental Quality Act: State Air Resources Board: vehicle miles traveled: study.**

Introduced: 02/17/2023

Last Amended: 01/11/2024

Status: 01/29/2024 - Read third time. Passed. (Ayes 34. Noes 4.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 01/29/2024 - Assembly DESK

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. Current law requires the Office of Planning and Research to prepare, develop, and transmit to the Secretary of the Natural Resources Agency for certification and adoption proposed revisions to guidelines establishing criteria for determining the significance of transportation impacts of projects within transit priority areas to promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses. Current law creates the State Air Resources Board as the state agency charged with coordinating efforts to attain and maintain ambient air quality standards, to conduct research into the causes of and solution to air pollution, and to systematically attack the serious problem caused by motor vehicles, which is the major source of air pollution in many areas of the state. Existing law authorizes the state board to do those acts as may be necessary for the proper execution of the powers and duties granted to, and imposed upon, the state board. This bill would require the state board, by January 1, 2026, to conduct and submit to the Legislature a study on how vehicle miles traveled is used as a metric for measuring transportation impacts pursuant to CEQA.

Subject: Environment

SB 782 **(Limón, D) Gubernatorial appointments: report.**

Introduced: 02/17/2023

Last Amended: 01/03/2024

Status: 01/29/2024 - Read third time. Passed. (Ayes 39. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 01/29/2024 - Assembly DESK

Summary: Would require the office of the Governor, commencing January 1, 2026, to maintain on its internet website a list of every state board and commission that includes, for each state board or commission, the membership list, stated purpose, duties, meeting frequency, internet website, and vacancies in the membership. The bill would require the office of the Governor, on or before January 1, 2027, and annually thereafter, to create and publish on its internet website a report containing aggregate demographic information of appointments made by the office during the prior calendar year.

Subject: Reports

SB 827 **(Glazer, D)** San Francisco Bay Area Rapid Transit District: Office of the BART Inspector General.

Introduced: 02/17/2023

Last Amended: 01/11/2024

Status: 01/29/2024 - Read third time. Passed. (Ayes 39. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 01/29/2024 - Assembly DESK

Summary: This bill would provide that the BART Inspector General is vested with the full authority to exercise all responsibility for maintaining a full scope, independent, and objective audit and investigation program. The bill would provide the office with access and authority to examine all records, files, documents, accounts, reports, correspondence, or other property of the district and external entities that perform work for the district. The bill would provide that all books, papers, records, and correspondence of the office are public records subject to the California Public Records Act, but would prohibit the BART Inspector General from releasing certain types of records to the public, except under certain circumstances.

Subject: Miscellaneous

SB 834 **(Portantino, D)** Vehicles: preferential parking: residential, commercial, or other development project.

Introduced: 02/17/2023

Last Amended: 02/22/2024

Status: 02/29/2024 - Re-referred to Com. on RLS. pursuant to Assembly Rule 96.

Location: 02/29/2024 - Assembly Rules

Summary: This bill would prohibit a local authority from issuing any permit conferring preferential parking privileges to any residents or vendors of any developments within 1/2 mile of public transit and exempt from parking minimums. The bill would require the local authority to revise the boundaries of any such preferential parking district to exclude those developments from its boundaries. The bill would make related findings and declarations, and state that it is the intent of the Legislature to discourage car use by incentivizing development near public transit.

Subject: Planning

SB 863 **(Allen, D)** Measures proposed by the Legislature.

Introduced: 02/17/2023

Last Amended: 01/03/2024

Status: 01/30/2024 - Read third time. Passed. (Ayes 30. Noes 7.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 01/30/2024 - Assembly DESK

Summary: Would allow the Legislature to specify that a constitutional amendment, bond measure, or other legislative measure submitted to the people will appear on the ballot at an election other than the one described above if the election specified in the proposal would occur at least 131 days after adoption of the proposal by the Legislature.

Subject: Miscellaneous

SB 892 **(Padilla, D)** Public contracts: automated decision systems: AI risk management standards.

Introduced: 01/03/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on G.O.

Hearing: 04/09/2024

Location: 02/14/2024 - Senate Governmental Organization

Summary: This bill would require the Department of Technology to develop and adopt regulations to create an artificial intelligence (AI) risk management standard, consistent with publications regarding AI risk management, and in accordance with the provisions of the Administrative Procedure Act. The bill would require the AI risk management standard to include a detailed risk assessment procedure for procuring automated decision systems (ADS), methods for appropriate risk controls, and adverse incident monitoring procedures. The bill would require the department to collaborate with specified organizations to develop the AI risk management standard. This bill would, commencing on the date on which the regulations described in the paragraph above are approved and final, prohibit a state agency from entering into a contract for an ADS, or any service that utilizes an ADS, unless the contract includes a clause that, among other things, provides a completed risk assessment of the relevant ADS, requires adherence to appropriate risk controls, and provides procedures for adverse incident monitoring.

Subject: Public Works

SB 896 **(Dodd, D) Artificial Intelligence Accountability Act.**

Introduced: 01/03/2024

Status: 03/14/2024 - Set for hearing April 9.

Hearing: 04/09/2024

Location: 02/14/2024 - Senate Governmental Organization

Summary: Current law requires the Secretary of Government Operations to develop a coordinated plan to, among other things, investigate the feasibility of, and obstacles to, developing standards and technologies for state departments to determine digital content provenance. For the purpose of informing that coordinated plan, current law requires the secretary to evaluate, among other things, the impact of the proliferation of deepfakes, defined to mean audio or visual content that has been generated or manipulated by artificial intelligence that would falsely appear to be authentic or truthful and that features depictions of people appearing to say or do things they did not say or do without their consent, on state government, California-based businesses, and residents of the state. This bill, the Artificial Intelligence Accountability Act, would, among other things, require the Government Operations Agency, the Department of Technology, and the Office of Data and Innovation to produce a State of California Benefits and Risk of Generative Artificial Intelligence Report that includes certain items, including an examination of the most significant, potentially beneficial uses for deployment of generative artificial intelligence tools by the state, and would require those entities to update the report, as prescribed.

Subject: Reports

SB 904 **(Dodd, D) Sonoma-Marín Area Rail Transit District.**

Introduced: 01/04/2024

Last Amended: 03/21/2024

Status: 03/21/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on TRANS.

Hearing: 04/09/2024

Location: 02/21/2024 - Senate Transportation

Summary: Current law creates, within the Counties of Sonoma and Marin, the Sonoma-Marín Area Rail Transit District with specified duties and powers relative to the provision of a passenger and freight rail system within the territory of the district. Under current law, the district is governed by a 12-member board of directors appointed by various local governmental entities. Current law authorizes the board to submit to the voters of the district a measure proposing a retail transactions and use tax ordinance. This bill would also authorize those special taxes to be imposed by a qualified voter initiative if that initiative complies with certain requirements. The bill would require the board of supervisors of the Counties of Sonoma and Marin to call a special election on a tax measure proposed by the district's board of directors or a qualified voter initiative in their respective counties, as specified.

Subject: Miscellaneous

SB 915 **(Cortese, D) Local government: autonomous vehicles.**

Introduced: 01/09/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on L. GOV.

Hearing: 04/03/2024

Location: 02/21/2024 - Senate Local Government

Summary: This bill would prohibit an autonomous vehicle service, that has received approval to conduct commercial passenger service or engage in commercial activity using driverless vehicles by the Department of Motor Vehicles, the Public Utilities Commission, or another state agency, from commencing operation within a local jurisdiction until authorized by a local ordinance enacted pursuant to the bill's provisions. The bill would authorize each city, county, or city and county in which an autonomous vehicle has received authorization to operate, to protect the public health, safety, and welfare by enacting an ordinance in regard to autonomous vehicle services within that jurisdiction. The bill would require each city, county, or city and county that enacts an ordinance to include certain provisions within that ordinance. These would include a policy for entry into the business of providing autonomous vehicle services including a permitting program that includes, among other things, the establishment of reasonable vehicle caps and hours of service restrictions. This bill contains other related provisions and other existing laws.

Subject: Transit

SB 930 **(Laird, D) Memorial highways: Memorial Highway Signage Fund.**

Introduced: 01/16/2024

Last Amended: 03/18/2024

Status: 03/18/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 01/16/2024 - Senate Rules

Summary: Would establish the Memorial Highway Signage Fund in the State Treasury and would make moneys in the fund available, upon appropriation by the Legislature, to the department for the department's costs in erecting signage for memorial highway designations approved by the department that memorialize individuals who have promoted racial and gender equity.

Subject: Miscellaneous

SB 934 **(Gonzalez, D) Zero-emission freight infrastructure: interagency coordination: report.**

Introduced: 01/16/2024

Last Amended: 03/19/2024

Status: 03/19/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Hearing: 04/09/2024

Location: 01/16/2024 - Senate Rules

Summary: Would require the California Transportation Commission and the Energy Commission to jointly convene the Zero-Emission Freight Central Delivery Team, composed of representatives from various state agencies, to lead the statewide coordination of zero-emission freight infrastructure planning and implementation, including carrying out specified actions. The bill would require the Zero-Emission Freight Central Delivery Team, in consultation with the California Transportation Commission and the Energy Commission, to submit an annual report to the Legislature beginning March 1, 2026, that includes, among other things, a description of the actions taken by the Zero-Emission Freight Central Delivery Team in the previous calendar year.

Subject: Reports

SB 936 **(Seyarto, R) California Environmental Quality Act: exemption: road and safety improvement projects.**

Introduced: 01/17/2024

Last Amended: 02/20/2024

Status: 03/15/2024 - Set for hearing April 17.

Hearing: 04/17/2024

Location: 02/29/2024 - Senate Environmental Quality

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would exempt from CEQA activities or projects undertaken by the Department of Transportation for road and safety improvements at any of the 15 locations in the state highway system with the highest rates of vehicle collisions at any given time, as determined in accordance with data collected by the department.

Subject: Planning

SB 947 **(Seyarto, R) Department of Transportation: state highway projects: agreements with public entities: project design changes.**

Introduced: 01/18/2024

Status: 02/14/2024 - Referred to Com. on TRANS.

Location: 02/14/2024 - Senate Transportation

Summary: Would require the Department of Transportation, in an agreement with a city, county, or other public entity for the contribution of funds for the acquisition, construction, or improvement of any portion of state highway, to include a provision that makes the department responsible for any additional costs associated with a new project design adopted by the department after the project is included in the state transportation improvement program or the state highway operation and protection program, as specified. The bill would also make this provision applicable to agreements in effect as of January 1, 2025.

Subject: Public Works

SB 955 **(Seyarto, R) Office of Planning and Research: Infrastructure Gap-Fund Program.**

Introduced: 01/22/2024

Last Amended: 03/19/2024

Status: 03/19/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on L. GOV.

Hearing: 04/03/2024

Location: 02/21/2024 - Senate Local Government

Summary: Would require the Office of Planning and Research, upon appropriation by the Legislature, to establish the Infrastructure Gap-Fund Program to provide grants to local agencies to develop and construct infrastructure projects, as defined. The bill would authorize the office to provide funding for up to 20% of a project's total cost, as specified. The bill would require the office to develop guidelines and criteria to implement the program. The bill would make these provisions operative January 1, 2027.

Subject: Funding

SB 960 **(Wiener, D) Transportation: planning: transit priority projects: multimodal.**

Introduced: 01/23/2024

Status: 04/01/2024 - April 9 hearing postponed by committee.

Hearing: 04/23/2024

Location: 02/14/2024 - Senate Transportation

Summary: Would require all transportation projects funded or overseen by the Department of Transportation to provide comfortable, convenient, and connected complete streets facilities unless an exemption is documented and approved, as specified.

Subject: Planning

SB 961 **(Wiener, D) Vehicles: safety equipment.**

Introduced: 01/23/2024

Status: 02/28/2024 - Set for hearing April 9.

Hearing: 04/09/2024

Location: 02/14/2024 - Senate Transportation

Summary: The Department of the California Highway Patrol regulates the safe operation of specified vehicles, including motortrucks of 3 or more axles that are more than 10,000 pounds, truck tractors, trailers, semitrailers, and buses. Current federal law regulates required safety equipment on vehicles, including rear impact guards on certain large trucks to prevent rear underrides in collisions with passenger vehicles. This bill would require certain trucks and trailers to also be equipped with side guards, as specified.

Subject: Safety and Security

SB 978 **(Seyarto, R) State government: budget: state publications: format.**

Introduced: 01/29/2024

Status: 03/12/2024 - From committee: Do pass and re-refer to Com. on APPR with recommendation: To consent calendar. (Ayes 16. Noes 0.) (March 12). Re-referred to Com. on APPR.

Location: 03/12/2024 - Senate Appropriations

Summary: The California Constitution requires the Governor to submit a budget for the ensuing fiscal year to the Legislature within the first 10 days of each regular session. Current law requires that budget to contain a complete plan and itemized statement of all proposed expenditures of the state provided by existing law or recommended by the Governor, and of all estimated revenues, as specified. Current law requires the budget to be prepared in a specified manner. This bill would require the budget to be made available, on or before January 1, 2026, on the Department of Finance internet website in a machine-readable format.

Subject: Records

SB 983 **(Wahab, D) Energy: gasoline stations and alternative fuel infrastructure.**

Introduced: 01/29/2024

Last Amended: 03/21/2024

Status: 03/21/2024 - Read second time and amended. Re-referred to Com. on RLS.

Location: 03/19/2024 - Senate Rules

Summary: Would require the State Energy Resources Conservation and Development Commission, upon appropriation by the Legislature, to form the Alternative Fuels Infrastructure Taskforce to conduct a study on retail gasoline fueling stations and alternative fuels infrastructure, as provided. The bill would require the taskforce, on or before January 1, 2027, to submit to the Legislature a report on the study with recommendations.

Subject: Planning

SB 986 **(Seyarto, R) Ballot label: bond measure fiscal impact.**

Introduced: 01/30/2024

Status: 03/19/2024 - March 19 set for first hearing. Failed passage in committee. (Ayes 1. Noes 0.) Reconsideration granted.

Location: 02/14/2024 - Senate Elections and Constitutional Amendments

Summary: Current law prescribes the form and content of the ballot label for candidates and measures on the ballot, and requires the ballot label for statewide measures to include a condensed version of the title and summary, including the fiscal impact summary. Current law requires local governments, when submitting a measure for voter approval for the issuance of bonds that will be secured by an ad valorem tax, to provide voters a statement that includes estimates of the total debt service and tax rates required to fund the bonds, as specified. This bill would require, for state bond measures and for local measures to approve the issuance of bonds that will be secured by an ad valorem tax, the ballot label to include a summary of the measure's fiscal impact in a specified form.

Subject: Funding

SB 1011 **(Jones, R) Encampments: penalties.**

Introduced: 02/05/2024

Status: 02/23/2024 - Set for hearing April 16.

Hearing: 04/16/2024

Location: 02/14/2024 - Senate Public Safety

Summary: This bill would prohibit a person from sitting, lying, sleeping, or storing, using, maintaining, or placing personal property upon a street or sidewalk if a homeless shelter, as defined, is available to the person. The bill would also prohibit sitting, lying, sleeping, or storing, using, maintaining, or placing personal property within 500 feet of a public or private school, open space, or major transit stop, as specified. The bill would specify that a violation of this prohibition is a public nuisance that can be abated and prevented, as specified. The bill would also provide that a violation of the prohibition may be charged as a misdemeanor or an infraction, at the discretion of the prosecutor. The bill would prohibit a person from being found in violation of the bill's provisions unless provided notice, at least 72 hours before commencement of any enforcement action.

Subject: Transit

SB 1031 **(Wiener, D) San Francisco Bay area: local revenue measure: transportation improvements.**

Introduced: 02/06/2024

Last Amended: 03/18/2024

Status: 03/18/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/06/2024 - Senate Rules

Summary: This bill would authorize the Metropolitan Transportation Commission to raise and allocate new revenue and incur and issue bonds and other indebtedness, as specified. The bill would authorize the commission to impose a retail transactions and use tax, a regional payroll tax, a parcel tax, and a regional vehicle registration surcharge in all or a subset of the 9 counties of the San Francisco Bay area. The bill would require the parcel tax to be collected by counties and the other 3 taxes to be collected by specified state agencies, and would require the net revenues from those taxes to be remitted to the commission, as prescribed. The bill would require the revenue generated pursuant to these provisions to be used for transportation improvements in the San Francisco Bay area, including for various transit purposes, and would require the commission to distribute those revenues in accordance with specified requirements and expressions of legislative intent. By adding to the duties of local officials with respect to elections procedures for revenue measures on behalf of the commission, this bill would impose a state-mandated local program.

Subject: Funding

SB 1034 **(Seyarto, R) California Public Records Act: state of emergency.**

Introduced: 02/06/2024

Status: 03/20/2024 - Set for hearing April 2.

Hearing: 04/02/2024

Location: 02/14/2024 - Senate Judiciary

Summary: The California Public Records Act requires state and local agencies to make their records available for public inspection, except as specified. Current law requires each agency, within 10 days of a request for a copy of records, to determine whether the request seeks copies of disclosable public records in possession of the agency and to promptly notify the person of the determination and the reasons therefor. Current law authorizes that time limit to be extended by no more than 14 days under unusual circumstances, and defines "unusual circumstances" to include certain circumstances. This bill would revise the unusual circumstances under which the time limit may be extended to include the need to search for, collect, appropriately examine, and copy records during a state of emergency proclaimed by the Governor when the state of emergency has affected the agency's ability to timely respond to requests due to decreased staffing or closure of the agency's facilities.

Subject: Records

SB 1068

(Eggman, D) Tri-Valley-San Joaquin Valley Regional Rail Authority: contracting: Construction Manager/General Contractor project delivery method.

Introduced: 02/12/2024

Last Amended: 03/14/2024

Status: 03/14/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on TRANS.

Hearing: 04/09/2024

Location: 02/21/2024 - Senate Transportation

Summary: This bill would authorize the Tri-Valley-San Joaquin Valley Regional Rail Authority to use the Construction Manager/General Contractor project delivery method when contracting for the planning, design, and construction of the connection. The bill would additionally authorize the contracts of the authority to extend to work on the state highway system for the construction of passenger rail service through the Altamont Pass Corridor.

Subject: Public Works

SB 1071

(Dodd, D) Contractors: workers' compensation insurance reports.

Introduced: 02/12/2024

Status: 02/21/2024 - Referred to Com. on B., P. & E. D.

Location: 02/21/2024 - Senate Business, Professions and Economic Development

Summary: Current law, with certain exceptions, requires a licensed contractor, or applicant for licensure, to have on file at all times with the Contractors' State License Board a current and valid Certificate of Workers' Compensation Insurance or Certification of Self-Insurance, as specified. Among the exceptions to this requirement, current law excludes an applicant or licensee that is organized as a joint venture and has no employees, as specified. This bill would, commencing January 1, 2026, add an additional exception for applicants and licensees that have no employees, if the applicant or licensee provides both an affidavit to the board affirming they have no employees and adequate proof, as provided for by the board, demonstrating they are operating without employees. By expanding the crime of perjury, this bill would impose a state-mandated local program.

Subject: Employment

SB 1086

(Seyarto, R) Sales and Use Tax Law: motor vehicle fuel tax: sales price: gross receipts.

Introduced: 02/12/2024

Status: 03/19/2024 - Set for hearing April 10.

