

AGENDA

Legislative Committee

The next meeting of the Legislative Committee will be as follows.

Date: Thursday, August 13, 2015 - 5:30 p.m. to 6:30 p.m.
Place: San Mateo County Transit District Office¹
1250 San Carlos Avenue
2nd Floor Auditorium
San Carlos, California

PLEASE CALL Jean Higaki (599-1462) IF YOU ARE UNABLE TO ATTEND.

1	Public comment on related items not on the agenda.	Presentations are limited to 3 Minutes	
2	Approval of Minutes from May 14, 2015 and June 4, 2015.	Action (Gordon)	Pages 1-5
3	Update from Shaw/Yoder/Antwih	Information (Shaw/Yoder/Antwih)	Pages 6-9
4	Review and recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified).	Action (Gordon)	Pages 10-22
5	Adjournment	Action (Gordon)	

NOTE: All items appearing on the agenda are subject to action by the Committee. Actions recommended by staff are subject to change by the Committee.

¹From Route 101 take the Holly Street (west) exit. Two blocks past El Camino Real go left on Walnut. The entrance to the parking lot is at the end of the block on the left, immediately before the ramp that goes under the building. Enter the parking lot by driving between the buildings and making a left into the elevated lot. Follow the signs up to the levels for public parking.

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**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MEETING MINUTES
May 14, 2015**

At 6:35 P.M. Chair Gordon called the Legislative Committee meeting to order in the 2nd Floor Auditorium at the San Mateo Transit District Office.

Committee Members Attending:

Art Kiesel (City of Foster City)
Deborah Gordon (Town of Woodside)
Mary Ann Nihart (City of Pacifica)
Karen Ervin (City of Pacifica)
Richard Garbarino (City of South San Francisco)
Catherine Carlton (City of Menlo Park)
Alicia Aguirre (City of Redwood City)

Guests or Staff Attending:

Matt Robinson - Shaw/ Yoder/ Antwih Inc. (called in)
Sandy Wong, Jean Higaki, Matt Fabry - C/CAG Staff
Jim Bigelow – Redwood City/ San Mateo County Chamber of Commerce

1. Public comment on related items not on the agenda.

None

2. Approval of Minutes from April 2, 2015.

Member Garbarino moved and Member Ervin seconded approval of the April 2, 2015 minutes. Motion passed unanimously.

3. Update from Advocation & Shaw/ Yoder/ Antwih (SYA).

C/CAG staff Jean Higaki distributed a draft of the state budget “May Revision Overview”. Sacramento is looking at non-traditional funding sources for transportation. There is an increase Cap and Trade proceeds which doubles many of the cap and trade programs. It is estimated that Cap and Trade revenues could eventually be higher.

Committee member Ervin asked if Cap and Trade really incentivizes companies to adopt cleaner practices or do they just tend to pay fees. At this point there is not a clear answer to that.

On the transportation funding side, there are five letters of support drafted for the legislative

committee to make a recommendation on. Senator Beall's SB 16 bill is anticipated to raise about \$3.5 billion a year in transportation revenues over 5 years to be split 47.5% for state highway preservation, 47.5% for local streets and roads, and 5% to incentivize more self-help counties. SB 16 needs 2/3 of the votes to approve the package and that might be difficult without help from the Governor's office. Two elected officials from his party did not support the bill. The assembly is also working on a similar proposal to SB 16 but timing may not make it a viable alternative.

There has not been much movement on the storm water side. The effort to change the Prop 218 requirements for storm water hasn't move much yet but it is not subject to the normal bill deadlines and can move on its own timeline.

Member Carlton asked about AB 1098 and how it works. C/CAG staff has been following this bill closely. Assembly member Bloom's office has been working with the state Office of Planning and Research (OPR) to reflect the new CEQA focus on vehicle miles traveled (VMT) instead of level of service (LOS). Assembly member Bloom's office wants to meet with the CMAs over the fall to discuss what this bill should be. The bill is not viable it has missed deadlines to move forward this year.

Chair Gordon asked about how express lanes work and how it is enforced. It may be mostly an honor system enforced by the highway patrol.

4. Review and recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified).

Discussion regarding the letters of support for AB 194 (Frazier), AB 464 (Mullin), ACA 4 (Frazier), SB 16 (Beall), and SB 321 (Beall) is under Item 5.