Hearing: 04/10/2024

Location: 02/21/2024 - Senate Revenue and Taxation

Summary: The Motor Vehicle Fuel Tax Law, administered by the California Department of Tax and Fee Administration, imposes a tax upon each gallon of motor vehicle fuel removed from a refinery or terminal rack in this state, entered into this state, or sold in this state, at a specified rate per gallon. Current sales and use tax laws provide a partial exemption from the taxes imposed by those laws for motor vehicle fuel that is subject to the taxes imposed by the Motor Vehicle Fuel Tax Law. This bill, beginning January 1, 2025, would exclude from the terms "gross receipts" and "sales price" under the Sales and Use Tax Law the amount of any motor vehicle fuel tax imposed pursuant to the Motor Vehicle Fuel Tax Law.

Subject: Funding

SB 1098 **(Blakespear, D)** Passenger and freight rail: LOSSAN Rail Corridor.

Introduced: 02/13/2024

Last Amended: 03/20/2024

Status: 03/20/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on TRANS.

Hearing: 04/09/2024

Location: 02/21/2024 - Senate Transportation

Summary: This bill would require the Secretary of Transportation to provide guidance and recommendations to, and coordination between, stakeholders as necessary to ensure the performance of the LOSSAN Rail Corridor, as specified. This bill would also require the Secretary of Transportation, in consultation with the Director of Transportation, the California Transportation Commission, the Secretary for Environmental Protection, and the Secretary of the Natural Resources Agency, to submit a report to the Legislature on or before January 1, 2026, regarding the LOSSAN Rail Corridor that includes specified information.

Subject: Transit

SB 1134 **(Caballero, D)** Surplus land.

Introduced: 02/13/2024

Last Amended: 03/18/2024

Status: 03/18/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/13/2024 - Senate Rules

Summary: Existing law provides for the disposal of land owned by a local agency that is surplus and is not necessary for the agency's use. The local agency is required to declare the land either "surplus land" or "exempt surplus land," as prescribed. Existing law sets forth procedures for the disposal of surplus land and provides that these procedures do not apply to exempt surplus land. Existing law, for prescribed surplus land parcels developed with residential units, requires minimum percentages of residential units developed on the parcel to be sold or rented at affordable housing cost or affordable rent. This bill, with regard to surplus land, would require each parcel of land to be considered a distinct unit of surplus land, with the exception of contiguous parcels that are disposed of simultaneously to the same receiving entity or any entity working in concert with another receiving entity, which parcels the bill would require to be treated as a single unit of land.

Subject: Surplus Land

SB 1136 **(Stern, D)** California Global Warming Solutions Act of 2006: report.

Introduced: 02/13/2024

Status: 03/20/2024 - From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 0.) (March 20). Re-referred to Com. on APPR.

Hearing: 04/08/2024

Location: 03/20/2024 - Senate Appropriations

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions and to update the scoping plan at least once every 5 years. Current law requires the state board to present an informational report on the reported emissions of greenhouse gases, criteria pollutants, and toxic air contaminants from all sectors covered by the scoping plan at least once a year at a hearing of the Joint Legislative Committee on Climate Change Policies. This bill would instead require that informational report to cover topics related to the scoping plan, as directed by the Joint Legislative Committee on Climate Change Policies.

Subject: Environment

SB 1140 **(Caballero, D) Enhanced infrastructure financing district.**

Introduced: 02/14/2024

Last Amended: 03/21/2024

Status: 03/21/2024 - Read second time and amended. Re-referred to Com. on E.Q.

Hearing: 04/24/2024

Location: 03/20/2024 - Senate Environmental Quality

Summary: Existing law authorizes the legislative body of a city or a county to designate a proposed enhanced infrastructure financing district to finance public capital facilities or other specified projects, with a governing body referred to as the public financing authority, by adopting a resolution of intention to establish the proposed district. Existing law requires the legislative body to direct the city official or county official, as applicable, selected by the legislative body, to mail a copy of the resolution to each affected taxing entity. This bill would revise and recast those provisions by, among other things, requiring the public financing authority to hold a meeting and 2 public hearings, as specified. The bill would remove the requirement that annual report notices be mailed by first-class mail. This bill contains other related provisions and other existing laws.

Subject: Planning

SB 1158 **(Archuleta, D) Carl Moyer Memorial Air Quality Standards Attainment Program.**

Introduced: 02/14/2024

Status: 03/20/2024 - From committee: Do pass and re-refer to Com. on TRANS. (Ayes 5. Noes 0.) (March 20). Re-referred to Com. on TRANS.

Location: 03/20/2024 - Senate Transportation

Summary: Current law establishes the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program), which is administered by the State Air Resources Board, to provide grants to offset the incremental cost of eligible projects that reduce emissions of air pollutants from sources in the state and for funding a fueling infrastructure demonstration program and technology development efforts. Current law requires that funds be allocated under the program to local air districts for liquidation in accordance with grant criteria and guidelines adopted by the state board. Current law provides that any funds reserved for a local air district by the state board are available for disbursement to the district for a period of not more than 2 years from the time of reservation. Existing law requires funds not liquidated by a district by June 30 of the 4th calendar year following the date of the reservation to be returned to the state board within 90 days for future allocation under the program. Beginning January 1, 2034, existing law reduces the deadline for that period of liquidation to June 30 of the 2nd calendar year following the date of reservation. This bill would extend the deadline for the period of liquidation to June 30 of the 6th calendar year following the date of disbursement and would make other conforming changes. This bill contains other related provisions and other existing laws.

Subject: Funding

SB 1159 **(Dodd, D) California Environmental Quality Act: roadside wildfire risk reduction projects.**

Introduced: 02/14/2024

Last Amended: 03/20/2024

Status: 03/20/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on E.Q.

Hearing: 04/03/2024

Location: 02/21/2024 - Senate Environmental Quality

Summary: The California Environmental Quality Act (CEQA) requires the Office of Planning and Research to prepare and develop, and the Secretary of the Natural Resources Agency to certify and adopt, guidelines for the implementation of CEQA. CEQA requires the guidelines to include a list of classes of projects that have been determined not to have a significant effect on the environment and are exempt from the requirements of CEQA, commonly known as categorical exemptions. This bill, on or before January 1, 2026, would require the office to evaluate, and the secretary to consider, the inclusion of roadside projects no more than 5 road miles from a municipality or census designated place that are undertaken solely for the purpose of wildfire risk reduction in the classes of projects subject to a categorical exemption. The bill would require the office to consider appropriate eligibility criteria for these projects, as specified.

Subject: Environment

SB 1162 **(Cortese, D) Public contracts: employment compliance reports and payroll records: workers' dates of birth.**

Introduced: 02/14/2024

Last Amended: 04/01/2024

Status: 04/01/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on L., P.E. & R.

Location: 02/21/2024 - Senate L., P.E. & R.

Summary: Existing law establishes requirements that apply when a public entity is required by statute or regulation to obtain an enforceable commitment that a bidder, contractor, or other entity will use a skilled and trained workforce to complete a contract or project. Existing law requires the enforceable commitment to provide that the contractor, bidder, or other entity will provide to the public entity or other awarding body a report on a monthly basis demonstrating its compliance with these requirements. This bill would additionally require the enforceable commitment to provide that the above-described report will include the date of birth of each worker.

Subject: Employment

SB 1173 **(Seyarto, R) Transportation funds: De Luz Community Services District.**

Introduced: 02/14/2024

Status: 02/21/2024 - Referred to Com. on TRANS.

Location: 02/21/2024 - Senate Transportation

Summary: Would require the County of Riverside to report the mileage of the highways maintained by the De Luz Community Services District to the Department of Transportation as maintained county highways. The bill would require the Controller to deem those highways reported by a county, and certified by the department, to be maintained county highways for purposes of apportioning funds from the Highway Users Tax Account and the Road Maintenance and Rehabilitation Account. The bill would authorize the county to allocate funds to the district to maintain county highways in the district.

Subject: Funding

SB 1205 **(Laird, D) Workers' compensation: medical benefits.**

Introduced: 02/15/2024

Status: 03/26/2024 - Set for hearing April 10.

Hearing: 04/10/2024

Location: 02/29/2024 - Senate L., P.E. & R.

Summary: Existing law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee, as defined, for injuries sustained in the course of employment. Existing law requires employers to secure the payment of workers' compensation, including wage replacement and medical treatment, for injuries incurred by their employees that arise out of, or in the course of, employment. This bill would make an employee who is working entitled to receive all reasonable expenses of transportation, meals, and lodging incident to receiving treatment, in addition to one day of temporary disability indemnity, or a percentage of one day of temporary disability indemnity representative of the percentage of the wages lost receiving treatment.

Subject: Employment

SB 1206 **(Becker, D) GO-Biz: next generation batteries.**

Introduced: 02/15/2024

Status: 02/29/2024 - Referred to Coms. on B., P. & E. D. and E., U. & C.

Location: 02/29/2024 - Senate Business, Professions and Economic Development

Summary: This bill would, until January 1, 2030, authorize GO-Biz to undertake measures that are necessary or useful to prepare and submit an application to receive funding from next-generation battery hub programs. The bill would require that grants made from any funding received from next generation battery hub programs support projects in California that advance progress toward resource adequacy goals and the targets of the scoping plan and the California Renewables Portfolio Standard Program. The bill would also require that grants made from any funding received from next-generation battery hub programs under its provisions prioritize projects that meet any of the specified conditions, including that the project help reduce costs and increase access to batteries. Prior to the submission of any applications to receive funding from next-generation battery hub programs, the bill would require a partnership entered into pursuant to the above-described provisions to adopt a community benefits plan that includes specified elements. The bill would require GO-Biz to submit a report to the relevant budget and policy committees of the Legislature on or before March 1, 2030, and annually thereafter, regarding the status of any partnership entered into pursuant to the above-described provisions.

Subject: Zero Emission

SB 1216 **(Blakespear, D) Transportation projects: Class III bikeways: prohibition.**

Introduced: 02/15/2024

Status: 03/14/2024 - Set for hearing April 9.

Hearing: 04/09/2024

Location: 02/29/2024 - Senate Transportation

Summary: Would prohibit, on and after January 1, 2025, an agency responsible for the development or operation of bikeways or highways where bicycle travel is permitted from installing a Class III bikeway or restriping a Class III bikeway on a highway that has a posted speed limit greater than 30 miles per hour.

Subject: Active Transportation

SB 1234 **(Allen, D) Coastal resources: local land use plan: zoning ordinances and district maps: modifications: ministerial approval.**

Introduced: 02/15/2024

Status: 03/01/2024 - Set for hearing April 9.

Hearing: 04/09/2024

Location: 02/29/2024 - Senate Natural Resources and Water

Summary: The California Coastal Act of 1976 requires a land use plan of a proposed local coastal program to be submitted to the California Coastal Commission for certification. The act authorizes the commission to suggest modifications, which, if adopted and transmitted to the commission by the local government, shall cause the land use plan to be deemed certified upon confirmation of the executive director of the commission. The act requires a local government to submit to the commission the zoning ordinances, zoning district maps and, where necessary, other implementing actions that are required under the act. The act authorizes the commission to suggest modifications in the rejected zoning ordinances, zoning district maps, or other implementing actions, which, if adopted by the local government and transmitted to the commission, shall be deemed approved upon confirmation by the executive director of the commission. This bill would authorize local governments to adopt those suggested modifications from the commission through ministerial approval by its planning director or equivalent position.

Subject: Planning

SB 1259 **(Niello, R) California Environmental Quality Act: judicial review.**

Introduced: 02/15/2024

Status: 03/08/2024 - Set for hearing April 3.

Hearing: 04/03/2024

Location: 02/29/2024 - Senate Environmental Quality

Summary: Would authorize a defendant, in an action brought under the California Environmental Quality Act (CEQA), to file a motion requesting the plaintiff or petitioner to identify every person or entity that contributes in excess of \$10,000, as specified, toward the plaintiff's or petitioner's costs of the action. The bill would authorize the motion to be heard on shortened time at the court's discretion. The bill would authorize a plaintiff or petitioner to request the court's permission to withhold the public disclosure of a person or entity who made a monetary contribution. The bill also would require the plaintiff or petitioner to use reasonable efforts to identify the actual persons or entities that are the true source of the contributions, to include the exact total amount contributed, and to identify any pecuniary or business interest related to the project of any person or entity that contributes in excess of \$10,000 to the costs of the action, as specified. The bill would, except as provided, prohibit those disclosures from being admissible into evidence for any purpose. The bill would provide that a failure to comply with these requirements may be grounds for dismissal of the action by the court.

Subject: Records

SB 1260 **(Niello, R) High-speed rail: third-party analysis.**

Introduced: 02/15/2024

Last Amended: 03/19/2024

Status: 03/20/2024 - Withdrawn from committee. Re-referred to Com. on RLS.

Location: 03/20/2024 - Senate Rules

Summary: The California High-Speed Rail Act creates the High-Speed Rail Authority to develop and implement a high-speed train system in the state, with specified powers and duties. Current law requires the authority, no later than 90 days before the submittal to the Legislature and the Governor of the initial request for appropriation of proceeds of specified bonds authorized for any eligible capital costs on each corridor, or usable segment of a corridor, to approve and submit to the Director of Finance, a specified independent peer review group, and the transportation policy committees and fiscal committees of the Legislature, a detailed funding plan for that corridor or a usable segment of that corridor, as provided. This bill would require the High-Speed Rail Authority, or its successor, to approve and submit an independent third-party analysis, as contracted by the California State Auditor, of the high-speed train system to the Director of Finance, the independent peer review group, and the policy committees with jurisdiction over transportation matters and the fiscal committees of both houses of the Legislature. The bill would require the third-party analysis to include a determination of the economic and financial justification for the high-speed train system.

Subject: Transit

SB 1271 **(Min, D) Electric bicycles, powered mobility devices, and storage batteries.**

Introduced: 02/15/2024

Last Amended: 03/20/2024

Status: 03/26/2024 - Set for hearing April 9.

Hearing: 04/09/2024

Location: 02/29/2024 - Senate Transportation

Summary: Current law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor of less than 750 watts, and classifies electric bicycles into 3 classes with different restrictions. Current law requires manufacturers and distributors of electric bicycles to apply a label that is permanently affixed to each electric bicycle that contains, among other things, the classification number and motor wattage of the electric bicycle, as specified. This bill would clarify that an electric bicycle is a bicycle equipped with fully operable pedals and an electric motor with continuous rated mechanical power of not more than 750 watts. The bill would, if an electric bicycle is capable of operating in multiple modes, require a manufacturer and distributor to include on the label the classification number of the highest classes of which it is capable of operating.

Subject: Active Transportation

SB 1279 **(Niello, R) State financed projects: state competitive grant programs.**

Introduced: 02/15/2024

Last Amended: 03/18/2024

Status: 03/18/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/15/2024 - Senate Rules

Summary: Current law authorizes a governmental agency to solicit proposals and enter into agreements with private entities for the design, construction, or reconstruction of, and to lease to private entities, specified types of fee-producing infrastructure projects. Current law prohibits a state agency or specified governmental agencies from using this authorization to design, construct, finance, or operate a state project, defined as including tollroads, state water projects, state park and recreation projects, and state-financed projects. This bill would exclude state-financed projects from the definition of "state projects" and would authorize a state-financed project to pursue, and receive, if selected, state competitive grants or other allocations from programs for which the project is eligible, including, but not limited to, any of specified programs, including, among others, the program commonly known as the Trade Corridor Enhancement Program.

Subject: Funding

SB 1297 **(Allen, D) Speed safety system pilot program.**

Introduced: 02/15/2024

Status: 03/26/2024 - Set for hearing April 9.

Hearing: 04/09/2024

Location: 02/29/2024 - Senate Transportation

Summary: Current law authorizes, until January 1, 2032, specified cities and the City and County of San Francisco to establish a local speed safety system pilot program, operated in certain types of streets and school zones, to detect speed violations by using an electronic speed safety system, as defined. Pursuant to the pilot program, a designated jurisdiction participating within the pilot program with a population of less than 300,000, as determined by the United States Census Bureau in the 2020 Census, is authorized to operate no more than 9 speed safety systems. This bill would instead authorize a designated jurisdiction participating within the pilot program with a population of less than 300,000, as determined, to operate no more than 12 speed safety systems.

Subject: Planning

SB 1325 **(Durazo, D) Public contracts: best value procurement: equipment.**

Introduced: 02/16/2024

Status: 03/14/2024 - Set for hearing April 9.

Hearing: 04/09/2024

Location: 02/29/2024 - Senate Governmental Organization

Summary: Would authorize a state or local agency, as defined, to award contracts through a best value procurement method, as describe, for the purchase of equipment with a base value of \$250,000 or more. The bill would require the agency to adopt and publish procedures and guidelines for evaluating the qualifications of the bidders to ensure the best value selections are conducted in a fair and impartial manner, as described. The bill would authorize the procedures and guidelines to include the adoption of a high road jobs plan policy that evaluates bidders' high road jobs plan commitments as part of the overall score for the public contract, as specified. This bill would require the solicitation document to include certain information and would direct the agency to use a scoring method based on price and the factors described in the solicitation document, as specified. The bill would require the agency to let any contract for these projects to the selected bidder that represents the best value or reject all bids.

Subject: Public Works

SB 1345 **(Smallwood-Cuevas, D) Employment discrimination: criminal history information.**

Introduced: 02/16/2024

Last Amended: 03/20/2024

Status: 03/21/2024 - April 16 hearing postponed by committee. Withdrawn from committee. Re-referred to Com. on RLS.

Location: 03/21/2024 - Senate Rules

Summary: The California Fair Employment and Housing Act prohibits various forms of employment discrimination and empowers the Civil Rights Department to investigate and prosecute complaints alleging unlawful practices. Current law makes it unlawful for an employer with five or more employees to, among other things, include on any application for employment, before the employer makes a conditional offer of employment to the applicant, any question that seeks the disclosure of an applicant's conviction history, except as provided. This bill would make it an unlawful employment practice for an employer to take an adverse action against an applicant based solely or in part on criminal history information, unless the employer can demonstrate that the applicant's criminal history has a direct and adverse relationship with one or more specific duties of the job and the employer's business necessity requires the adverse action.

Subject: Employment

SB 1375 **(Durazo, D) Workforce development: poverty-reducing standards: funds, programs, reporting, and analyses.**

Introduced: 02/16/2024

Status: 02/29/2024 - Referred to Com. on L., P.E. & R.

Location: 02/29/2024 - Senate L., P.E. & R.

Summary: This bill would create the Equity, Climate Resilience, and Quality Jobs Fund in the State Treasury and would require, to the extent permissible under federal law, 2% of all qualified moneys received from the federal government pursuant to any federal jobs act to be transferred into the fund. The bill would make moneys in the fund available upon appropriation to the board for specified purposes. This bill would require all state and local agencies administering any moneys received pursuant to any federal jobs act and the board to develop, by January 1, 2026, a memorandum of understanding for the board to provide technical assistance, and to develop poverty-reducing labor standards, for all investments made by those agencies using those moneys. The bill would impose reporting requirements on these agencies and would require the board to develop rules and regulations on the content and manner of reporting for the report. The bill would also require the board to contract with a research institution to receive the reports and perform analyses on equity, climate resilience, and quality jobs outcomes resulting from the investments made by the reporting entities using moneys received pursuant to any federal jobs act. By imposing new duties on local agencies that receive federal moneys, the bill would impose a state-mandated local program.

Subject: Funding

SB 1393 **(Niello, R) Advanced Clean Fleets Regulation Appeals Advisory Committee.**

Introduced: 02/16/2024

Status: 03/08/2024 - Set for hearing April 3.