It was noted that Matt Robinson followed up with the Sacramento elected officials and/ or staff to thank them for meeting with C/CAG officials for "Lobby Day" in April.

5. Review and recommend that the C/CAG Board send support letters for AB 194 (Frazier), AB 464 (Mullin), ACA 4 (Frazier), SB 16 (Beall), and SB 321 (Beall).

Draft letters of support were included in the packet for AB 194 (Frazier), AB 464 (Mullin), ACA 4 (Frazier), SB 16 (Beall), and SB 321 (Beall).

Chair Gordon asked if the language in the Bills could still change. Because the bills were still open to change, Chair Gordon requested that there be specific language added to the letters to specify that C/CAG support is for a bill, as written on May 14, 2015. Matt Robinson stated that C/CAG staff would be notified of any substantial changes to bill language, should it arise.

Member Aguirre moved and Garbarino seconded a recommendation that the C/CAG Board send letters of support for AB 194 (Frazier), AB 464 (Mullin), SB 16 (Beall), and SB 321 (Beall) with a correction to change Hillsdale to Town of Hillsborough in the AB 464 letter, and adding a

statement to all the letters, specifying that support is for the bill as written on May 14, 2015. Motion passed unanimously.

Note: The reference to Hillsdale and Hillsborough was deleted altogether from the letter as Hillsborough is not near the sales tax cap. Although Hillsdale Mall is near the sales tax cap, it is not a local jurisdiction and not a C/CAG member.

Member Aguirre moved and member Garbarino seconded a recommendation that the C/CAG Board send a letter of support for ACA 4 (Frazier), with the specification that support is for the bills as written on May 14, 2015. Motion passed 6-1. Committee member Carlton opposed.

6. Adjournment

The meeting adjourned at approximately 6:20 P.M.

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MEETING MINUTES
June 4, 2015**

At 6:55 P.M. Vice Chair Kiesel called the Legislative Committee meeting to order in the 4th Floor “Dining Room” at the San Mateo Transit District Office.

Committee Members Attending:

Art Kiesel (City of Foster City)
Richard Garbarino (City of South San Francisco)
Catherine Carlton (City of Menlo Park)

Guests or Staff Attending:

Matt Robinson - Shaw/ Yoder/ Antwih Inc.
Sandy Wong, Jean Higaki, - C/CAG Staff
Jim Bigelow –Congestion Management and Environmental Quality Committee (CMEQ)

1. Public comment on related items not on the agenda.

None

2. Approval of Minutes from May 14, 2015.

Minutes could not be approved as a quorum was not met.

3. Update from Shaw/ Yoder/ Antwih (SYA).

Matt Robinson, from Shaw/ Yoder/ Antwih provided an update from Sacramento.

A written report on the budget was distributed last month. The Governor is looking for a budget bill from the legislature before the end of the month. Cap and Trade revenue will go up by approximately 1 billion, therefore a few of the sub-programs (e.g. Affordable Housing Sustainable Communities (AHSC)) will have significantly more funding next fiscal year. Some of the Cap and Trade increase may help fund a large shortfall in Caltrain’s electrification project.

On the transportation funding side, there is not much movement since last month. There is still discussion in Sacramento on the bills that C/CAG supported in the last couple month AB 227 (Alejo), AB 194 (Frazier), AB 464 (Mullin), ACA 4 (Frazier), SB 16 (Beall), and SB 321 (Beall).

Member O’Connell requested that AB 516 (Mullin) be discussed at this committee meeting. AB

516 is an MTC sponsored bill that requires a temporary license plate on newly sold cars. This would help capture toll revenues currently lost from plate-less newly sold vehicles. Currently four other Congestion Management Agencies (CMAs) support this bill. The Legislative Committee could not make a recommendation to support this bill without a quorum but the C/CAG Board could still take an action in June to support the bill, without a recommendation from the Legislative Committee.

Member Kiesel noted that there are a lot of supported bills but asked if there were any that we should be concerned with at this time. On the transportation side a bill that we still need to watch closely is AB 1098 which may have the effect of restructuring C/CAGs mission related to the Congestion Management Plan. That bill is on hold this year, and there is a commitment by the author to work with Congestion Management Agencies around the state, before bringing up the bill again.