Hearing: 04/03/2024

Location: 02/29/2024 - Senate Environmental Quality

Summary: This bill would require the State Air Resources Board to establish the Advanced Clean Fleets Regulation Appeals Advisory Committee by an unspecified date for purposes of reviewing appeals of denied requests for exemptions from the requirements of the Advanced Clean Fleets Regulation. The bill would require the committee to include representatives of specified state agencies, other state and local government representatives, and representatives of private fleet owners, the electric vehicle manufacturing industry, and electrical corporations, as provided. The bill would require the committee to meet monthly and would require recordings of its meetings to be made publicly available on the state board's internet website. The bill would require the committee to consider, and make a recommendation on, an appeal of an exemption request denial no later than 60 days after the appeal is made. The bill would require specified information relating to the committee's consideration of an appeal to be made publicly available on the state board's internet website.

Subject: Miscellaneous

SB 1402 **(Min, D) 30x30 goal: state agencies: adoption, revision, or establishment of plans, policies, and regulations.**

Introduced: 02/16/2024

Status: 03/26/2024 - Set for hearing April 9.

Hearing: 04/09/2024

Location: 02/29/2024 - Senate Governmental Organization

Summary: Current law requires the Secretary of the Natural Resources Agency to prepare and submit, on or before March 31, 2024, and annually thereafter, a report to the Legislature on the progress made in the prior calendar year toward achieving the goal to conserve 30% of California's lands and coastal waters by 2030. Current law provides that it is the goal of the state to conserve at least 30% of California's lands and coastal waters by 2030, known as the 30x30 goal. This bill would require all state agencies, departments, boards, offices, commissions, and conservancies to consider the 30x30 goal when adopting, revising, or establishing plans, policies, and regulations.

Subject: Environment

SB 1404 **(Glazer, D) Political Reform Act of 1974: audits.**

Introduced: 02/16/2024

Last Amended: 03/21/2024

Status: 03/21/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on E. & C.A.

Hearing: 04/02/2024

Location: 02/29/2024 - Senate Elections and Constitutional Amendments

Summary: This bill would require the Secretary of State to increase the yearly fee currently charged per year for each lobbyist required to be listed on a lobbying firm or lobbyist employer registration statement, and it would further require the Secretary of State to impose an additional fee, to be established by the commission, to lobbying firms and lobbyist employers to offset costs associated with conducting audits and field investigations. A portion of the latter fee would be deposited in a new fund that the bill would establish, the Field Audits and Investigations Fund, which would be continuously appropriated to the commission for these purposes. The bill would exclude lobbying firms and lobbyist employers with less than one dollar in payments or contributions and placement agents, lobbyist employers of placement agents, and lobbying firms with placement agents, as specified, from being selected for audit. Additionally, this bill would require the commission to adopt regulations or policies that would ensure the operational independence of the commission's audit personnel from the commission's enforcement operations. Audits conducted by the commission would be required to be posted on the commission's internet website for 10 years following the conclusion of the audit and the commission would be required to annually report to the Legislature on the number and types of audits completed by the commission.

Subject: Public Works

SB 1417 **(Allen, D) Transit districts: prohibition orders.**

Introduced: 02/16/2024

Status: 03/01/2024 - Set for hearing April 9.

Hearing: 04/09/2024

Location: 02/29/2024 - Senate Transportation

Summary: Current law prohibits certain acts by a person with respect to the property, facilities, or vehicles of a transit district. Current law authorizes the Fresno Area Express, the Los Angeles County Metropolitan Transportation Authority, the Sacramento Regional Transit District, the San Francisco Bay Area Rapid Transit District, and the Santa Clara Valley Transportation Authority to issue a prohibition order to any person cited for committing one or more of certain prohibited acts in specified transit facilities. Current law prohibits a person subject to the prohibition order from entering the property, facilities, or vehicles of the transit district for specified periods of time. Current law establishes notice requirements in that regard and provides for initial and administrative review of the order. This bill would provide that the Santa Monica Department of Transportation is also a transit district for purposes of these provisions regarding prohibition orders.

Subject: Safety and Security

SB 1418 **(Archuleta, D) Hydrogen-fueling stations: expedited review.**

Introduced: 02/16/2024

Last Amended: 03/18/2024

Status: 03/18/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on L. GOV.

Hearing: 04/03/2024

Location: 02/29/2024 - Senate Local Government

Summary: Current law requires a hydrogen-fueling station to meet certain requirements, including any rules established by the State Air Resources Board, Energy Commission, or Department of Food and Agriculture regarding safety, reliability, weights, and measures. This bill would modify the definition of "hydrogen-fueling station" to mean the equipment and supporting components, including hydrogen-refueling canopies, used to store and dispense hydrogen fuel to vehicles according to industry codes and standards that are open to the public. This bill would modify the requirements a hydrogen-fueling station must meet to include all applicable state laws and regulations pertaining to hydrogen fueling, including any rules established by the State Air Resources Board, Energy Commission, or Department of Food and Agriculture regarding safety, reliability, weights, and measures.

Subject: Zero Emission

SB 1420 **(Caballero, D) Hydrogen.**

Introduced: 02/16/2024

Last Amended: 03/20/2024

Status: 03/20/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on E.Q.

Hearing: 04/03/2024

Location: 02/29/2024 - Senate Environmental Quality

Summary: Would require the State Air Resources Board to adopt regulations requiring that no less than 33.3% of the retail hydrogen produced for, or dispensed by, fueling stations that receive state funds is made from renewable hydrogen, as provided. The bill would also require that no less than 60% of the retail hydrogen produced or dispensed in California for use in transportation is made from renewable hydrogen by December 31, 2030, and that the remainder of the retail hydrogen produced or dispensed in California for use in transportation is made from a mix of renewable hydrogen and clean hydrogen by December 31, 2045, as provided.

Subject: Zero Emission

SB 1443 **(Jones, R) California Interagency Council on Homelessness.**

Introduced: 02/16/2024

Status: 03/05/2024 - Set for hearing April 1.

Location: 02/29/2024 - Senate Human Services

Summary: Current law requires the Governor to establish the California Interagency Council on Homelessness, and requires the council to, among other things, identify mainstream resources, benefits, and services that can be accessed to prevent and end homelessness in California, and promote systems integration to increase efficiency and effectiveness while focusing on designing systems to address the needs of people experiencing homelessness. Current law sets forth the composition of the council, which includes, among others, the Secretary of Business, Consumer Services, and Housing and the Secretary of California Health and Human Services, who serve as co-chairs of the council. This bill would add a representative from the State Council on Developmental Disabilities to the council described above.

Subject: Miscellaneous

SB 1488 **(Durazo, D) Outdoor advertising displays: exemptions.**

Introduced: 02/16/2024

Status: 02/29/2024 - Referred to Com. on TRANS.

Location: 02/29/2024 - Senate Transportation

Summary: The Outdoor Advertising Act provides for the regulation by the Department of Transportation of advertising displays, as defined, within view of public highways. The act exempts from its provisions certain advertising displays. One of those conditions for exemption requires the advertising display to be located on the premises of the arena or to have been authorized as of January 1, 2021, by, or in accordance with, a local ordinance, as specified. This bill would change this condition for the exemption from the act to require that an advertising display, as described above, be authorized as of January 1, 2030, would limit the exemption to arenas constructed or under construction on or before January 1, 2025, and would authorize the display be by, or in accordance with, a discretionary approval other than a local ordinance. The bill would require, for the exemption, an advertising display on which construction commences on or after January 1, 2025, and that is located more than one mile from the premises of an arena, to be located at least 5,000 feet from any advertising display for a different arena authorized pursuant to these provisions, except in the City of Inglewood.

Subject: Public Works

SB 1494 **(Glazer, D) Local agencies: Sales and Use Tax: retailers.**

Introduced: 02/16/2024

Status: 03/15/2024 - Set for hearing April 3.

Hearing: 04/03/2024

Location: 02/29/2024 - Senate Local Government

Summary: This bill would prohibit, on or after January 1, 2024, a local agency from entering into, renewing, or extending any form of agreement that would result, directly or indirectly, in the payment, transfer, diversion, or rebate of Bradley-Burns local tax revenues to any retailer, as defined, in exchange for the retailer locating or continuing to maintain a place of business that serves as the place of sale, as defined, within the territorial jurisdiction of the local agency if that place of business would generate revenue, from the sale of tangible property delivered to and received by the purchaser in the territorial jurisdiction of another local agency, for the local agency under the Bradley-Burns Uniform Local Sales and Use Tax Law. The bill would make those forms of agreements existing before January 1, 2024, void and unenforceable on January 1, 2030. The bill would require a local agency to post those forms of agreements existing before January 1, 2024, on the local agency's internet website until the form of agreement expires or is made void and unenforceable by these provisions. The bill would make related findings and declarations.

Subject: Funding

SB 1497 **(Menjivar, D) Polluters Pay Climate Cost Recovery Act of 2024.**

Introduced: 02/16/2024

Last Amended: 03/20/2024

Status: 03/20/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 02/16/2024 - Senate Rules

Summary: Would enact the Polluters Pay Climate Cost Recovery Act of 2024 and would establish the Polluters Pay Climate Cost Recovery Program to be administered by the California Environmental Protection Agency to require fossil fuel polluters to pay their fair share of the damage caused by the sale of their products during the covered period, which the bill would define as the time period between the 2000 and 2020 calendar years, inclusive, to relieve a portion of the burden from climate harms that is borne by California taxpayers. The bill would require the agency, within 90 days of the effective date of the act, to determine and publish a list of responsible parties, which the bill would define as an entity that, during the covered period, did business in the state or otherwise had sufficient contact with the state and is determined by the agency to be responsible for more than 1,000,000,000 metric tons of covered fossil fuel emissions, as defined, in aggregate, globally during the covered period.

Subject: Environment

SB 1510 **(Stern, D) Permitting: electric vehicle charging.**

Introduced: 02/16/2024

Status: 02/29/2024 - Referred to Com. on RLS.

Location: 02/16/2024 - Senate Rules

Summary: Current law requires every city, county, and city and county to administratively approve an application to install electric vehicle charging stations through the issuance of a building permit or similar nondiscretionary permit and requires the review of an application to install an electric vehicle charging station to be limited to the building official's review of whether it meets all health and safety requirements of local, state, and federal law. Current law requires an electric vehicle charging station to comply with, among other things, all applicable rules of the Public Utilities Commission regarding safety and reliability, as specified. This bill would express the intent of the Legislature to enact subsequent legislation that would reduce state and local permitting barriers for electric vehicle charging.

Subject: Public Works

SCA 7 **(Umberg, D) Employment: workers' rights.**

Introduced: 05/01/2023

Last Amended: 06/26/2023

Status: 06/26/2023 - Read second time and amended. Re-referred to Com. on E. & C.A.

Location: 06/22/2023 - Senate Elections and Constitutional Amendments

Summary: Current state law forbids a public employer from deterring or discouraging public employees from becoming or remaining members of an employee organization. Current federal law forbids employers from interfering with, restraining, or coercing employees in the exercise of rights relating to organizing, forming, joining, or assisting a labor organization for collective bargaining purposes, or from working together to improve terms and conditions of employment, or refraining from any such activity. This measure, the Right to Organize and Negotiate Act, would ensure that all Californians have the right to join a union and to negotiate with their employers, through their legally chosen representative, to protect their economic well-being and safety at work. This measure would require the Legislature to provide for the enforcement of these rights.

Subject: Employment

SCR 74 **(Nguyen, R) Officer Jon Coutchie Memorial Bridge.**

Introduced: 06/05/2023

Last Amended: 06/27/2023

Status: 01/12/2024 - Chaptered by Secretary of State. Res. Chapter 2, Statutes of 2024.

Location: 01/12/2024 - Senate CHAPTERED

Summary: This measure would designate the Aliso Creek Bridge on State Highway Route 1 in the County of Orange as the Officer Jon Coutchie Memorial Bridge. The measure would also request the Department of Transportation to determine the cost of appropriate signs showing this special designation and, upon receiving donations from nonstate sources to cover that cost, to erect those signs. This bill contains other related provisions.

Subject: Miscellaneous



March 19, 2024

The Honorable Mike McGuire
Senate President Pro Tempore
1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable Robert Rivas
Speaker California State Assembly
1021 O Street, Suite 8330
Sacramento, CA 95814

The Honorable Scott Wiener
Chair, Senate Committee on Budget and Fiscal Review
1021 O Street, Suite 8630
Sacramento, CA 95814

The Honorable Jesse Gabriel
Chair, Assembly Committee on Budget
1021 O Street, Suite 8230
Sacramento, CA 95814

RE: Protect Regional Early Action Planning 2.0 (REAP 2.0) Grant Program

Dear President Pro Tempore McGuire, Speaker Rivas, and Budget Chairs Wiener and Gabriel:

As you continue to set your priorities for the FY 2024-25 State Budget, we urge you to maintain your strong support for the Regional Early Action Planning 2.0 (REAP 2.0) grant program, the only program specifically and exclusively designed to implement the regions' Sustainable Communities Strategies (SCS), as required by SB 375 (2008). While we recognize the incredible budget challenges the Legislature now faces, REAP 2.0 must be protected if we are to meet our ambitious Greenhouse Gas (GHG) reduction, mobility, and housing goals.

In July 2023, the Southern California Association of Government's (SCAG) full REAP 2.0 application was approved by the Department of Housing and Community Development (HCD), formally committing \$246 million to SCAG. With this commitment, SCAG developed our REAP 2.0 program through an inclusive outreach process focused on engagement with disadvantaged and underserved communities, by understanding key priorities and refining the program and funding allocation to meet them. Since then, SCAG has sub-allocated \$192 million primarily through competitive programs to more than 100 transformative, local projects that implement the region's Regional Housing Needs Determination and the dozens of GHG-reducing strategies contained within Connect SoCal, the Regional Transportation Plan/ Sustainable Communities Strategy (RTP/ SCS) for the Southern California region.

Connect SoCal is a long-range visioning plan that balances future mobility and housing needs with economic and environmental goals. It sets the stage for the region's ambitious housing plan to accommodate 1.3 million new housing units and includes new mobility strategies to enhance accessibility without adding automobile trips. SCAG's REAP 2.0 programs support transformative planning and implementation activities that realize these objectives by providing resources to local cities, counties, transportation agencies and other partners to implement Connect SoCal.

As part of the REAP 2.0 program, SCAG created the County Transportation Commission (CTC) Partnership Program which funds projects that integrate and align Southern California's mobility and housing opportunities. To help achieve equitable project outcomes, applicants developed engagement plans prioritizing impacted communities and other relevant stakeholders, such as local jurisdictions and community-based organizations (CBOs).

Some of the innovative projects awarded through SCAG's REAP 2.0 CTC Partnership Program include the following:

- \$15 million for the "North Hollywood Transit Center," which will result in improvements to multi-modal transportation options for San Fernando Valley residents and riders to the third busiest station in the LA Metro transit system. The result will accommodate an increase in transit demand from future bus rapid transit services and a planned mixed-use development project that will accommodate 1,500 housing units, a quarter of which will be rent restricted.
- \$4.3 million for the "First Street Multimodal Boulevard Design," which will complete planning and design work to advance bicycle, pedestrian and transit improvements such as protected bike lanes, transit signal priority and bus stop shelters on a four-mile stretch of First Street in Santa Ana.
- \$3 million for the "RCTC Core Capacity Innovative Transit Study," which will evaluate transit potential along the Interstate 15, Interstate 215, and along the San Jacinto Branch rail line in western Riverside County. The long-term vision of the study is a fully integrated transportation network that allows for multimodal access while leveraging advanced technology.
- \$6.5 million for the "Countywide Multi-Modal Complete Streets Program," which will fund portions of several multi-modal projects in the cities of Fontana, Ontario, Rancho Cucamonga, Rialto, Twentynine Palms and Upland. These projects will lay the groundwork for developing efficient mobility hubs and addressing infrastructure needs related to affordable housing development.

- \$1.67 million for the “Santa Paula Branch Line Active Transportation – Master Plan Update and Validate Connections to Serve New Housing and Reduce VMT,” which will advance the Santa Paula Branch Line Trail Master Plan, improving active transportation connections to housing, transit, and job centers in Ventura County.
- \$1 million for the “Calexico Intermodal Transportation Center,” which will construct a new intermodal transportation center in downtown Calexico, California, a major hub for cross-border travel, to consolidate public and private transportation providers in one facility to improve mobility and safety of passengers, increase transit ridership, accommodate zero emission transit vehicles, reduce vehicle emissions and enhance the Downtown Business District.

Projects like these are critical to implementing Connect SoCal. Reducing or delaying funding to them will compromise their integrity and have severe, negative impacts to Southern California and the entire state. We respectfully ask the Legislature to protect this vital program to ensure climate, housing and mobility goals are met.

Sincerely,



Kome Ajise
Executive Director
Southern California Association of Governments



David Aguirre
Executive Director
Imperial County Transportation Commission



Martin Erickson
Executive Director
Ventura County Transportation Commission



Anne Mayer
Executive Director
Riverside County Transportation Commission



Darrell E. Johnson
Chief Executive Officer
Orange County Transportation Authority



Stephanie Wiggins
Chief Executive Officer
Los Angeles County Metropolitan
Transportation Authority



Ray Wolfe
Executive Director
San Bernardino County Transportation



April 18, 2024

To: Legislative and Communications Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Federal Legislative Status Report

Overview

The Orange County Transportation Authority regularly updates the Legislative and Communications Committee on policy and regulatory issues directly impacting the agency's programs, projects, and operations. A summary is given of the President's fiscal year 2025 budgetary request and the various funding and policy provisions proposed. Information is provided on a regional letter submitted on the United States Environmental Protection Agency's proposed disapproval of the South Coast Contingency Measure State Implementation Plan. A House Transportation and Infrastructure Committee hearing related to Department of Transportation discretionary grants is summarized.

Recommendation

Receive and file as an information item.

Discussion

Overview of the President's Fiscal Year 2025 Budget Request

On March 11, 2024, the President submitted his fiscal year (FY) 2025 budget request to Congress, which includes a total of \$7.3 trillion in both mandatory and discretionary spending. Within this amount, \$1.9 trillion is proposed in discretionary spending, representing about the same levels as proposed in the FY 2024 topline discretionary spending level. Defense would receive a total of \$895 billion in discretionary spending, representing less than one percent increase from FY 2024, and nondefense spending would receive \$1.05 trillion, representing about less than one percent increase from FY 2024.

For transportation programs, the budget request includes \$25.4 billion in discretionary budget authority for FY 2025. Overall, the President's budget provides the Department of Transportation (DOT) with \$109.3 billion in gross

spending authority, which is a slight increase from FY 2024 enacted levels. A majority of the funding, however, has already been provided by the Infrastructure Investments and Jobs Act (IIJA) through advanced appropriations. Specifically for transportation, the President's budget includes:

- \$800 million for national infrastructure investments, which includes the new Megaproject Multimodal Grant Program created in the IIJA and Rebuilding American Infrastructure with Sustainability and Equity grants. This represents a \$400 million decrease from the FY 2024 request. The budget request also proposes to waive the 50 percent set aside for projects that cost between \$100 million and \$500 million.
- \$2.4 billion for the Capital Investment Grants (CIG), which is \$500 million less than what was requested in FY 2024. However, when combined with IIJA advanced appropriations, the budget request provides \$4 billion for CIG projects in FY 2025. The budget request would provide more flexibility with these available CIG funds by eliminating the specific IIJA allocations for New Starts, Core Capacity, Small Starts, and Expedited Project Delivery Pilot Program projects in FY 2025.
- \$1.2 billion for the Amtrak Northeast Corridor and \$1.3 billion for Amtrak national network, which is a \$100 million increase from the FY 2024 request.
- \$100 million for the Federal-State Intercity Passenger Rail Partnership grants, which is a \$460 million decrease from the FY 2024 budget request. When combined with the IIJA advanced appropriations, the total would be \$7.3 billion for this program in one year. Alongside this funding request, it proposes a federal share up to 90 percent for projects benefiting an underserved community. The request also sets aside no less than \$15 million for a grant to Washington Union Station with a federal share of 100 percent.
- \$1.8 billion for formula and competitive Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation grants, which is a program designed to fund resilience improvements.
- \$250 million for the Consolidated Rail Infrastructure and Safety Improvements Program (CRISI). When combined with \$1 billion in IIJA advanced appropriations, this total would be \$1.25 billion. CRISI supports freight and intercity passenger rail projects to improve safety, efficiency, and reliability. Of this total, \$20 million would be allocated for grants to states for state rail planning activities. The proposal would also allow any state, county, municipal, local, and regional law enforcement agency to be an eligible recipient for trespassing prevention projects and retains \$5 million to establish a National Rail Institute. Finally, for projects benefiting an underserved community, the budget proposes to eliminate

the statutory preference for projects where the federal share of the total project costs does not exceed 50 percent and provide a federal share up to 90 percent.

In addition to the above, the President's budget request also includes various policy provisions, including:

- Allowance for large, urban transit agencies in areas over 200,000 population, such as the Orange County Transportation Authority (OCTA), to use their § 5307 Urbanized Area Formula Grant (5307) funds for operating purposes, if the agency meets correlating maintenance of effort requirements. This authority aligns with what is already allowed for areas under 200,000 population. Traditionally, these funds are used for transit planning and capital expenditures, in addition to preventative maintenance and some paratransit costs.
- Allowance for state departments of transportation to flex highway funds to transit operating purposes, expanding the authority already provided for Congestion Mitigation and Air Quality funds. The language allows this flexibility for any federal highway contract authority. Both this proposal and the proposal to flex 5307 funds were proposed in the President's FY 2024 budget request, which was rejected by Congress.
- Removes all congressional earmarks (otherwise known as community project funding or congressionally directed spending). This is similar to a proposal the President included in his FY 2024 budget request, which was rejected by Congress.
- For projects selected in FY 2025 under the § 5339(b) Buses and Bus Facilities Grant Program or § 5339(c) Low or No Emission Grant Program, the Transportation Secretary may lower the federal share from 85 percent to not less than 50 percent to disincentivize vehicle customization since the cost of doing so can be expensive. Limiting customization to a set of options and floor plans could strengthen the supply chain, reduce bus production schedule, reduce costs, and simplify bus procurements.
- Allows Federal Transit Administration grant recipients to fund shared use micromobility projects and systems, such as bicycles and scooters, as "associated transit improvement" capital projects, in addition to the current authority, which includes bicycle storage shelters and bicycle parking facilities.
- Expanding public transit agencies' authority to acquire land prior to completion of National Environmental Policy Act review by replacing the term "right-of-way" with "real property interests."

It should be noted that the President's budget request formally kicks off the negotiations for the FY 2025 appropriations bill. The final appropriations bill does not typically align with what was initially requested. Updates will be provided to the OCTA Board of Directors (Board) as these conversations unfold.

Update on the Environmental Protection Agency's (EPA) Proposed Disapproval of South Coast Air Quality Management District (AQMD) Final Contingency Measure State Implementation Plan

On April 2, 2024, transportation agencies within the Southern California Association of Governments (SCAG) region sent a letter to the United States EPA regarding the EPA's proposed disapproval of the South Coast Contingency Measure State Implementation Plan. In addition to SCAG, OCTA signed onto this coalition letter alongside other Southern California transportation partners, including the Los Angeles County Metropolitan Transportation Authority, the San Bernardino County Transportation Authority, the Riverside County Transportation Commission, the Imperial County Transportation Commission, and the Ventura County Transportation Commission. This letter is included as Attachment A.

As background, the EPA sets air quality standards that must be attained or could result in federal sanctions. Even with stringent regulations implemented by AQMD and California Air Resources Board (CARB), the South Coast Air Basin has been unable to demonstrate the ability to meet the current air quality standards by EPA. Because of this, in 2019, AQMD and CARB submitted a Contingency Measure Plan indicating that more must be done related to federally regulated sources to ultimately meet these goals. On February 2, 2024, EPA published its proposal to disapprove the Contingency Measure Plan as provided. If the disapproval were to be finalized, several sanctions would take place. First, 18 months after this action, permit emission reduction offsets would increase. Second, 24 months after this action, there would be a prohibition on federal highway funding for the region. Exceptions would be provided for projects related to safety or transit. And lastly, 24 months after this action, a Federal Implementation Plan (FIP) would be imposed. A FIP is an air quality plan developed by EPA when states cannot meet the requirements imposed by the Clean Air Act.

The coalition letter details that for sources within the control of state and local governments, the region has achieved more than its share of emission reductions toward federal attainment and calls on the EPA to work together with the State of California and local governments to provide meaningful opportunities to develop actions that will result in cleaner air. If a full disapproval were to occur, there would be significant impacts to planned projects throughout the Southern California region, discouraging private investment, impacting the regional economy, and risking readiness for the 2028 Summer Olympics. Delaying these projects and the associated much-needed repairs and investments to roadways and transportation infrastructure has the potential to exacerbate air quality

concerns. The transportation investments in the SCAG region are tailored to meeting not only federal transportation conformity requirements, but also California's ambitious goal to achieve carbon neutrality by 2045. The letter also aligns its comments with those submitted by the AQMD, included as Attachment B.

Ultimately, the coalition is urging the EPA to not disapprove the Contingency Measure State Implementation Plan as proposed. However, if that is not possible, conditional approval may allow for further discussions to take place while avoiding any sanctions. Staff will continue monitoring the rulemaking process and provide the Board with updates as they become available.

Summary of House Transportation and Infrastructure Committee Hearing on DOT Discretionary Grants

On March 7, 2024, the House Transportation & Infrastructure Committee held a hearing entitled "*Department of Transportation Discretionary Grants: Stakeholder Perspectives*." The hearing explored the opportunities and challenges for state and local agencies related to new and existing DOT discretionary grant programs.

Committee Chairman Sam Graves (R-MO) opened the committee's hearing about DOT discretionary programs by highlighting that the House Transportation & Infrastructure Committee has heard concerns from stakeholders on implementing IIJA funding, reporting stakeholders' concerns with delays and inconsistencies with notices of funding opportunities, in addition to the amount of time it takes to execute grant agreements after an award has been announced. Chairman Graves explained that the most notable concern from stakeholders regarding these grant programs is the longer-than-normal wait times that they are experiencing for the execution of grant agreements.

Ranking Member Rick Larsen (D-WA), followed Chairman Graves with his own opening statement, highlighting the positive impact that the IIJA has provided with record-breaking funding for critical infrastructure projects. Ranking Member Larsen shared that DOT grant competitions reflect directives from Congress, and the DOT is actively helping applicants that are new to the federal grant process. He concluded his opening statement by stating that the committee welcomes the opportunity to celebrate the benefits of these grant opportunities to all districts and constituents, while also welcoming the opportunity to examine how the discretionary grant process can be improved.

Representative Valerie Foushee (D-NC) inquired about the top issues that local governments experience when applying for discretionary funding. Amy O'Leary, Executive Director of the Southeast Michigan Council of Governments, noted that local governments face difficulty knowing which grant to apply for; there are so many funding opportunities that local governments are challenged by figuring

out which grant is the best fit for the project. In addition, O'Leary shared that the cost of applying for grants can be an impediment to local governments, especially local governments that do not have a grant writer on staff. Lastly, O'Leary shared that local governments face financial difficulty with the matching requirements set forth by the grant application. Several witnesses emphasized the importance of predictable funding as Congress approaches reauthorization of the surface transportation bill, especially the advanced appropriations included under the IIJA. Some witnesses and committee members highlighted their interest in favoring a formula funding approach in the next surface transportation reauthorization as opposed to discretionary grant funding to afford more predictability, while there were others that emphasized the importance of discretionary programs for larger, more complex projects. Overall, witnesses underscored the need for Congress to simplify grant program criteria, enhance staffing at DOT, and establish clearer timelines.

Summary

Information is provided on the fiscal year 2025 budget request from the President. A summary is given of a coalition letter related to the United States Environmental Protection Agency's recent action to disapprove an air quality plan. A summary is provided for a hearing that discussed Department of Transportation discretionary grant programs.

Attachments

- A. Letter from Kome Ajise, Executive Director, Southern California Association of Governments, and others, to Ginger Vagenas, U.S. Environmental Protection Agency (EPA), Region IX, re: SCAG Region Comments on U.S. EPA's Proposed Disapproval of South Coast Contingency Measure State Implementation Plan for the 1997 Federal Ozone Standard [Docket ID No. EPA-R09- OAR-2023-0626], dated April 2, 2024
- B. Letter from Wayne Nastri, Executive Officer, South Coast AQMD, to Ms. Ginger Vagenas, U.S. Environmental Protection Agency, Region IX, re: 89 Fed. Reg. 7320 (Feb. 2, 2024) (Proposed) Air Plan Disapproval; California Los Angeles-South Coast Air Basin; 1997 8-hour Ozone standard, dated March 27, 2024
- C. Potomac Partners DC, Monthly Legislative Report – March

Prepared by:



Clara Brotcke
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Approved by



Lance M. Larson
Executive Director,
Government Relations
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April 2, 2024

VIA ELECTRONIC SUBMISSION

Ms. Ginger Vagenas
U.S. Environmental Protection Agency (EPA), Region IX
75 Hawthorne Street
San Francisco, California 94105
vagenas.ginger@epa.gov
www.regulations.gov

Subject: SCAG Region Comments on U.S. EPA's Proposed Disapproval of South Coast Contingency Measure State Implementation Plan for the 1997 Federal Ozone Standard [Docket ID No. EPA-R09- OAR-2023-0626]

Dear Ms. Vagenas:

On behalf of the Southern California Association of Governments (SCAG) and Southern California's six County Transportation Commissions (CTCs), we appreciate the opportunity to comment on United States Environmental Protection Agency's (EPA) proposed disapproval of the South Coast Air Basin Contingency Measure State Implementation Plan (SIP, also referred to as "Plan") for the 1997 federal ozone standard (proposed disapproval) (89 Fed. Reg. 7320). We ask EPA to approve the Plan rather than the proposed disapproval. Otherwise, we strongly propose either conditional approval that supports meaningful partnerships, or partial approval that provides realistic and short pathway to resolve the underlying issues. For all these alternative actions, EPA must recognize, take actions, and deliver its fair share of emission reduction from federal sources.

SCAG is the nation's largest metropolitan planning organization and council of governments for the six counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura and 191 cities in them. The region is home to a population of nearly 19 million people and powers the 16th largest economy in the world. SCAG is responsible for developing long-range regional

transportation plans and short-term regional transportation improvement programs, and providing broad-based representation of Southern California's cities and counties. The six CTCs are responsible for identifying and implementing multi-modal transportation projects in their respective counties within the SCAG region.

We strongly support and are fully committed to reducing air pollution and protecting public health. The South Coast Air Quality Management District (AQMD) has been implementing the most stringent regulations in the nation for stationary sources under its authority. The California Air Resources Board (CARB) has adopted and is implementing cutting-edge regulations to reduce mobile and area source emissions. The State and the SCAG region have invested billions of dollars and developed policies to accelerate the development and deployment of clean transportation technology and infrastructure. As part of the essential control measures in the state implementation plans to attain federal air quality standards in the South Coast Air Basin, SCAG has been collaborating with CTCs to implement the most robust and best available transportation control measures. Furthermore, SCAG's long-range Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and the short-range Federal Transportation Improvement Program (FTIP) have been demonstrating transportation conformity to support the attainment of federal health-based air quality standards throughout the SCAG region. Collectively, we have achieved more than the region's share of emission reductions that are under our authority toward federal attainment.

Since the 1997 ozone standard, emissions under the State and regional control have declined by 70 percent, while emissions subject to EPA's authority have only declined by 15 percent. More significantly, over 80 percent of NO_x emissions are from mobile sources, and about three-quarters of these emissions are from sources for which the EPA is responsible, such as trucks, ships, aircraft, locomotives, and similar heavy-duty engines. Therefore, it is critical that EPA plays a proactive role in taking regulatory actions, providing funding, supporting and providing opportunities for partnerships. A full disapproval of the Plan only distracts from the important work we need to do together. Instead, we encourage EPA to provide a more meaningful opportunity to develop actions that will result in real, cleaner air while avoiding negative impacts by exploring other pathways such as conditional approval.

If the disapproval is finalized as proposed, it has the potential to set in motion far-reaching consequences on critical aspects of regional transportation planning, programming, project delivery, and the regional economy. It could result in not only the loss of tens of billions of federal highway funds and/or federal approval but hundreds of billions in local dollars invested in significant transportation projects and delay of needed renovation, improvement, and repairs. The SCAG region already struggles to achieve a state of good infrastructure repair and the imposition of highway sanctions would likely balloon deferred maintenance. Traffic congestion in the SCAG region already equates to a nearly \$9 billion annual loss in productivity even without highway sanctions. Uncertainty over sanctions can discourage private investment, especially in transportation-related industries, further impacting the regional economy and risking readiness for the 2028 Summer Olympics. Additionally, since sanctions limit the ability to develop future

non-exempt projects, we will lack the opportunity to develop shovel-ready projects putting our region at a competitive disadvantage for funding for years to come.

To this end, it could become more difficult for our regional transportation planning, programming, and project selection process to meet federal transportation performance goals as related to transportation infrastructure condition, freight, and passenger vehicle movement travel time reliability. Many CTC projects are the result of performance-based decisions at the county or Caltrans district level and meet needs and goals that align with and achieve regional goals and performance targets.

The delay of much-needed repairs and investments to our roadways and transportation infrastructure has the potential to exacerbate air quality concerns. Because most areas within the SCAG region are designated as nonattainment or maintenance areas for one or more transportation related criteria pollutants under the federal Clean Air Act, our RTP/SCS must conform to the applicable State Implementation Plan (SIP) in the SCAG region, including this Contingency Measure SIP to address the 1997 National Ambient Air Quality Standard for ozone in the South Coast Air Basin. The transportation investments in the SCAG region are tailored to meeting not only federal transportation conformity requirements, but also California's ambitious goal to achieve carbon neutrality by 2045.

The potential threat of loss or delay of federal funding or approval could also have a negative impact on the traveling public and communities. This comes at a time when we are actively planning regional transportation and housing policies and projects that involve removing, retrofitting, repairing, or mitigating highways or other transportation facilities that create barriers to community connectivity, including mobility, access, or economic opportunities. Even a temporary freeze on new highway construction could prevent our agencies from "obligating" federal highway funds, which could, in turn, result in a loss of those federal dollars. This could also limit localities' ability to better connect disadvantaged communities to jobs, healthcare facilities, healthy food, open spaces, or to better link businesses and provide resources to those disproportionately burdened and vulnerable communities.

In addition to the potential threat of loss or delay of federal funding or approval, there could be serious economic impacts. Highway sanctions could lead to massive layoffs of construction workers and of workers who supply a multitude of materials, equipment, and services to construction because impacted transportation projects would not move forward with implementation. It could also have negative economic impacts on communities that build around these jobs. The highway system allows buses and trucks to perform essential roles that support the efficient movement of people and goods in the region. Investment in the highway network is vital to address congestion, efficiency, and travel time reliability, and meet the needs of businesses and residents. The region is also at a critical juncture regarding the transition to clean transportation and has made substantial progress in planning for zero-emission heavy-duty vehicles and supporting infrastructure. By delaying critically needed projects, highway sanctions could threaten the economic well-being of the region. These regional and community-wide economic impacts would occur at a time (in year 2026) when the Los Angeles area is set to host

the 2026 FIFA World Cup matches and two years before Los Angeles hosts the 2028 Summer Olympics. They could turn into an unprecedented global impact.

These harsh economic impacts are specific to the SCAG region. However, we are not alone in needing greater federal partnership to achieve clean air goals. Many areas across the country are also in high levels of ozone nonattainment. In the future, these areas will find themselves in the same position as us and face sanctions. We hope that EPA will consider the significant implications of the disapproval on the SCAG region and the much broader, nationwide ramifications.

We are also deeply concerned about the challenges in resolving the underlying deficiencies necessary to lift the sanctions once they are imposed. Prolonged imposition of the sanctions would exacerbate the magnitude of all the aforementioned negative impacts.

It is our understanding that the South Coast AQMD has submitted a comment letter with regard to the above-entitled action. We would like to reiterate their concerns and the needed federal actions.

Finally, we urge EPA not to disapprove the Contingency Measure SIP as proposed. If full approval is not possible, we would strongly support either conditional approval that supports meaningful partnerships, or partial approval and partial disapproval that offer a realistic and short pathway to resolve the underlying issues. These are the only actions that can lead to timely attainment of the air quality standards, clean air that the area residents deserve, and avoidance of the serious consequences in the South Coast region.

Again, we appreciate this opportunity to share our comments. We support and are fully committed to partnering with our air regulators and transportation planning partners at all levels to achieve federal and state clean air and climate goals through solution-driven collaboration rather than invoking highway sanction to penalize the region for emissions beyond our control.

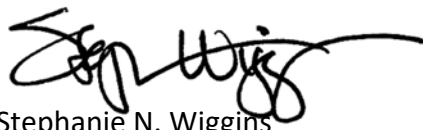
Sincerely,



Kome Ajise
Executive Director
Southern California Association of Governments



David Aguirre
Executive Director
Imperial County Transportation Commission



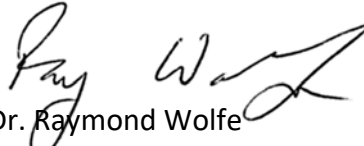
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Riverside County Transportation Commission



Dr. Raymond Wolfe
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San Bernardino County Transportation
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Martin Erickson
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CC: Martha Guzman, EPA Region IX
Karina O'Connor, EPA Region IX
Michael Dorante, EPA Region IX
Nesamani Kalandiyur, California Air Resources Board
Wayne Nastri, South Coast AQMD
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South Coast Air Quality Management District

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Office of the Executive Officer
Wayne Nastri
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March 27, 2024

Via Regulations.gov
Docket ID No. EPA-R09-OAR-2023-0626-0001
Ms. Ginger Vagenas

RE: 89 Fed. Reg. 7320 (Feb. 2, 2024) (Proposed) Air Plan Disapproval; California Los Angeles-South Coast Air Basin; 1997 8-hour Ozone standard.