There is AB 1347 (Chu) that deals with the public works contracting and claims process. It proposes specific time requirements for contractor claims and responses to claims. Contractors and labor unions support the bill but many public agencies are concerned that the timelines would be difficult to meet under current decision making structures. SYA is trying to work with the author to make it less difficult for public agencies to comply. The City/ County of San Francisco has concerns with the bill. Since the author is from San Francisco, there is some hope that San Francisco can influence some change.

4. Review and recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified).

No recommendation was made as there was no quorum.

5. Adjournment

The meeting adjourned at approximately 7:30 P.M.



SHAW/YODER/ANTWIH, *inc.*
LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

DATE: July 28, 2015
TO: Board Members, City/County Association of Governments, San Mateo County
FROM: Andrew Antwih and Matt Robinson, Shaw / Yoder / Antwih, Inc.
RE: STATE LEGISLATIVE UPDATE – August 2015

Legislative Update

July 17 marked the last day for policy committees to meet in the Legislature. Any bills that did not make it out of their respective policy committees will be held for the year. Additionally, the Legislature broke for Summer Recess on July 17 and will return for the final month of the Legislative Session on August 17. The Legislature will recess the first year of the two-year Legislative Session on September 11. We have flagged several bills for the C/CAG Board and discuss some of the more relevant bills under ***Bills of Interest***, below.

C/CAG Meets with Secretary Kelly

On July 23, C/CAG Executive Director Sandy Wong and Joe Hurley with the San Mateo County Transportation Authority met with California State Transportation Agency Secretary Brian Kelly, Undersecretary Brian Annis, and Caltrans District 4 Director Bijan Sartipi to discuss congestion relief on US 101 and the potential for HOV/HOT lanes in portions of the corridor in San Mateo County. The meeting provided C/CAG staff with an opportunity to bring Secretary Kelly up to speed on the recent C/CAG study and current planning efforts in the corridor.

Transportation Special Session

On June 16, Governor Brown called on the Legislature to convene a special legislative session to address the state's transportation infrastructure needs, and proposed that the Legislature "enact pay-as-you-go, permanent and sustainable funding to: adequately and responsibly maintain and repair the state's transportation and critical infrastructure; improve the state's key trade corridors; and complement local infrastructure efforts." The Governor further proposed that the Legislature enact legislation necessary to: "establish clear performance objectives measured by the percentage of pavement, bridges, and culverts in good conditions; and incorporate project development efficiencies to expedite project delivery or reduce project costs." The Legislature responded by convening Extraordinary Session 1 on June 19. Any significant legislative action related to transportation infrastructure funding is expected to take place in the special session.

The first informational hearings of the special legislative session, which are intended to inform the work of the special session, were held in the Senate Transportation and Infrastructure

Development Committee and Assembly Transportation and Infrastructure Development Committee on July 2 and July 6, respectfully. (These new committees were constituted in each House to mirror their regular session transportation committee counterparts; with a few different members in each new committee, as well.) The Senate hearing, entitled “California’s Transportation Funding Challenge,” focused exclusively on the needs of the state’s highways and local streets & roads, and featured testimony by the Administration, policy experts and transportation stakeholders. The Assembly hearing on “the Basics of Transportation Funding” similarly focused on the needs of state highways and local streets & roads, but featured significant discussion between Committee members and panelists about the funding needs of public transit.

Please see below under ***Special Session Bills*** for some of the more relevant bills introduced in the special session.

Special Session Bills

ABX1 1 (Alejo)

This bill would undo the statutory scheme that allows vehicles weight fees from being transferred to the general fund from the State Highway Account to pay debt-service on transportation bonds and requires the repayment of any outstanding loans from transportation funds by December 31, 2018. **The Board is in SUPPORT of this bill.**

SBX1 1 (Beall) Transportation Funding

This bill, like the author’s SB 16, would increase several taxes and fees, beginning in 2015, to address issues of deferred maintenance on state highways and local streets and roads. Specifically, this bill would increase both the gasoline and diesel excise taxes by 12 and 22 cents, respectively; increase the vehicle registration fee by \$35; create a new \$100 vehicle registration fee applicable to zero-emission motor vehicles; create a new \$35 road access charge on each vehicle; and repay outstanding transportation loans. As a result, transportation funding would increase by approximately \$3-\$3.5 billion per year. **We recommend the Board SUPPORT this bill as it is similar to SB 16 (Beall).**