Dear Ms. Vagenas:

**Comments of the South Coast Air Quality Management District Staff Regarding U.S. EPA's
Proposed Disapproval of the South Coast Air Basin Contingency Measure Plan for the 1997 Ozone
Standard [Docket ID No. EPA-R09-OAR-2023-0626-0001]**

Thank you for the opportunity to comment on the proposed disapproval of the South Coast Air Basin Contingency Measure Plan (CMP) for the 1997 Ozone Standard (89 FR 7320). South Coast Air Quality Management District (South Coast AQMD) is the local agency responsible for air quality in Orange County, the urbanized portions of Los Angeles, Riverside and San Bernardino Counties, and the Coachella Valley. While air quality has dramatically improved over the years, the region still exceeds National Ambient Air Quality Standards (NAAQS) for particulate matter and ozone, and experiences some of the worst air pollution in the nation. Over 17 million people reside in our region, and we are home to two-thirds of California's environmental justice (EJ) population. These frontline communities suffer the brunt of the impacts of air pollution. We estimate that approximately 1,600 premature deaths would be avoided annually if our region were able to attain the NAAQS.

When South Coast AQMD submitted the Contingency Measure Plan (CMP or Plan) in December 2019, we asked EPA to approve the Plan and to acknowledge responsibility for actions specific to federal regulated sources. We have been alerting EPA for years regarding the pressing need to take action on emission sources that are solely subject to federal regulatory authority. These are emissions that neither South Coast AQMD nor CARB has direct authority to regulate. Without federal action and with federal sources accounting for 36 percent of smog-forming emissions in 2023, and just under half of all emissions in 2037, it is impossible for the South Coast Air Basin (Basin) to attain the 1997 ozone standard and any future ozone standards.

As an extreme ozone nonattainment area, South Coast AQMD has implemented the most stringent regulations in the nation for stationary sources – power plants, refineries, and industrial facilities for which we have direct regulatory authority. We have established Best Available Retrofit Control Technology (BARCT) standards in rules that impose strict emission limits for virtually every combustion

category of stationary sources to reduce NO_x emissions to the greatest extent feasible. Since the date of the 1997 ozone standard, we have cut emissions dramatically – emissions of nitrogen oxides (NO_x), the key pollutant responsible for ozone formation in our region – have been reduced by over 75 percent. And currently, per our 2022 Air Quality Management Plan, we are implementing strategies to pursue zero emission technologies across all sectors wherever feasible.

South Coast AQMD has not been idle since the CMP was adopted in 2019. We have adopted or amended over two dozen rules to reduce precursor pollutants to ozone in the Basin since that time including:

2020: Rule 1107 – Coating of Metal Parts and Products, Rule 445 – Wood Burning Devices, Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces, Rule 1111 – Reduction of NO_x Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces, Rule 1179.1 – NO_x Emission Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities, Rule 1178 – Further Reductions of VOC Emissions from Storage Tanks at Petroleum Refineries, Rule 1146 – Emissions of Oxides of Nitrogen from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters

2021: Rule 1150.3 – Emissions of Oxides of Nitrogen from Combustion Equipment at Landfills, Rule 2305 – Warehouse Indirect Source Rule, Rule 1147.1 – NO_x Reductions from Aggregate Dryers, Rule 1111 – Reduction of NO_x Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces, Rule 1109.1 Emissions of Oxides of Nitrogen from Petroleum Refineries and Related Operations

2022: Rule 1135 – Emissions of Oxides of Nitrogen from Electricity Generating Facilities, Rule 461.1 – Gasoline Transfer and Dispensing for Mobile Fueling Operations, Rule 1134 – Emission of Oxides of Nitrogen from Stationary Gas Turbines, Rule 1115 – Motor Vehicle Assembly Line Coating Operations, Rule 1147.2 – NO_x Reductions from Metal Melting and Heating Furnaces, Rule 1147 – NO_x Reductions from Miscellaneous Sources, Rule 429 – Startup and Shutdown Provisions for Oxides of Nitrogen

2023: Rule 1118 – Control of Emissions from Refinery Flares, Rule 1106 – Marine and Pleasure Craft Coatings, Rule 1107 – Coating of Metal Parts and Products, Rule 463 – Organic Liquid Storage, Rule 1178 – Further Reductions of VOC Emission from Storage Tanks at Petroleum Refineries, Rule 1153.1 – Emissions of Oxides of Nitrogen from Commercial Food Ovens, Rule 2202 – On-Road Motor Vehicle Options, Rule 1110.3 – Emissions from Linear Generators

Despite these aggressive actions, NO_x emissions must be reduced even further to meet ozone standards. The Basin is home to the Ports of Long Beach and Los Angeles, the largest port complex in the nation. It should be no surprise that goods delivered to and transported from the ports have local emissions from ships, interstate trucks, and locomotives. Today, over 80 percent of NO_x emissions are from mobile sources, and of these, it is the trucks, ships, aircraft, locomotives, and similar heavy-duty engines that are responsible for about three-quarters of these emissions. Indeed, most of the progress we've seen to date has been due to South Coast AQMD's and CARB's actions – since 1997 emissions under South Coast AQMD's and CARB's control have declined by 70 percent; yet the emissions subject to EPA's authority have only declined 15 percent. While CARB has developed and is implementing cutting-edge regulations to reduce mobile source emissions under its authority, EPA's rules have not yielded the same results, and

these federal sources are projected to grow over time. It is not possible for our region to meet the 1997 and future standards without the federal government addressing the sources under its control.

The Contingency Measure Plan in the 1997 AQMP laid out a roadmap of action that EPA needs to implement to reduce NO_x emissions needed to meet ozone standards. However, in its proposed disapproval, EPA brushes this Plan aside, claiming that a local air authority cannot assign emission reductions to the federal government.

In fact, EPA has undertaken such voluntary measures for these emission reduction obligations in the past, including for the South Coast Air Basin in a 1997 approval of our 1994 AQMP. In the 1994 AQMP approval, EPA fully acknowledged the role of federal sources in causing high levels of ozone and that the region will be unable to meet air quality standards without further EPA regulation.¹ What was true almost 30 years ago is even more so today.

And it is not just our area that needs federal action to meet ozone standards. Regions of the country that have never had to contend with protracted ozone nonattainment are slipping into higher levels of ozone nonattainment. In the future, these areas will find themselves in the same position as South Coast AQMD unless EPA takes immediate action to reduce emissions from federally regulated sources.

If finalized, EPA's proposed disapproval will set in motion a series of events that ultimately result in the imposition of harsh economic sanctions in the region, including requirements that will make it much more difficult to obtain new air permits, as well as the loss of tens of billions in federal highway funds.

With this as background, we believe EPA has a duty to work with us as co-regulators to resolve the daunting challenge before us. We believe there are plausible paths under the Clean Air Act available to EPA. Such paths would allow for the development of a plan where all three agencies – South Coast, CARB, and EPA – leverage their respective authorities to achieve the emission reductions needed to meet ozone standards in our area. With this goal in mind, we ask that EPA consider finalizing the following actions:

EPA Action on the Contingency Measure Plan

As per our original ask, we believe EPA can voluntarily agree to take on the 67-69 tpd NO_x emission reduction that we outlined in the Plan. In the proposed disapproval, EPA states that “the Contingency Measure Plan's assignment of NO_x reductions to federal measures and sources subject to federal authority is not approvable as a matter of law” and that “EPA has consistently taken the position that states do not have authority under the CAA or the U.S. Constitution to assign SIP responsibilities to the federal government.”² But as we describe above, EPA previously approved just such a plan relying on federal measures in the South Coast AQMD 1994 ozone SIP. In approving that plan in 1997, EPA stated that “the Federal Government should help speed clean air, not only in California but on a national basis.”³ EPA further recognized that “massive further reductions are needed for attainment in the South Coast and...attainment may be either very costly and disruptive or impossible if further reductions are not

¹ See 62. Fed. Reg. 1150 (Jan. 8, 1997).

² 89 Fed. Reg. 7320, 7325 col. 1 (Feb. 2, 2024).

³ 62 Fed. Reg. 1150, 1151 col. 1. (Jan. 8, 1997)

achieved from national and international sources.”⁴ What EPA said almost 30 years ago is still true and serves as a model for how EPA should proceed today.

We note Congress intended EPA to regulate sources that states are preempted from regulating where needed to allow an area to attain the NAAQS. Further, there are several statements in the legislative history of the 1990 Clean Air Act Amendments indicating that sanctions should not be imposed where a state has no control over the sources causing nonattainment. However, with full disapproval, EPA puts South Coast AQMD squarely in the place of facing penalties and sanctions due to failure to meet the ozone standard from emissions from preempted sources. It does not make sense that a region with the most stringent rules and largest investments in advanced clean air technology deployment should face perpetual nonattainment and looming harsh economic sanctions with no ability to resolve the situation.

We provide detailed legal arguments as to why the proposed full disapproval of the CMP is inappropriate under these circumstances in our attached detailed comments.

Limited Approval of the Contingency Measure Plan

Other pathways are available short of full disapproval. A limited approval of the Contingency Measure Plan is entirely appropriate as there are elements of the Contingency Measure Plan that EPA should approve today. For example, EPA can and should approve the elements that South Coast AQMD and CARB committed to do that have already been implemented and have achieved the requisite emission reductions to date. These include emission reductions establishing BARCT limits for all equipment in the RECLAIM program that affects combustion sources in RECLAIM and non-RECLAIM sources, implementation of the airport MOU, and cleaner Tier 4 passenger locomotives.

The limited approval is justified on the basis that overall, the actions committed to and implemented by South Coast and CARB are SIP-strengthening.⁵ As fully explained in the attachment, EPA has both the authority and the responsibility to implement federal measures where required to allow an area to attain the NAAQS. Therefore, EPA can and should approve the federal portion of the Plan with an enforceable commitment to develop measures to bridge the gap that would remain in the Plan if federal measures were not included. As part of that exercise EPA agrees to voluntarily accept responsibility for the portion of emissions under their control as outlined by the CMP. EPA could then defer action on the state and South Coast measures that have not yet been implemented if EPA concludes that full approval of those measures is not feasible.

Partial Approval of the Contingency Measure Plan

Should EPA find the above pathway isn't acceptable, we see it better that EPA proceed with a partial approval. A partial approval is appropriate for the same reason that a limited approval is the least that EPA can do – acknowledge the commitments that South Coast and CARB made in the CMP that have already been addressed and implemented. We then urge EPA to subsequently agree to take on the needed federal measures.

⁴ Id. at 1152 col. 3-1153 col. 1.

⁵ See U.S. EPA Memorandum, Processing of State Implementation Plan (SIP) Submittals, July 9, 1992.

Ms. Ginger Vagenas
Via Regulations.gov
Docket ID No. EPA-R09-OAR-2023-0626-0001
March 27, 2024

Conclusion

All these paths outlined above require EPA work with South Coast AQMD and CARB with an open mind to solve the problem. Without this – if EPA finalizes the full disapproval that they have proposed – we will be in a place where harsh economic sanctions would be imposed with no way to turn them off until South Coast is somehow able to achieve an additional 108 tpy of NOx emission reductions – a number that is mathematically impossible without EPA action, and will nonetheless take many years to achieve even with EPA action. This would be an absurd result, and we strongly urge EPA to work with us to identify pathways that achieve healthy air as quickly as possible, without severe economic harm to our region.

We ask EPA to take these comments into consideration and work with us to finally get our region into attainment. As we have laid out, we believe there are multiple pathways available to EPA beyond a flat disapproval of our plan, pathways which will finally result in clean air for our residents. We offer the attached detailed comments on the proposed disapproval of the Contingency Measure Plan for your consideration as you evaluate how to proceed.

We and CARB stand ready to roll up our sleeves with EPA in partnership to tackle this critically important work. Thank you for your consideration of our comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wayne Natri', with a stylized flourish at the end.

Wayne Natri, Executive Officer
South Coast AQMD

**DETAILED COMMENTS BY SOUTH COAST AIR QUALITY MANAGEMENT
DISTRICT REGARDING EPA’S PROPOSED RULE, “AIR PLAN DISAPPROVAL;
CALIFORNIA; LOS ANGELES-SOUTH COAST AIR BASIN; 1997 8-HOUR OZONE,”
89 FED. REG. 7320 (FEBRUARY 2, 2024)**

DOCKET ID NO. EPA-R09-OAR-2023-0626-0001

Introduction and Summary

The South Coast AQMD staff appreciates the opportunity to comment on EPA’s proposed disapproval of the 2019 Contingency Measure Plan (“Plan”), published at 89 Fed. Reg. 7320 (February 2, 2024). The Plan clearly demonstrated that attainment is impossible without significant emission reductions from federally regulated sources (“federal sources”).

EPA claims that a plan that relies on federal measures is unapprovable as a matter of law. But in fact, EPA previously approved just such a plan relying on federal measures in the South Coast AQMD 1994 ozone SIP. In approving that plan in 1997, EPA stated that “the Federal Government should help speed clean air, not only in California but on a national basis.” 62 Fed. Reg. 1150, 1151 col. 1 (January 8, 1997). And EPA recognized that “massive further reductions are needed for attainment in the South Coast and...attainment may be either very costly and disruptive or impossible if further reductions are not achieved from national and international sources.” 62 Fed. Reg. at 1152 col.3-1153 col. 1. The same is still true today.

EPA’s proposed disapproval is based on an erroneous legal position that a plan relying on federal regulation of federal sources is per se unapprovable. It is also arbitrary and capricious because it entirely fails to consider an important aspect of the issue before it—namely the role of federal sources in South Coast’s ability to attain the ozone standard. And it fails to provide a reasoned explanation for the change in position between its 1997 plan approval and its current position that a SIP may not rely on emission reductions from federal sources.

Congress intended for EPA to regulate sources that states are preempted from regulating where needed to allow an area to attain the NAAQS. The legislative history of the 1990 Clean Air Act Amendments noted that sanctions should not be imposed where a state has no control over the sources causing nonattainment. Reliance on federal measures within the Contingency Measure Plan thus should not be the basis for disapproval.

In its proposed disapproval, EPA states the Plan does not contain any contingency measures. We strongly disagree and believe EPA should re-propose its action with either a proposed approval or at the very least explain its rationale for finding why the measures in the Plan do not qualify.

Detailed Comments

I. The South Coast Air Basin Cannot Attain the 1997 8-hour Ozone Standard Without Significant Emission Reductions from Federally Regulated Sources.

The South Coast Air Basin cannot attain the 1997 8-hour ozone standard without significant emission reductions from federal sources. The California Air Resources Board (CARB) State Strategy Table 4, page 32, sets forth the emission reductions needed from mobile sources for the South Coast Air Basin to attain the 1997 ozone standard. The emission reductions needed from ships, locomotives, and aircraft total 46 tons per day (tpd).¹ When also considering the emissions from on-road heavy-duty trucks that are registered outside of California, the region needs a total of 67-69 tpd of NOx reductions from federal sources.² The total of 67-69 tons from federal sources was derived by looking at the total additional tons needed and subtracting the tons obtainable by the state or South Coast AQMD. The Section 182(e)(5) measures in the 2016 AQMP totaled 108 tpd of NOx. Contingency Measure Plan, p. 35. Tons obtainable by the state or South Coast AQMD totaled 24-26 plus 15, or 39-41. *See* Contingency Measure Plan, p. 39, table 2-1. The difference is 67-69 (108 minus 39 is 69; 108 minus 41 is 67). Thus, the remaining shortfall was 67-69 tpd. Staff also analyzed the potential emission reductions from federal measures and identified up to 78 tpd that could be obtained from these measures. Contingency Measure Plan, p. 59, Table 5-3 and 59-65.. Thus, the federal measures were expected to be able to obtain sufficient emission reductions to provide for attainment.

While total NOx emissions in the South Coast Air Basin have been reduced by almost 50% between 2012 and 2023, almost all of these reductions have come from sources under CARB or South Coast AQMD authority. For example, over this time, NOx emissions from light-duty vehicles have been reduced by over 70%. CARB and the South Coast AQMD are doing our part. In contrast, NOx emissions from aircraft, locomotives, and ocean-going vessels have *increased* by almost 10% over the same period.³

EPA contends that the states have sole responsibility for cleaning the air, which includes emissions from federal sources, even though they lack the authority to regulate those federal sources. Congress gave EPA the authority to regulate those sources, but EPA claims it has no responsibility to contribute to the states' attainment of the NAAQS. EPA should take responsibility for its fair share of emission reductions that are still needed to fulfill the Section 182(e)(5) obligation. Put simply, EPA needs to do its fair share.

¹ Revised Proposed 2016 State Strategy for the State Implementation Plan (March 7, 2017), Table 4 p.32. *available at* <https://ww3.arb.ca.gov/planning/sip/2016sip/rev2016statesip.pdf>.

² Final Contingency Measure Plan, December 2019, Table 2-1, p. 39, *available at* <https://www.aqmd.gov/docs/default-source/clean-air-plans/air-quality-management-plans/2016-air-quality-management-plan/1997-ozone-contingency-measure-plan/1997-8-hour-ozone-draft-contingency-measure-plan---120619.pdf?sfvrsn=10>.

³ Final Contingency Measure Plan, December 2019, p. 58.

It would be impossible to attain the standard without the required reductions from federal sources. Reaching attainment solely with emission reductions from South-Coast-AQMD- and CARB-regulated sources would require completely eliminating all emissions from *virtually all* such sources—which is not realistic.

According to the CARB 2018 updates to the California SIP, baseline emissions of NO_x in 2023 in the South Coast Air Basin were anticipated to total 269 tpd. *See* Summary Table for 2023 NO_x Emissions (appended to these comments). To attain the 1997 ozone standard, these emissions would need to be reduced to a carrying capacity of 141 tons per day by 2023.⁴ Thus, emissions in the region would have needed to be reduced by 128 tpd.

If no further reductions come from federal sources, all 128 tons of reductions would need to come from state and locally regulated sources. This would mean, for example, completely eliminating *all emissions* from stationary and area sources (49 tpd), all emissions from California-regulated on-road vehicles (69 tpd), and 10 tpd of California-regulated off-road sources such as larger farm and construction equipment (about 20% of the total emissions of off-road sources). *See* Summary Table for 2023 NO_x Emissions (appended to these comments).

It is not possible to completely eliminate all emissions from on-road, stationary, and area sources of NO_x in the South Coast Air Basin. This would mean zero emissions from all power plants; manufacturers; boilers supporting hospitals, institutions, and businesses; commercial cooking and residential fuel combustion (heating, cooking, and water heating); emergency generators and water pumps; and California-based trucks, automobiles, and buses. Such a scenario is currently not possible, and even if it were, it would bring the region's economy to a standstill. For many of these sources, zero-emission options are not yet technically achievable or commercially available. For others, even if a zero-emission option will likely be available in the next decade or so, the costs may be over \$100,000 per ton. Nor is it realistic to expect that all such sources would be entirely zero-emissions in the near future. Therefore, it is imperative that significant emission reductions come from federal sources. And it would be manifestly unfair to penalize the region and the State by disapproving the Contingency Measure Plan and triggering sanctions based on such emissions under federal control. As discussed below, it would also violate principles of the Constitution and congressional direction, and would be arbitrary and capricious, and thus subject to reversal in court.

Most importantly, it is a matter of life and death for those who suffer from the air pollution that CARB and South Coast AQMD cannot regulate. "Breathing air containing ozone can reduce lung function and inflame airways, which can increase respiratory symptoms and aggravate asthma or other lung diseases." 89 Fed. Reg. 7320, 7321 col. 2 (February 2, 2024). Federal sources contribute significantly to ozone's health effects in the South Coast AQMD, so it is essential for EPA to partner together with South Coast AQMD to reduce emissions from federal sources and thereby reduce those health effects.

⁴ Final Contingency Measure Plan, December 2019, p. 2.

II. EPA’s Proposed Disapproval of the Federal Measures Is “Not in Accordance With Law” Because a SIP May Call for Federal Regulation of Federal Sources. (5 U.S.C. § 706(2)(A))

EPA’s action to approve or disapprove a SIP submittal is governed by the Administrative Procedures Act, (APA), 5 U.S.C. § 706(2), rather than by Clean Air Act section 307 (42 U.S.C. § 7607). *Missouri Limestone Producers Ass’n, Inc. v. Browner*, 165 F.3d 619, 621 (8th Cir. 1999). But the standards are very similar. Under the APA, agency action will be set aside if, among other reasons, it is “arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” 5 U.S.C. § 706(2)(A). An action will be set aside also if it is “contrary to constitutional right, power, privilege or immunity.” 5 U.S.C. § 706(2)(B). And an agency may not take action that is “in excess of statutory jurisdiction, authority or limitations, or short of statutory right.” 5 U.S.C. § 706(2)(C).

Because the region cannot attain the NAAQS without significant reductions from federal sources, the Contingency Measure Plan includes provisions for control measures for these sources. The Plan calls for 67-69 tons per day of NO_x reductions to be obtained from federal sources. Contingency Measure Plan, p. 39, Table 2-1. EPA contends that calling for such reductions from federal sources that the State is preempted from requiring—which EPA terms a “Federal Assignment”—is unlawful. EPA’s position is erroneous and thus the proposed decision is not in accordance with law. It is inconsistent with both the Clean Air Act (CAA) and its own past practice. Congress contemplated that EPA would regulate federal sources to ensure the South Coast Air Basin can attain the NAAQS.

A. The Supremacy Clause Poses No Obstacle to Approval of the Contingency Measure Plan.

Although it concludes that it cannot, as a matter of law, approve a SIP that anticipates federal regulation of federal sources, EPA cites no authority for that proposition beyond general references to the CAA and the “U.S. Constitution.” We presume that EPA was referring to Supremacy Clause. But the Clause does not preclude EPA from approving the Plan.

EPA is undoubtedly correct that California cannot *compel* EPA to regulate federal sources. *See North Dakota v. United States*, 495 U.S. 423, 434 (1990) (applying the intergovernmental immunity doctrine). But EPA fails to cite anything in the Contingency Measure Plan that purports to do so. The intergovernmental immunity doctrine is narrow and precludes only direct state attempts to control or discriminate against the federal government and its instrumentalities. *Id.* at 436-39. The Plan does neither.

Nor, contrary to EPA’s general assertion, is the Plan preempted for calling for federal regulation of federal sources. Several appellate courts have noted that, upon EPA approval, a SIP becomes federal law. *See Ass’n of Am. R.R. v. S. Coast Air Quality Mgmt. Dist.*, 622 F.3d 1094, 1096 (9th Cir. 2010) (citing *Safe Air For Everyone v. U.S. E.P.A.*, 488 F.3d 1088, 1091 (9th Cir. 2007)); *BNSF Ry. Co. v. Clark Cnty., Wash.*, 11 F.4th 961, 968 (9th Cir. 2021); *Ammex, Inc. v. Wenk*, 936 F.3d 355, 361-62 (6th Cir. 2019) (collecting cases). Courts have therefore concluded that

state regulation in an approved SIP cannot be preempted by federal law. *Ammex*, 936 F.3d at 362-63. Rather, the question is whether the SIP can be harmonized with other provisions of federal law. *Ass'n of Am. R.R.*, 622 F.3d at 1097 (emphasis added); *accord Swinomish Indian Tribal Cmty. v. BNSF Ry. Co.*, 951 F.3d 1142, 1156 (9th Cir. 2020).

EPA has offered no argument to suggest that the Plan could not be harmonized with other federal law when incorporated into California's SIP. On the contrary, the Plan only calls for EPA to exercise its authority as provided for in the Clean Air Act.

B. Congress Recognized that EPA Would Need to Regulate Federal Sources to Enable Some Nonattainment Areas to Attain the NAAQS.

In the 1990 Amendments to the Clean Air Act, Congress preempted the states from establishing emission standards for locomotives, farm and construction equipment, and other nonroad engines, which includes marine vessels. CAA § 209(e), 42 U.S.C. § 7543(e).⁵ And for decades states have been preempted from regulating new motor vehicles, with California allowed to adopt its own standards with a waiver from EPA. CAA § 209(a), (b), 42 U.S.C. § 7543(a), (b).

As Congress debated the 1990 Amendments, members of Congress from California stated that unless EPA regulates these nonroad sources, the South Coast region would be unable to attain the ozone standard. Representative Carlos Moorhead (R-CA) stated that it would be impossible for Los Angeles to attain the NAAQS if EPA fails to regulate these sources.⁶ Senator Pete Wilson (R-CA) also explained that if these sources are not controlled, California will not be able to comply.⁷ In response to these concerns, Senator John Chafee (R-RI), the lead co-sponsor of the senate bill, assured the California delegation that Congress intended that EPA would regulate federal sources as necessary so that all areas could attain the standards. In response to a question from Senator Wilson regarding the Amendments, Senator Chafee explained that "EPA has the *obligation*...to adopt control measure[s] for sources which it exclusively controls when these controls are necessary to attain national [ambient air quality] standards."⁸ Finally, when Congress enacted section 213 of the CAA, 42 U.S.C. § 7547, which obligated EPA to regulate nonroad sources, it stated in the Conference Report: "We expect EPA to carry out this mandate in a fashion which assures that states which are preempted will not suffer any additional [e]missions beyond what they themselves would have allowed."⁹ This Conference Report reflects the views of the members from both the House and Senate and is the form of legislative history that provides the best evidence of legislative intent. *Dep't of Health & Welfare, State of*

⁵ The CAA also preempts state and local governments from setting emission standards for aircraft. CAA § 233; 42 U.S.C. § 7573.

⁶ Congressional Research Service, A Legislative History of the Clean Air Act Amendments of 1990, (Leg. History), p. 2613.

⁷ Leg. History, p. 1125-26.

⁸ Leg. History, p. 1127 (emphasis added).

⁹ Leg. History, p. 1021

Idaho v. Block, 784 F.2d 895, 901 (9th Cir. 1986). Thus, Congress intended for EPA to regulate federal sources as necessary to allow all areas to attain the standards.

Accordingly, in the Plan, California was implementing congressional intent in calling on EPA to regulate sources over which it has regulatory control due to Clean Air Act preemption. EPA states that the Contingency Measure Plan “purports to shift responsibility to achieve reductions needed for the South Coast to attain the 1997 ozone NAAQS from the State to the federal government...” 89 Fed. Reg. at 7325 cols. 1-2. But the Plan does not “shift” responsibility to EPA: EPA already shares responsibility for attaining the NAAQS. As discussed above, Congress expected that EPA would adopt control measures for sources under its control where necessary to attain the NAAQS. Specifically, the preemption of non-road engine regulation for the states carried with it Congress’s expectation that EPA would exercise its authority to regulate non-road engines as necessary to allow for attainment in the South Coast Air Basin.

C. EPA Has Previously Approved an Ozone Attainment Plan that Relied on Federal Measures and Acknowledged that It Had the Authority to Do So.

In contending that a plan relying on federal measures is “not approvable as a matter of law,” 89 Fed. Reg. at 7325, EPA has ignored the fact that it has previously approved a South Coast Ozone SIP that proposed EPA action to control emissions from federal sources. That precedent demonstrates that EPA can approve a SIP that relies on federal action to regulate the sources that only EPA may regulate.

In its 1997 approval of the 1994 ozone SIP, EPA stated: “The ‘Federal Assignments’ portion of the SIP is approvable because it is consistent, in the overall context of the California SIP, with the Clean Air Act requirements.” 62 Fed. Reg. 1150, 1153 col. 1 (Jan. 8, 1997). EPA based the approval on the fact that:

...both EPA and the State are committing to undergo the consultative process described above, and to promulgate controls determined by that process to be appropriate. Those EPA and State commitments are enforceable by citizens. Based on these commitments, EPA will assure that the gap in emission reductions represented by the consultative process, and needed to attain, will be closed.

Id. at 1153 col. 2. EPA’s regulation committing to rulemaking is found at 40 C.F.R. § 52.238. EPA concluded that the SIP, with its reliance on federal measures, satisfied the requirement for a “demonstration that the plan ...will provide for attainment” of the NAAQS as required by CAA § 182(c)(1)(A). 62 Fed. Reg. at 1153 col. 1. EPA’s 1997 approval demonstrates the error in EPA’s conclusion in the proposed disapproval that reliance on federal regulation of federal sources is “not approvable as a matter of law.” 89 Fed. Reg. at 7325 col. 1.

It is true that, as EPA cites in the proposed disapproval, EPA said in 1997 that “under the Constitution and the Clean Air Act, EPA does not believe a state has authority to assign emissions reductions to the federal government.” 62 Fed. Reg. at 1151 col. 2. However, EPA went on to explain, “Nevertheless, EPA believes that the Federal Government should help speed

clean air, not only in California but on a national basis.” *Id.* EPA further explained that it “recognizes that massive further reductions are needed for attainment in the South Coast and that attainment may be either very costly and disruptive or impossible if further reductions are not achieved from national and international sources.” *Id.* at 1152-53.

EPA’s prior position is also consistent with its recognition in other contexts that a state may rely on federal measures in its SIP. In 1994, EPA issued guidance stating that its:

...policy of authorizing SIPs to take credit for reductions from Federal measures is consistent with the overall scheme of the Clean Air Act ozone nonattainment provisions, as well as the relevant provisions by their terms. Congress anticipated that attainment of the ozone primary national ambient air quality standards would result from a combination of State and Federal actions. As a result, the reductions from Federal measures are an integral part of Congress’s blueprint for attainment. Therefore, SIPs should be allowed to account for those reductions.

EPA Office of Air and Radiation, “SIP Credits for Federal Nonroad Engine Emission Standards and Certain Other Mobile Source Programs,” November 23, 1994, *available at* https://www3.epa.gov/ttn/naaqs/aqmguides/collection/cp2/19941123_nichols_sip_credits_nonroad_engine_emissions_standards.pdf. As explained in the first sentence of the memo, EPA has allowed states to take credit for federal measures that were not yet promulgated. As explained above, EPA likewise has the authority to approve a SIP relying on federal measures and must do so here, where the need is most critical.

Indeed, EPA again recognized the need for—and approved the use of—federal measures when it approved the 2016 Air Quality Management Plan in 2019. In its proposed approval, EPA included Table 7, which listed measures to be at least partly implemented by EPA totaling 108 tons per day of NO_x emissions reductions. 84 Fed. Reg. 28132, 28149-50 (June 17, 2019). These included measures for heavy-duty trucks (specifying federal action), aircraft, locomotives, ocean-going vessels, and off-road equipment. *Id.* Although EPA may argue that these measures were also to be implemented by CARB and/or the District, they clearly identified EPA implementation and EPA approved the Plan. 84 Fed. Reg. 52005, 52012” col’ 3 (Oct. 1, 2019).

EPA points to several other instances in which it previously took the position that states may not assign particular regulations to EPA for adoption and implementation. 89 Fed. Reg. at 7325, col. 1, n. 46. But it ignores the discussion noted above in the 1997 approval, which entirely undercuts the suggestion that EPA *cannot* approve a SIP that calls for federal regulation of federal sources.

The proposed disapproval’s conclusion that a SIP is “unapprovable as a matter of law” because it contemplates EPA action to reduce emissions from federal sources is inconsistent with EPA’s past practice in approving at least one SIP that did just that. The proposed disapproval does not—and cannot—explain away that contradiction.

D. Congress Called for EPA Action in these Circumstances.

As discussed in Section III.A above, the 1990 Amendments to the Clean Air Act set up an expectation that EPA would regulate non-road engines, specifically in order to allow the Los Angeles region to attain the ozone standard. If this assurance had not been provided, the Clean Air Act might have lost the support of the California delegation and the preemption for non-road engines might not have been enacted. EPA recognized its obligations in approving the 1994 SIP, as discussed in Section III.C. But now, EPA refuses to live up to its end of the bargain, by refusing to enact federal measures for sources it knows CARB and South Coast AQMD cannot regulate. This refusal is directly contrary to Congressional intent and thus, is not in accordance with law.

E. If EPA Were to Reject the Contingency Measure Plan, It Would Need to Regulate Federal Sources as Part of a Federal Implementation Plan.

Because the South Coast Basin cannot attain the ozone NAAQS without reduction of the enormous emissions contributed by federal sources, the State cannot submit a revised Contingency Measure Plan that will show attainment without the “federal assignment” that EPA claims is unlawful. If the State cannot “correct the deficiency” in the SIP, EPA will be obligated to promulgate a federal implementation plan (“FIP”) within two years. CAA § 110(c)(1), 42 U.S.C. § 7410(c)(1); *Ass’n of Irrigated Residents v. U.S. E.P.A.*, 686 F.3d 668, 675 (9th Cir. 2012). Because attainment in South Coast is impossible without regulation of federal sources, EPA would need to include regulation of federal sources in its FIP. This is because EPA’s FIP must “provide for attainment of the relevant national ambient air quality standard.” CAA § 302(y) (42 U.S.C. § 7602(y)). The Contingency Measure Plan merely anticipates that EPA will undertake the regulation it would be required to undertake regardless. Because EPA can approve a FIP in which it exercises its authority to regulate federal sources, it is illogical for EPA to refuse to exercise its regulatory powers to avoid the FIP (and accompanying sanctions). Under the circumstances, since a disapproval will ultimately result in a FIP and EPA will be forced to regulate federal sources to allow the region to attain, the only reason for disapproval is to impose draconian sanctions on the region.

* * *

In sum, EPA’s conclusion that it cannot legally approve a SIP that includes a call for federal regulation of federal sources is unsupported and inconsistent with law and prior agency practice.

III. EPA's Proposed Disapproval of the Federal Measures is Arbitrary and Capricious and an Abuse of Discretion. (5 U.S.C. § 706(2)(A))

A. EPA's Proposed Disapproval Is Arbitrary and Capricious Because the Record Demonstrates that No Contingency Measures Could Achieve the Necessary Emission Reductions Without Reductions from Federal Sources.

EPA's proposed disapproval is arbitrary and capricious because EPA knows that the South Coast AQMD and CARB cannot adopt measures to attain the necessary reductions from federal sources, due to the Clean Air Act's preemption provisions. As explained in the Contingency Measure Plan, "[w]ithout further reductions from federal sources (i.e., OGV, aircraft, locomotives, out-of-state trucks), which account for 36% of NO_x emissions, attainment of the 1997 8-hour standards is not possible by 2023." *Id.* at 39. But federal measures (including incentive measures) must be required to make up more than 36% of the remaining emission reductions for the Section 182(e)(5) commitment, because emissions from federal sources outside of California's control are expected to increase in the future without federal action. *Id.* at 6.

Figure ES-3 on page 6 shows that while California regulated mobile sources have reduced emissions by 75% from 2000 to 2019, emissions from federal sources were reduced only slightly from 2000 to 2020 and actually begin to increase around 2023. Emissions from federal sources are expected to surpass emissions from California sources by 2028. The total "further deployment" (Section 182(e)(5)) measures that must be replaced amount to 108 tons per day of NO_x. *Id.* at 39, Table 2-1. Using all available avenues for CARB and South Coast AQMD measures garners only 24-26 tons per day. *Id.* At the time, it was hoped that a sales tax measure could be adopted that would provide an additional 15 tpd of emission reductions, but that did not occur, as the legislature did not adopt authorizing legislation. This leaves 67-69 tons per day of NO_x to be obtained by federal measures and/or funding. *Id.*

Indeed, EPA's 1997 approval discussed above demonstrates that EPA has known *for over 25 years* that reductions from federal sources are needed to reach attainment in the South Coast Basin.

CARB and South Coast AQMD are already implementing more than their fair share of emission reduction measures for sources within their authority. And EPA has consistently recognized this. In 1997, EPA stated, "CARB's adopted and scheduled mobile source, consumer product, and pesticides measures all go beyond (in many cases, they go considerably beyond) existing control requirements applicable elsewhere in the Country. SCAQMD's existing regulations generally represent the most complete and stringent controls for each subject source in the Country." 62 Fed. Reg. 1150, 1178 col. 2 (Jan. 8, 1997). And as recently as 2022, EPA stated, "EPA acknowledges that California may have one of, if not the, most stringent emissions control strategies in the country..." 87 Fed. Reg. 31443, 31453, col. 2 (May 24, 2022). Therefore, EPA cannot reasonably argue that CARB and the South Coast AQMD could adopt many more measures within their authority which would be necessary to reach attainment.

The Contingency Measure Plan sets out a blueprint for EPA action, suggesting measures for each of the categories of (1) emission standards for low-NOx heavy-duty trucks (up to 35.7 tpd), (2) accelerating implementation of ocean-going vessels meeting Tier 3 standards in the waters off the South Coast Air Basin (up to 28.2 tpd), (3) accelerating implementation of Tier 4 locomotives in the South Coast (up to 11.2 tpd), and requiring or incentivizing aircraft visiting airports in the South Coast to substantially lower NOx emissions (up to 3.52 tpd). *See* Contingency Measure Plan at 60-65. EPA is well aware that CARB and South Coast AQMD cannot regulate these sources because the Clean Air Act preempts such regulation. *See* CAA § 209(e), 42 U.S.C. § 7543(e) (locomotives and marine vessels, which are a type of non-road engine); CAA§ 233, 42 U.S.C. § 7573 (aircraft); CAA § 209(a), 42 U.S.C. § 7543(a) (motor vehicles). As explained in the Contingency Measure Plan, while California can regulate the engine standards for trucks sold in California (with a waiver from EPA), “about 60% of total heavy-duty vehicle miles traveled in the South Coast on any given day are by trucks that were purchased outside of California.” *Id.* at 60. A California truck rule that applies to vehicles purchased out of state could be difficult to implement if it only applied to vehicles that enter California. Thus, national regulation by EPA is critical.

Yet, instead of confronting this reality and committing to either implement these measures or initiate a process to develop measures it prefers, as it did in approving the 1994 SIP, EPA hides behind the erroneous legal argument that a plan relying on federal measures is unapprovable as a matter of law. EPA’s proposed disapproval is unfair and illogical, because un rebutted evidence in the record shows that it is impossible for CARB and the South Coast AQMD to adopt an attainment plan that does not rely on federal measures. And the problem will continue and only get worse as the region develops plans for EPA’s more recent and more stringent ozone standards. These plans will also have to rely on federal measures—even more so than the current plan.¹⁰

B. EPA’s Proposed Disapproval Entirely Fails to Consider an Important Aspect of the Problem: The Impossibility of Attaining without Reductions from Federal Sources.

As discussed repeatedly above and demonstrated in the Plan itself, it is impossible for the South Coast Air Basin to attain the 1997 8-hour ozone standard without very substantial emission reductions from federal sources. This factor is overwhelmingly relevant to EPA’s decision on whether to approve the federal measures in the Contingency Measure Plan. Yet, EPA never even

¹⁰ *See, e.g.*, South Coast 2022 Air Quality Management Plan (adopted to demonstrate attainment of the 2015 ozone standard by 2037), page ES-3, Figure ES-1, showing that EPA will be responsible for 46% of all Nox emissions in 2037. And page ES-4, figure ES-4, showing that emissions from federal sources alone in 2037 will exceed the region’s NOx carrying capacity by about 25 tons per day. (Carrying capacity means the amount of pollution per day that the region can hold and still meet the applicable air quality standard). *Id.*, available at <https://www.aqmd.gov/docs/default-source/clean-air-plans/air-quality-management-plans/2022-air-quality-management-plan/final-2022-aqmp/final-2022-aqmp.pdf?sfvrsn=16>.

acknowledges the need. While EPA cites what the Contingency Measure Plan says about the role of federal sources in the emissions inventory, 89 Fed. Reg. at 7324 col.1, it does not express agreement with these statements, explain how they are relevant to the proposed action, or explain how it expects that the South Coast would be able to attain the standard without very substantial reductions from federal sources.