ABX1 7 (Nezarian) and SBX1 8 (Hill) Cap and Trade Increase for Rail and Transit

This bill would increase the amount of funding continuously appropriated to two Cap and Trade programs dedicated to transit - 20% of the annual proceeds to the Transit and Intercity Rail Capital Program and 10% of the annual proceeds to the Low Carbon Transit Operations Program. **We recommend the Board SUPPORT this bill.**

Bills of Interest

ACA 4 (Frazier) Lower-Voter Threshold for Transportation Taxes

This bill would lower voter approval requirements from two-thirds to 55 percent for the imposition of special taxes used to provide funding for transportation purposes. **The Board is in SUPPORT of this bill.**

AB 194 (Frazier) Managed Lanes

This bill would authorize a regional transportation agency to apply to the California Transportation Commission to operate a high-occupancy toll (HOT) lane. This bill further requires that a regional transportation agency “consult” with any local transportation authority (e.g. C/CAG) prior to applying for a HOT lane if any portion of the lane exists in the local

transportation authority's jurisdiction. This bill also specifically does not authorize the conversion of a mixed-flow lane into a HOT lane. **The Board is in SUPPORT of this bill.**

AB 227 (Alejo) Vehicle Weight-Fees

This bill would undo the statutory scheme that allows vehicles weight fees from being transferred to the general fund from the State Highway Account to pay debt-service on transportation bonds and requires the repayment of any outstanding loans from transportation funds by December 31, 2018. **The Board is in SUPPORT of this bill.**

AB 378 (Mullin) US 101 Congestion Relief (2-year Bill)

This bill is a placeholder for legislation that will eventually target congestion relief on US 101. The author began meeting with stakeholder groups, including C/CAG, to discuss solutions to the US 101. This will be an ongoing effort and the bill may not move until next year.

AB 464 (Mullin) Local Sales Tax Limit Increase

This bill would increase, from 2 percent to 3 percent, the statewide cap on sales tax at the local level. Currently, the statewide sales tax may not exceed 9.5 percent when combined with any local sales tax. This would increase the overall limit to 10.5 percent. **The Board is in SUPPORT of this bill.**

AB 516 (Mullin) Temporary License Plates

This bill would, beginning January 1, 2017, require the Department of Motor Vehicles (DMV) to develop a temporary license plate to be displayed on vehicles sold in California and creates new fees and penalties associated with the processing and display of the temporary tag. **The Board is in SUPPORT of this bill.**

AB 1098 (Bloom) Congestion Management Plans (2-year Bill)

This bill would delete the level of service standards as an element of a congestion management planning and revise and recast the requirements for other elements of a congestion management program by requiring performance measures to include vehicle miles traveled, air emissions, and bicycle, transit, and pedestrian mode share.

AB 1362 (Gordon) Constitutional Stormwater Definition (2-year Bill)

The Constitution requires a majority vote of impacted property owners vote or a two-thirds vote of all voters living within a designated area in order to impose a property-related fee. Exempt from these provisions are fees for sewer, water, and refuse collection services. Fees for these services follow a protest procedure wherein if a majority of property owners write in protest of the new fee, it shall not be imposed. To interpret the Constitution, statute defines certain terms. This bill would add a definition of "stormwater" in anticipation of a Constitutional Amendment to add it to the fees subject to protest process as opposed to seeking voter approval.

SB 16 (Beall) Transportation Funding

This bill would increase several taxes and fees for the next five years, beginning in 2015, to address issues of deferred maintenance on state highways and local streets and roads. Specifically, this bill would increase both the gasoline and diesel excise taxes by 10 and 12 cents, respectively; increase the vehicle registration fee; increase the vehicle license fee; redirect truck weight fees; and repay outstanding transportation loans. As a result,

transportation funding would increase by approximately \$3-\$3.5 billion per year. **The Board is in SUPPORT of this bill.**

SB 32 (Pavley) Extension of the California Global Warming Solutions Act of 2006 (AB 32)

Under AB 32, ARB adopted a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990, to be achieved by 2020, and was authorized to adopt regulations to achieve the GHG reduction-target, including a market-based compliance mechanism (e.g. Cap and Trade). This bill would require ARB to approve a GHG limit equivalent to 80% below the 1990 level to be achieved by 2050 and would authorize the continued use of the regulatory process to ensure the target is met.