An agency acts arbitrarily and capriciously when it “entirely fails to consider an important aspect of the problem.” *O’Keefe’s, Inc. v. U.S. Consumer Prod. Safety Comm’n*, 92 F.3d 940, 942 (9th Cir. 1996). The demonstrated inability of the State and South Coast to attain the NAAQS without federal regulation of federal sources is unquestionably “an important aspect of the problem.” EPA cannot escape the conclusion that its action is arbitrary and capricious because it entirely failed to consider an important aspect of the problem—that the South Coast region needs reductions from federal sources in order to attain, and if so, what EPA is going to do about it.

C. EPA Failed to Acknowledge that It Is Changing its Prior Position and to Explain the Reasons for its Change.

When an agency changes policy, “the requirement that an agency provide reasoned explanation for its action would ordinarily demand that it display awareness that it *is* changing position. An agency may not, for example, depart from a prior policy *sub silentio*....” *FCC v. Fox Television Stations, Inc.*, 556 U.S. 502, 515 (2009). The same principle should apply when EPA changes its legal position, especially when the prior legal position is thoroughly explained. In this case, EPA’s action in proposing disapproval without acknowledging it is changing its prior position, admitting that it has previously approved a federal assignment, or explaining why it is changing its position, is arbitrary and capricious.

As explained in Part III B, EPA has previously approved a South Coast AQMD SIP submission that relied on federal measures. And contrary to EPA’s position that such a plan is “not approvable as a matter of law,” 89 Fed. Reg. at 7325 col. 1, EPA previously stated: “The ‘Federal Assignments’ portion of the SIP is approvable because it is consistent, in the overall context of the California SIP, with the Clean Air Act requirements.” 62 Fed. Reg. at 1153 col. 1. Yet EPA wholly fails to recognize that it has not only changed its legal position (that such a SIP is approvable) but also its policy position that EPA has a responsibility to help clean the air. 62 Fed. Reg. at 1151 col.2. In the proposed disapproval, EPA attempts to make it appear that it is not changing its prior position, by stating that it has consistently taken the position that states do not have the authority to assign SIP responsibilities to the federal government. 89 Fed. Reg. at 7325 col. 1, n. 46. Misleadingly, it even cites the 1997 plan approval for that proposition, while completely ignoring the fact that in the 1997 action, it actually approved the Federal Assignments. None of the cited federal register notices argue that EPA’s prior legal position was incorrect.

As argued above, EPA should return to its earlier position that EPA may approve a SIP that calls for federal regulation of federal sources, accepting that the state cannot *force* EPA to do so. And it should return to its prior policy that it is appropriate for EPA to assist states in attaining the

national ambient air quality standards, at least where significant reductions are needed from federal sources.

D. EPA's Proposed Disapproval Entirely Fails to Consider an Important Aspect of the Problem: Health Impacts to South Coast Residents that EPA Has the Authority to Address.

EPA's proposed disapproval acknowledges that ozone causes significant health problems. "Breathing air containing ozone can reduce lung function and inflame airways, which can increase respiratory symptoms and aggravate asthma or other lung diseases." 89 Fed. Reg. at 7321 col. 2. EPA also recognizes that the population of the South Coast nonattainment area is over 17 million. *Id.*, col. 3. And of course, the South Coast Air Basin is classified as "Extreme" for ozone nonattainment—the highest level of ozone in the nation. *Id.* Thus millions of people remain subject to harmful levels of ozone in the South Coast Air Basin. Yet, as EPA fails to acknowledge the record demonstrates conclusively, the federal ozone standards cannot be attained without significant regulation of sources subject solely to federal regulation. *See also* Table 1 at the end of this Comment.

It is undeniable that federal sources contribute significantly to the health effects of ozone in the South Coast AQMD. EPA cites no reason at all for failing to help reduce these health effects, except its erroneous belief that it cannot approve a plan relying on federal measures. EPA in the past has recognized that it has the obligation to help clean the air. 62 Fed. Reg. 1150, 1151 col. 2. (approval of South Coast 1994 ozone SIP). It provides no reason for abandoning this logical position. Its about-face in this proposed disapproval has no reasonable basis and is thus arbitrary and capricious and an abuse of discretion.

E. A Disapproval Would Be Irrational Because It Would Demand that California and South Coast Do the Impossible.

As discussed above, it is impossible for the South Coast Air Basin to attain the 1997 8-hour ozone standard without massive emissions reductions from sources subject solely to federal regulation. Therefore, if EPA were to disapprove the Plan because it relies on federal action, it would be impossible for the South Coast to submit a revised Plan that eliminated that reliance. South Coast would never be able to correct the alleged deficiency in the Plan and thus would be subject to sanctions it has no ability to avoid. CAA § 179B, 42 U.S.C. § 7509. The imposition of sanctions would be a significant harm.

These sanctions would likely lead to the South Coast AQMD eventually being unable to issue permits for new or modified major stationary sources (*id.* § 7509(B)(2)), because the 2-to-1 offset ratio would require offsets that simply are not available in the region. As an Extreme ozone area, the South Coast Air Basin requires ozone precursor offsets to be provided at a 1.2 to 1 ratio (Section 182(e)(1)). Thus, a sanction requiring a 2 to 1 offset ratio will significantly increase the cost and the rate of depletion of offsets. The sanction will cause a 66.7% increase in

the offset ratio. The cost of offsets would thus increase by at least 66.7% per pound, which does not even consider increased costs due to increased demand for offsets.

There are currently three types of offset programs in the South Coast AQMD. The first are emission reduction credits, which are issued upon approval of an application by a source that has shut down, following procedures to discount the credits. These offsets (Emission Reduction Credits or ERCs) may be banked and sold to persons needing offsets. ERCs are trading at \$365,000 per ton per year so the price of offsets for a modification or new major source would go up to at least \$608,455 per ton per year. The price would be expected to go up as time goes on.

The second type of offset is the emission allocation under the NO_x RECLAIM Program (Regional Clean Air Incentives Market) which is a cap-and-trade program for NO_x emissions from sources of 4 tons per year or greater. These facilities must hold enough RTCs (RECLAIM Trading Credits) the end of each quarter to cover their emissions of NO_x during that quarter. Also, RECLAIM is required to comply programmatically with the NO_x offset ratio of 1.2 to 1. The program consistently meets this requirement. There are more than enough RTCs available to meet the 2 to 1 ratio.¹¹ However, someone could argue that each individual new or modified source must meet the sanction ratio of 2 to 1, which presents a legal uncertainty and possible 66.7% increase in offsets for new and modified sources.

The third type of offset is an internal bank offset and is created when a facility shuts down but does not apply for ERCs. These offsets are discounted, and then made available to essential public services such as sewage plants, hospitals, and schools. These entities do not have to pay for these offsets. However, the impact on the internal bank will increase by 66.7%. Because it will not be possible for the District to adopt a plan that does not rely on federal measures to attain by the applicable date, it will likely also be impossible to stop the sanctions clock for a number of years, until attainment. Therefore, the increased drain on the internal bank will continue. Eventually the bank will likely face a shortage of available offsets. Therefore, the offsets sanction will impose a heavy burden on the region's economy by increasing costs and reducing availability of offsets.

Moreover, the sanction of withholding highway transportation funds (*id.* § 7509(b)(1)) would likely impair billions of dollars in economic activity. According to the 2020 Regional Transportation Plan prepared by the Southern California Association of Governments, the region expects \$41 billion in federal transportation funding by 2045. *See* Connect SoCal 2020, Ch. 4, p. 105., available at https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocial-plan_0.pdf?1606001176. Thirteen percent of that funding, or \$5.3 billion, is Construction Mitigation and Air Quality funds which would likely not be withheld under the highway funding

¹¹ *See, e.g.,* South Coast AQMD, "Annual RECLAIM Audit Report for 2022 Compliance Year," March 1, 2024, at 88-90, available at <https://www.aqmd.gov/docs/default-source/reclaim/reclaim-annual-report/2022-reclaim-report.pdf?sfvrsn=12>

sanction. This leaves \$35.7 billion in funding for transportation projects that could be withheld if EPA imposes sanctions. Infrastructure projects could be waylaid, creating ramifications for the largest container ports complex in the nation. These and other highway projects could be stopped for many years, because the region cannot correct the so-called deficiency in the Plan. As noted repeatedly above, it would be impossible to submit and have EPA approve a plan that does not rely on reductions from federal sources.

Disapproval of the Plan based on California and South Coast AQMD's failure to do the impossible would be fundamentally irrational. "The law does not require impossibilities of any person, natural or artificial..." *Dist. of Columbia v. Woodbury*, 136 U.S. 450, 464 (1890); *Messina v. U.S. Citizenship & Immig. Servs.*, No. CIV.A. 05CV73409DT, 2006 WL 374564, at *6 (E.D. Mich. Feb. 16, 2006) ("It is arbitrary and capricious to require compliance with a regulation when compliance is impossible."). Here, EPA's interpretation of CAA Section 110(a)(1) (42 U.S.C. Section 7410(a)(1), which requires states to adopt a plan "which provides for implementation, maintenance, and enforcement of such primary standard in each air quality control region (or portion thereof) within the state", is that the state must show attainment by the applicable date without relying on federal measures. This is an impossibility. EPA cannot by a disapproval require South Coast and California to do the impossible.

Furthermore, the doctrine of construing statutes to avoid "absurd results" prevents EPA from disapproving the Plan. EPA's interpretation of CAA Section 179(a)(3)(B), which provides for sanctions if EPA disapproves a plan, unless the deficiency has been corrected, results in this case in sanctions being imposed following EPA's disapproval even though the state and local governments have no ability to correct the deficiency. This is an absurd result, penalizing a state for failure to do the impossible. Any action which would impose sanctions on a region for a failure caused by sources over which it has no control would create absurd results. The Supreme Court has long held that when the literal language of a statute:

...has led to absurd or futile results...this Court has looked beyond the words to the purpose of the act. Frequently, however, even when the plain meaning did not produce absurd results but merely an unreasonable one plainly at variance with the policy of the legislation as a whole this Court has followed that purpose rather than the literal words.

United States v. Am. Trucking Ass'ns, 310 U.S. 534, 543 (1940) (cleaned up). The Supreme Court reiterated this language in *Perry v. Commerce Loan Co.*, 383 U.S. 392, 400 (1966). Penalizing the South Coast with an action that causes sanctions because of emissions over which the state and local agencies lack the ability to set emission standards creates absurd results and is plainly at variance with the purpose of the statute as a whole, which is not to penalize states for sources outside their control.

IV. Disapproval of the Contingency Measure Plan Leading to Imposition of Sanctions Would Be Arbitrary and Capricious and Contrary to Law.

Ordinarily, a deficiency in a SIP submission that is not corrected by the state would result in the imposition of sanctions by EPA. CAA § 169, 42 U.S.C. § 7609; CAA § 110(m), 42 U.S.C. § 7410(m). Here, however, imposition of sanctions in the South Coast Basin based on EPA's disapproval of the Contingency Measure Plan would be unlawful.

A. Congress Did Not Intend EPA to Impose Sanctions Where State and Local Governments Lack the Authority to Regulate Sources Causing a Failure to Attain.

The text of the CAA and its legislative history make plain that Congress intended EPA to impose sanctions to encourage states to rectify deficiencies in their SIPs and to deter future deficiencies. That congressional intent cannot support imposition of sanctions where the state has *no ability* to rectify the deficiency because it is due to emissions from sources over which the state has no control.

First, as explained above, the legislative history of the 1990 Amendments to the Clean Air Act shows that Congress did not intend sanctions to be imposed where the state and local governments lack sufficient authority to remedy the deficiency, which in this case is because the CAA preempts state and local governments from setting emission standards for federal sources. On May 23, 1990, during the House debate on the CAA, Representative Norm Mineta (D-CA) stated: "Under the sanctions provisions, the EPA Administrator is required to establish criteria for exercising his or her authority to impose sanctions on political subdivisions that have adequate authority to correct an air quality deficiency."¹² In this case, the South Coast AQMD does not have adequate authority to correct the supposed deficiency, since it is impossible to devise a plan that does not rely on emission reductions from federal sources for which EPA has the authority to set emission standards. This principle was repeated during the House debate on the Conference Report on October 26, 1990. Representative Glenn Anderson (D-CA) stated: "This provision will ensure that available sanctions are applied to the geographical areas under the control of the government agency principally responsible for failure to comply with the Clean Air Act and with the authority to remedy the deficiency."¹³ While this discussion pertains directly to CAA Section 110(m), which prohibits statewide sanctions for 24 months if the failure is primarily due to a political subdivision, it clearly shows that Congress did not intend for sanctions to be imposed on an area that may be unable to correct the deficiency.

Second, section 110(m), which provides for discretionary sanctions, provides that the sanctions are to be imposed "for the purpose of ensuring that the requirements of this chapter relating to such plan or plan item are met." CAA § 110(m), 42 U.S.C. § 7410(m). In other words, they are

¹² Congressional Research Service, *A Legislative History of the Clean Air Act Amendments of 1990*, (Leg. History) Committee Print, p. 2658

¹³ Leg. History, p. 1200.

designed to provide an incentive for states to adopt compliant SIPs and to correct deficiencies in those SIPs when identified by EPA. Further, that section ensures that EPA will impose sanctions only against the particular region of a state that is *responsible* for the SIP deficiency. It directs the Administrator to impose sanctions “with respect to any portion of the State the Administrator determines reasonable and appropriate.” *Id.* It further directs EPA to develop regulations to ensure that “such sanctions are not applied on a statewide basis where one or more political subdivisions covered by the applicable implementation plan are principally responsible for such deficiency.” *Id.* Where a deficiency cannot be corrected because it is attributable to emissions from federal sources, the region that cannot comply is in no sense responsible for the deficiency and no amount of sanctions can encourage compliance. While this language applies specifically to discretionary sanctions, it reflects the basic purpose of sanctions to encourage the state to take action to correct the deficiency that caused the sanctions, which is not possible in this case.

Third, CAA section 179B (42 U.S.C. § 7509a) requires EPA to approve an attainment demonstration where the state shows it would attain the standard “but for emissions emanating from outside of the United States.” The legislative history of this section makes it clear that it was adopted precisely because it would be unfair to hold a state responsible for *emissions over which it has no control*. The amendment was sponsored by Senator Phil Gramm (R-TX), who explained, “it is unfair to hold El Paso accountable for pollution that is generated in a foreign country that they have no control over.”¹⁴ Senator Max Baucus (D-MT), the sponsor of the Senate bill, spoke in support of the provision, noting that border areas “do not have control of their own destiny themselves.”¹⁵ Congress clearly intended that areas that have no control over the sources causing nonattainment not be penalized for that nonattainment.

Finally, in the “Good Neighbor” provision, CAA § 110(a)(2)(D), 42 U.S.C. § 7410(a)(2)(D), the Clean Air Act requires upwind states to control interstate pollution that might otherwise impair a downwind state’s ability to attain the NAAQS. *EPA v. EME Homer City Generation, L.P.*, 572 U.S. 489, 498-99 (2014). This provision reflects another congressional commitment to avoid penalizing states that cannot attain the NAAQS due to factors entirely outside their control. *See North Carolina v. EPA*, 531 F.3d 896, 912 (D.C. Cir. 2008) (EPA must ensure that upwind states reduce transboundary pollution prior to the downwind states’ deadlines for attainment).

By the same token, Congress did not anticipate that areas would fail to attain due to emissions from federal sources and certainly did not anticipate that such areas would be sanctioned for EPA’s failure to regulate those sources.

B. Under EPA’s Proposed Disapproval, the Clean Air Act’s Sanctions Regime Would Violate the Spending Clause as Applied to the South Coast Air Basin.

EPA’s imposition of sanctions in the South Coast Air Basin would violate the Tenth Amendment and Spending Clause. The CAA is implemented through the delicate balance of federal and state

¹⁴ Leg. History, p. 5741.

¹⁵ Leg. History, p. 5742.

action that is characterized as cooperative federalism. *Comm. for a Better Arvin v. U.S. E.P.A.*, 786 F.3d 1169, 1173 (9th Cir. 2015). Though the federal government may financially induce states to administer regulations of Congress's choosing, it cannot commandeer state regulatory processes or impose financial inducements that are so severe that they transform pressure into compulsion. *Nat'l Fed'n of Independent Bus. v. Sebelius*, 567 U.S. 519, 580 (2012) ("*Sebelius*"). EPA's actions now threaten to convert the Clean Air Act's sanctions into exactly that.

We recognize that courts have traditionally upheld Clean Air Act sanctions against coercion claims. *See, e.g., Miss. Comm'n on Envtl. Quality v. EPA*, 790 F.3d 138 (D.C. Cir. 2015); *Virginia v. Browner*, 80 F.3d 869 (4th Cir. 1996). The present case however is markedly different in the degree of the financial inducement at issue and the unique practical challenges faced by South Coast AQMD. In 2012, the Supreme Court held that the Affordable Care Act's expansion of Medicaid, which required states to implement the expansion in order to receive their existing Medicaid grant, was unconstitutionally coercive. *National Federation of Independent Businesses v. Sebelius*, 567 U.S. 519 (2012) The Court focused heavily on the amount of funding, which could make up over ten percent of a state's budget, that was threatened by the Act. This amount of funding went beyond "relatively mild encouragement" to become a "gun to the head." *Id.* at 581. Though few federal grants could ever approach the magnitude of Medicaid, the exact point at which financial inducement transforms pressure into compulsion has never been defined. *See South Dakota v. Dole*, 483 U.S. 203, 211 (1987) (explaining that financial inducement can be coercive but not quantifying the exact amount at which pressure transforms into compulsion).

The economic sanctions threatened against South Coast are undoubtedly severe. South Coast AQMD is responsible for large areas of Los Angeles, Orange, Riverside, and San Bernardino counties, comprising a region whose population of 17 million people makes up nearly half of the state's entire population (44 percent to be exact).¹⁶ The basin is an economic engine for the entire state of California and home to two of the largest ports in the country (the Ports of Los Angeles and Long Beach). Sanctions threaten immense economic harm to the region and the State, and the financial impact of sanctions approaches "economic dragooning." *Sebelius*, 567 U.S. at 582.

South Coast also faces unique obstacles to regulating the sources that cause it to be in nonattainment. Most significantly, the state and local agencies that are responsible for air pollution control are precluded, both by the provisions of the Clean Air Act itself and principles of international law, from adopting the regulations necessary to avoid sanctions. The CAA preempts states from regulating locomotives and aircraft. Large ocean-going ships are regulated by the International Maritime Organization, an international agency that is not obligated to consult with local and state air agencies. These challenges leave California and the South Coast AQMD with few options and make sanctions inevitable, as explained above. The State is thus

¹⁶ Compare these numbers to those in *Mississippi*, in which the coercion argument was advanced for a single county in Texas, one out of 254 counties in the state, and with a population of approximately 70,000 people. 790 F.3d 138 at 178.

denied the real choice necessary for the federal government's exercise of the Spending Clause to be constitutional.