SB 321 (Beall) Stabilization of Gasoline Excise Tax

The gas tax swap replaced the state sales tax on gasoline with an excise tax that was set at a level to capture the revenue that would have been produced by the sales tax. The excise tax is required to be adjusted annually by the BOE to ensure the excise tax and what would be produced by the sales tax remains revenue neutral. This bill would, for purposes of adjusting the state excise tax on gasoline, require the BOE to use a five-year average of the sales tax when calculating the adjustment to the excise tax. **The Board is in SUPPORT of this bill.**

C/CAG AGENDA REPORT

Date: August 13, 2015

To: C/CAG Legislative Committee

From: Sandy Wong, Executive Director

Subject: Review and recommend approval of C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified)

(For further information or questions contact Jean Higaki at 599-1462)

RECOMMENDATION

That the C/CAG Legislative Committee recommend the C/CAG Board to take a position on any legislation or direct staff to monitor any legislation for future positions to be taken.

Recommend that the C/CAG Board send support letters for SBX1 1 (Beall), SBX1 8 (Hill), ABX1 7 (Nazarian), and send a Transportation Funding Coalition Letter.

FISCAL IMPACT

Unknown.

SOURCE OF FUNDS

NA.

BACKGROUND

The C/CAG Legislative Committee receives monthly written reports and oral briefings from the C/CAG's State legislative advocates. Important or interesting issues that arise out of that meeting are reported to the Board.

The Legislative session was in recess from July 17, 2015 and will reconvene on August 17, 2015. On June 16, 2015 the Governor called for a special session to develop transportation funding plans. Some of the bills considered for support by the C/CAG Legislative Committee are:

SBX1 1(Beall) Transportation Funding – This is very similar to SB 16 (Beall) which the C/CAG Board is in support of. There is a slight increase proposed on the gas and diesel fuel from SB16. The truck weight fees will not be affected as opposed to a transfer and backfill with Vehicle License Fees (VLS) under SB 16. The term will be unlimited instead of 5 years under SB 16, and there is an inflation adjustment proposed.

ABX1 7 (Nezarian) and SBX1 8 (Hill) Cap and Trade Increase for Rail and Transit – These bills would increase the amount of funding for two Cap and Trade programs dedicated to Transit. The Transit and Intercity Rail Capital Program the Low Carbon Transit Operations Program would increase

and discretionary funds that are spent on weatherization of households, wetlands preservation, vehicle rebates, etc. would decrease.

Coalition Letter to Increase Funding for Transportation - In response to the special session on Transportation and Infrastructure, the League of California Cities is working with a broad coalition called "Fix Our Roads" comprised of local government, transportation advocacy groups, business and labor organizations to advocate for a legislative solution to provide sustainable funding for California's streets and roads. The coalition is advocating for a set of seven funding principles to be included in the package.

1. Make a significant investment in transportation infrastructure.
2. Focus on maintaining and rehabilitating the current system.
3. Equal split between state and local projects.
4. Raise revenues across a broad range of options.
5. Invest a portion of diesel tax and/or cap & trade revenue to high-priority goods movement projects.
6. Strong accountability requirements to protect the taxpayers' investment.
7. Provide Consistent Annual Funding Levels.

The League of California Cities has asked C/CAG to sign on as a member of the coalitions and send a letter in support the seven principles above.

ATTACHMENTS

1. CALCOG comparison table of SB 16 and SBX1 1
2. Fix Our Roads Factsheet
3. Letters in support of SBX1 1(Beall), ABX1 7 (Nezarian) and SBX1 8 (Hill), and Special Session Coalition Letter
4. Full Legislative information is available for specific bills at <http://leginfo.legislature.ca.gov/>
5. Sign up form for the Fix Our Roads Coalition



POLICY BRIEF

TRANSPORTATION FUNDING UPDATE: EXTRAORDINARY SESSION

California Association of Councils of Governments

July 21, 2015

I. SB 16 and SBX1-1 (Beall) Transportation Funding

Senator Beall introduced SB 16 earlier this year. CALCOG took a “support” position on the version in print on April 15. Then, SB 16 was re-introduced in the Extraordinary Session as SB 1X-1. Significant new amendments went into print on July 14. See below.