EPA's refusal to regulate federal sources also violates the Spending Clause by retroactively altering the conditions under which states could lose federal funding pursuant to the CAA. The Supreme Court has framed congressional applications of the spending power as a contract, noting that the legitimacy of this power "rests on whether the State voluntarily and knowingly accepts the terms of the 'contract.'" *Sebelius*, 567 U.S. at 576-77 (quoting *Pennhurst State Sch. & Hosp. v. Halderman*, 451 U.S. 1, 17 (1984)); *see also Guardians Ass'n v. Civil Servs. Comm'n of City of N.Y.*, 463 U.S. 582, 596 (1983) ("[T]he receipt of federal funds under typical Spending Clause legislation is a consensual matter: the State or other grantee weighs the benefits and burdens before accepting the funds and agreeing to comply with the conditions attached to their receipt.").¹⁷ Spending Clause legislation that subjects states to new terms and conditions that they neither agreed to nor could have anticipated when electing to comply with federal spending conditions thus threatens state sovereignty and the balance of state and federal power.

In *Sebelius*, the Supreme Court held that the Affordable Care Act's statutory changes to the Medicaid program subjected states to new terms and conditions that they had no notice of when agreeing to participate in the original Medicaid program. Likewise, the CAA has long reflected a bargain in which states like California have agreed to adopt SIPs to attain the federal NAAQS in exchange for receiving substantial federal highway funds. As explained above, when this deal was struck, Congress indicated that EPA would regulate federal sources if necessary for states to achieve the NAAQS. The CAA's legislative history demonstrates that it was under these terms that the states—and specifically California—agreed to the program and acquiesced to federal authority. In failing to regulate the sources under its purview, EPA has reneged on its contractual commitment and in doing so is preventing California and South Coast from attaining the NAAQS. This condition compels states to achieve emissions reductions without EPA's promised contribution and imposes goals that are impossible for South Coast to achieve. The State and South Coast neither had notice of, nor agreed to, these terms, and for decades have reasonably relied on federal funds based on a mutual understanding of the CAA that EPA now seeks to retroactively alter by asserting that California and South Coast cannot adopt a SIP that anticipates federal regulation of federal sources.

The fact that these new retroactive conditions arise not from statutory amendments, as they did in *Sebelius*, but rather from EPA's conduct makes them no less meaningful. Whether by legislation

¹⁷ The requirement that states *knowingly accept* the terms of Spending Clause conditions is also a factor in determining whether congressional application of the Spending Clause is coercive. *See, e.g., South Dakota*, 483 U.S. at 207 ("[W]e have required that if Congress desires to condition the States' receipt of federal funds, 'it must do so unambiguously..., enabl[ing] the States to exercise their choice knowingly, cognizant of the consequences of their participation.'").

or unofficial agency practice, EPA's failure to fulfill its obligations under the original CAA contract is inconsistent with the Supreme Court's jurisprudence under the Spending Clause.

V. EPA's Proposed Disapproval of the State and Local Contingency Measures Is Not in Accordance with Law.

Under the Clean Air Act, Extreme ozone nonattainment areas may rely on measures that require the development of new technology or require coordination among a number of government agencies. 79 Fed. Reg. at 7322 col. 2. If they do so, they must submit an enforceable commitment to adopt contingency measures "to be implemented ... if the anticipated technologies do not achieve the planned reductions." CAA § 182(e)(5), 42 U.S.C. § 7511a(e)(5). EPA states that the Contingency Measure Plan fails to "include any contingency measures that could be implemented if the planned reductions from new technology measures are not achieved." 89 Fed. Reg. 7320, 7325 col. 2.

Importantly, EPA does not say there are not enough contingency measures; rather, it suggests that there are not *any*. This is clearly erroneous. Indeed, EPA lists the measures for implementation by South Coast AQMD and CARB that are included in the Plan. 89 Fed. Reg. at 7323 cols. 2,3. EPA fails to explain why these measures do not qualify as Section 182(e)(5) contingency measures. At minimum, EPA should approve the South Coast measures that have already been implemented. These include reductions from RECLAIM, reductions from facility-based measures for airports (MOUs for each major commercial airport have been submitted as part of the SIP), and the conversion of Metrolink locomotives to Tier 4. EPA does not show how the contingency measures fail to meet any statutory requirement. In fact, Section 182(e)(5) states that the contingency measures may be implemented if EPA finds that an Extreme area has failed to meet the periodic reductions required by Sections (b)(1) or (b)(2) of Section 182. This is exactly what was done for the measures that have already been implemented. Moreover, all the measures in the contingency measure plan, including the federal measures, meet the statutory requirement that they "shall be adequate to produce emission reductions sufficient, in conjunction with other approved plan provisions, to achieve the periodic emission reductions required by subsection (b)(1) or (c)(2) of this section and attainment by the applicable dates." CAA § 182(e)(5), 42 U.S.C. § 7511a(e)(5). EPA fails to explain why these measures, which meet the statutory requirements, do not qualify as contingency measures under Section 182(e)(5).

Conclusion

EPA's proposed disapproval of the Contingency Measure Plan is a betrayal of the residents of the South Coast Air Basin who rely on reductions from federal sources to ever be able to breathe clean air. As time goes on, the role of federal sources gets bigger and bigger. For the 2015 ozone standard—due to be attained in 2037—federal sources *by themselves* emit more than the carrying capacity of the region for NO_x. EPA must take action now to fulfill its legal and moral obligation to regulate federal sources to allow the South Coast region to attain the NAAQS. The proposed disapproval is unlawful and an abuse of discretion and must be reversed.

Table A- Sources of NO_x emissions by category for calculations of reductions needed to attain in Section II.

Source Category	2023 NO _x Emissions	References
Stationary and Area Sources	49 tpd	2018 SIP Update https://ww2.arb.ca.gov/sites/default/files/classic/planning/sip/2018sipupdate/2018update.pdf?_ga=2.203433616.1202062696.1609860434-773042855.1578434161
CA Vehicles (on-road)	68.5 tpd	2018 SIP Update https://ww3.arb.ca.gov/planning/sip/2018sipupdate/2018update.pdf?_ga=2.203433616.1202062696.1609860434-773042855.1578434161 EMFAC 2014 https://arb.ca.gov/emfac/2014/
CA off-road mobile	54.2 tpd	2018 SIP Update https://ww3.arb.ca.gov/planning/sip/2018sipupdate/2018update.pdf?_ga=2.203433616.1202062696.1609860434-773042855.1578434161 California Emission Projection Analysis Model (CEPAM) Version 1.05 https://www.arb.ca.gov/app/emsinv/fcemssumcat/fcemssumcat2016.php
Federal Vehicles (on-road)	20.3 tpd	2018 SIP Update https://ww3.arb.ca.gov/planning/sip/2018sipupdate/2018update.pdf?_ga=2.203433616.1202062696.1609860434-773042855.1578434161 EMFAC 2014 https://arb.ca.gov/emfac/2014/
Federal off-road	7.2 tpd	2018 SIP Update https://ww3.arb.ca.gov/planning/sip/2018sipupdate/2018update.pdf?_ga=2.203433616.1202062696.1609860434-773042855.1578434161 California Emission Projection Analysis Model (CEPAM) Version 1.05 https://www.arb.ca.gov/app/emsinv/fcemssumcat/fcemssumcat2016.php
Federal planes trains and ships	69.7 tpd	2018 SIP Update https://ww3.arb.ca.gov/planning/sip/2018sipupdate/2018update.pdf?_ga=2.203433616.1202062696.1609860434-773042855.1578434161
TOTAL	269 tpd	



Monthly Legislative Report – March

March Advocacy Meetings

Office of Congressman Mike Levin (D-CA) – We met with Congressman Levin’s staff to discuss appropriations requests and deadlines for Fiscal Year (FY) 2025. We specifically discussed the Interstate 5 (I-5) Improvement Project from the San Diego County Line to the Avenida Pico interchange and the Coastal Rail Infrastructure Resiliency Project. As of the time of this writing the office has only released their FY25 programmatic and language forms with a deadline of April 3rd.

Office of Congressman Lou Correa (D-CA) – We met with Congressman Correa’s staff to discuss FY25 appropriations deadlines, which are on April 5th for both programmatic and language requests as well as community project funding requests (CPF). Projects we discussed include the Harbor Boulevard Connected Bus Pilot, Harbor Boulevard High-Capacity Transit Expansion Study, Solar Panels at OCTA Santa Ana Bus Base, Santa Ana-Garden Grove Rails to Trails project, the Katella Bridge Pedestrian Bridge, the First Street Transit Signal Priority and Complete Streets in Santa Ana, State Route 57 (SR-57) Orangewood to Katella project and the State Route 91 (SR-91) project.

Office of Congresswoman Young Kim (R-CA) – We met with Congresswoman Kim and staff to discuss FY25 Appropriations forms that have a set deadline for March 29th on both programmatic and language requests and CPF. We specifically discussed progress on the SR-91 project, and the State Route 55 project.

Office of Congresswoman Linda Sanchez (D-CA) – We met with Congresswoman Sanchez’s staff to discuss and FY25 appropriations forms and deadlines which have not been announced.

Office of Congresswoman Michelle Steel (R-CA) – We met with Congresswoman Steel’s staff to discuss FY25 Appropriations request forms and deadlines which have not been announced. Projects we discussed include the I-605/Katella Ave Interchange, the SR-57 Lambert to Orange County Line project, and county-wide technology/signal upgrades.

Office of Senator Laphonza Butler (D-CA) – We met with Senator Butler’s appropriations staff on a zoom call to discuss congressionally directed spending (CDS) project request for the Zero-Emission Paratransit Fleet Replacement request we had submitted to the office.

Office of Senator Alex Padilla (D-CA) – We met with Senator Padilla’s staff to discuss OCTA Zero-Emission Vanpools as a possible CDS request for FY25.

FY24 Appropriations

On March 8th, the Senate voted 75-22 to enact a package of six FY24 appropriations bills that include the Transportation Housing and Urban Development Related Agencies funding bill and send it to the president to be signed into law after the House cleared the package in a 339-85 vote.

Bill summaries and explanatory statements accompanying each are available below:

- **Agriculture, Rural Development, FDA, and Related Agencies**
 - [Summary](#)
 - [Explanatory Statement](#)
- **Commerce, Justice, Science, and Related Agencies**
 - [Summary](#)
 - [Explanatory Statement](#)
- **Energy and Water Development**
 - [Summary](#)
 - [Explanatory Statement](#)
- **Interior, Environment, and Related Agencies**
 - [Summary](#)
 - [Explanatory Statement](#)
- **Military Construction, Veterans Affairs, and Related Agencies**
 - [Summary](#)
 - [Explanatory Statement](#)
- **Transportation, Housing and Urban Development, and Related Agencies**
 - [Summary](#)
 - [Explanatory Statement](#)

Included in the Transportation, Housing and Urban Development, and Related Agencies explanatory statement you will find three requests included for OCTA:

1. Coastal Rail Corridor Relocation Study for \$4M
2. SR-91 Improvement Project for \$4M
3. Orange County Loop Project for \$3M

Two weeks later, on March 22nd, the House passed the bill FY24 appropriations on a 286-134 vote, with 112 Republicans voting no, along with 23 Democrats. The Senate approved the six-bill package by a vote of 74-24 shortly after midnight on the morning of March 23rd.

Joint explanatory statements for each division of the package are available below:

- [Division A - Defense Appropriations Act, 2024](#)
- [Division B - Financial Services and General Government Appropriations Act, 2024](#)
- [Division C - Homeland Security Appropriations Act, 2024](#)
- [Division D - Labor, Health and Human Services, Education and Related Agencies Appropriations Act, 2024](#)
- [Division E - Legislative Branch Appropriations Act, 2024](#)
- [Division F - State, Foreign Operations, and Related Programs Appropriations Act, 2024](#)

Division C- the Homeland Security Appropriations Act was the most controversial bill in the package. After intense negotiations that bill was ultimately included with several significant cuts to include the elimination of funding for the state and local grant funding for canine teams that protect and patrol airports and transit hubs.

Immediately after the second minibuss package passed the House, Rep. Marjorie Taylor Greene (R-GA) filed a motion to vacate the Chair that could set up a new election for the Speaker of the House in April. As you may recall, the current Speaker of the House Mike Johnson (R-LA) became speaker after a similar motion from Rep. Gaetz's (R-FL) that set up a marathon of caucus votes to replace Rep. Kevin McCarthy from the Speaker's office.

It is also worth noting that following the enactment of final Appropriation package House Appropriation Chair Kay Granger (R-TX) announced she will be stepping down as Chair and requested the GOP Steering Committee and Conference select a new Chair of the Appropriations Committee to serve out the remainder of the 118th Congress. She will, however, remain on the Appropriations Committee as Chair Emeritus.

Two leading contenders for the new chair include Reps. Robert Aderholt (R-AL) and Tom Cole (R-OK).

Federal Aviation Administration (FAA) Authorization Bill

In the late evening of March 6, 2024, the Senate passed an FAA authorization extension under unanimous consent. The bill mirrors the House version, which passed on February 29, 2024. The bill extends FAA authorization through May 10, 2024, and gives the Senate more time to finalize a five-year bill. President Biden signed the current extension before the most recent version expired on March 8, 2024.

This marks the third extension since the FAA's last authorization expired on September 30, 2023. The House's proposal includes significant investments and safety

measures, while the Senate's version focuses on accessibility, foreign aviation safety, and additional flight slots at Reagan National Airport, despite local concerns over potential delays.

On February 8th the Senate Commerce, Science and Transportation Committee advanced a bill to reauthorize the FAA for five years. The bill (S. 1939) would authorize more than \$107 billion for the FAA for fiscal years 2024 through 2028, including \$67.5 billion for operations, training, and retention of critical staff as well as \$20 billion for airport improvement grants, according to the committee. There is no current timetable for when a compromise bill will be publicly released.

U.S. Department of Transportation (USDOT) Announces \$1.25 Billion in Grants to Improve Roadway Safety

USDOT has opened the process for cities, towns, counties, Tribal governments and Metropolitan Planning Organizations (MPO) to apply for \$1.256 billion in funding for local projects that improve roadway safety. The funds are from the competitive grant program, Safe Streets and Roads for All (SS4A). A non-exhaustive list of the cities and counties that meet program thresholds is available [HERE](#). The Safe Streets and Roads for All Notice of Funding Opportunity is available [HERE](#).

Federal Transit Administration (FTA) Opens Public Comment on Proposed Rule to Strengthen Rail Transit Worker Safety

The FTA issued a notice on March 22nd that it is putting forth statutory minimum standards for the first time to safeguard people who work on rails for rail transportation organizations around the country.

Transit agencies around the country would have to "create a protection program geared at personnel who work on or around the tracks, implement comprehensive training for workers, and ensure that unsafe acts and conditions are reported," according to a Notice of Proposed Rulemaking that can be seen [HERE](#).

Federal Highway Administration (FHWA) Announces Nearly \$45 Million in Available Funds to Improve Bicyclist and Pedestrian Connectivity and Safety

On March 19th FHWA announced that it is now accepting applications for up to \$44.5 million in financing for projects that would increase accessibility to public transportation, improve walking, biking, and safety in communities around the nation. The President's Investing in America Agenda made possible the FHWA's new Active Transportation Infrastructure

Investment Program , a competitive grant program that will concentrate on creating networks of connected bicycle and pedestrian infrastructure improvements, including improving the connections between trail networks between communities.

The Department of Defense Issue a Notice of Funding Availability for the Defense Community Infrastructure Program

The Defense Community Infrastructure Program is a grant program designed to address deficiencies in community infrastructure, supportive of a military installation, to enhance military value, support the training of cadets at “covered educational institutions,” installation resilience, and/or military family quality of life. Projects for this program should be related to transportation; schools; hospitals; police, fire, or emergency response, or other community support facilities; and utility projects (e.g., water, wastewater, telecommunications, electric and natural gas facilities). The facility or project itself must be owned by a state or local government, or a not-for-profit, member-owned utility. The facility addressed in the application must not be located on a military installation unless it is on property under the jurisdiction of a military department that is also subject to a real estate agreement (including a lease or an easement) held by an eligible community. Additional program information is available [HERE](#).

Eligible Entities: State, County, and City/Township governments.

Total Program Funding Available: \$100 million.

Required Cost Sharing or Match: 30% is required.

Application Deadline: June 17th, 2024 at 5:00PM PDT.

The Federal Railroad Administration (FRA) Interstate Rail Compacts (IRC) Grant Program

The FRA has awarded \$900,000 to three entities through the IRC Grant Program, created by President Biden's Bipartisan Infrastructure Law. The grants will improve passenger rail service in the Midwest, South, and Southeast, including many states and communities that have never seen passenger rail service or have had previous services discontinued for years. The IRC Program allows awardees to use grant funding for administrative, planning, and marketing activities, including work products, technical staff, and operations coordination. More information is available [HERE](#).

FY2024 Competitive Funding Opportunity: Buses and Bus Facilities Program

The purpose of this grant program is to assist in the financing of buses and bus facilities capital projects, including replacing, rehabilitating, purchasing, or leasing buses or related equipment, and rehabilitating, purchasing, constructing, or leasing bus-related facilities. Projects funded by this program (and the Low-No grant program) will be expected to reduce greenhouse gas emissions in the transportation sector; incorporate evidence-based climate resilience measures and features; avoid adverse environmental impacts to air or water quality, wetlands, and endangered species; and address the disproportionate negative environmental impacts of transportation on disadvantaged communities. Eligible projects including the following: Capital projects to replace, rehabilitate, purchase, or lease buses, vans, or related equipment; Rehabilitate, purchase, construct, or lease bus-related facilities regardless of propulsion type or emissions; Additionally, 0.5% of the Federal request may be used for workforce development training and an additional 0.5% may be used for training at the National Transit Institute (NTI). Note, applicants proposing any project related to zero-emission vehicles and related facilities must also spend 5% of their award on workforce development and training as outlined in their Zero-Emission Fleet Transition Plan, unless the applicant certifies that their financial need is less.

Eligible Entities: States, local governmental authorities, and Indian Tribes.

Total Program Funding Available: \$390 million.

Required Cost Sharing or Match: At least 20 percent cost match.

Application Deadlines: April 25th, 2024 at 11:59 PM EST.

FY2024 Competitive Funding Opportunity: Low- or No-Emission Program

The purpose of the Low-No Program is to support the transition of the nation's transit fleet to the lowest polluting and most energy efficient transit vehicles. The Low-No Program provides funding for the purchase or lease of zero-emission and low-emission transit buses, including acquisition, construction, and leasing of required supporting facilities such as recharging, refueling, and maintenance facilities. Eligible project types include the following: Purchasing or leasing low or no emission buses; Acquiring low or no emission buses with a leased power source; Constructing or leasing facilities and related equipment (including intelligent technology and software) for low or no emission buses; Constructing new public transportation facilities to accommodate low or no emission buses; Rehabilitating or improving existing public transportation facilities to accommodate low or no emission buses; Additionally, 0.5% of the Federal request may be used for workforce development training

and an additional 0.5% may be used for training at the National Transit Institute (NTI). Note, applicants proposing any project related to zero-emission vehicles and related facilities must also spend 5% of their award on workforce development and training as outlined in their Zero-Emission Fleet Transition Plan, unless the applicant certifies that their financial need is less.

Eligible Entities: States, local governmental authorities, and Indian Tribes.

Total Program Funding Available: Approximately \$1.10 billion.

Required Cost Sharing or Match: At least 20 percent cost match.