SB 16—SB X1-1 COMPARISON TABLE		
Key Element	SB 16 (June 1)	SBX1-1 (July 14)
Effective Term	5 years	Unlimited
Revenue	\$3.4 to \$3.9 Billion/Yr.	\$4.3 to \$4.6 Billion/Yr.
Sources	<ul style="list-style-type: none"> • 10¢/gal. tax increase on gasoline • 12¢/gal increase on diesel fuel • \$35 vehicle registration fee • \$100 zero emission vehicle fee • Loan repayments over 3 years • .65% vehicle license fee increase 	<ul style="list-style-type: none"> • 12¢/gal. tax increase on gasoline • 22¢/gal. Increase on diesel fuel • \$35 vehicle registration fee • \$100 zero emission vehicle fee • Loan repayments over 3 years • \$35 road access fee
Truck Weight Fees	Transferred and backfilled with VLF	Not affected
Goods Movement (TCIF)	2¢/gal. on diesel to TCIF (approx. \$50 million/yr.)	12¢/gal. on diesel to TCIF (approx. \$300 million/yr.)
Self Help Incentive	5% off-the top allocation	5% of the top allocation-ongoing
Distribution of Remainder	<ul style="list-style-type: none"> • 50% to SHOPP • 50% to Local Streets & Roads 	<ul style="list-style-type: none"> • 50% to SHOPP • 50% to Local Streets & Roads
Inflation Adjustment (CPI)	N/A	Excise tax adjusted every three years beginning 2019
Local Streets and Road Fund Flexibility	N/A	“Other transportation priorities” allowed if PMI exceeds 85
STIP	N/A	<ul style="list-style-type: none"> • Excise tax reset to 17.3 ¢/gal. • CPI applies to all excise tax
Active Transportation Eligibility	N/A	Pedestrian and bike safety in conjunction with other projects
Caltrans Accountability	CTC allocation required for SHOPP; Department plan to improve efficiency by 30%	CTC allocation required for SHOPP; Department plan to improve efficiency by 30%
Local Street and Roads Accountability	CTC estimates fund amount, develop performance criteria	CTC develops performance criteria

Problem: California lacks adequate funding to fix crumbling roads, highways, bridges and transportation infrastructure.



California's network of roads and highways are critical to our quality of life and economy. Yet the condition of our deteriorating network of roads is staggering:

- Our crumbling roads cost motorists nearly \$600 a year per driver for vehicle maintenance.
- California has the second highest share of roads in "poor condition" in the nation.
- 58% of state roads need rehabilitation or pavement maintenance.
- California has 6 of 10 cities with the worst road conditions in the nation.
- 55% of local bridges require rehabilitation or replacement.
- Nearly 70% of California's urban roads and highways are congested.
- Without additional funding, 1/4 of local streets and roads will be in failed condition by 2024.

Our state lacks adequate funding to address these critical deficiencies:

- Local streets and roads face an estimated shortfall of \$78 billion in deferred maintenance and an annual shortfall of \$7.8 billion.
- CalTrans faces a \$59 billion backlog in deferred maintenance and an annual shortfall in the State Highway Operation and Protection Program (SHOPP) of \$5.7 billion.

Solution: A responsible, accountable solution to fix our roads.

A broad coalition of cities, counties, labor, business, public safety and transportation advocates has formed to meet the Governor's call to address California's chronic transportation infrastructure funding shortfall. During the 2015 special session on transportation, we support the following priorities:

1. Make a significant investment in transportation infrastructure.

If we are to make a meaningful dent that demonstrates tangible benefits to taxpayers and drivers, any package should seek to raise at least \$6 billion annually and should remain in place for at least 10 years or until an alternative method of funding our transportation system is agreed upon.

2. Focus on maintaining and rehabilitating the current system.

Repairing California's streets and highways involves much more than fixing potholes. It requires major road pavement overlays, fixing unsafe bridges, providing safe access for bicyclists and pedestrians, replacing storm water culverts, as well as operational improvements that necessitate, among other things, the construction of auxiliary lanes to relieve traffic congestion choke points and fixing design deficiencies that have created unsafe merging and other traffic hazards.

Efforts to supply funding for transit in addition to funding for roads should also focus on fixing the system first.

3. Invest a portion of diesel tax and/or cap & trade revenue to high-priority goods movement projects.

While the focus of a transportation funding package should be on maintaining and rehabilitating the existing system, California has a critical need to upgrade the goods movement infrastructure that is essential to our economic well-being. Establishing a framework to make appropriate investments in major goods movement arteries can lay the groundwork for greater investments in the future that will also improve air quality and reduce greenhouse gas emissions.

4. Raise revenues across a broad range of options.

Research by the California Alliance for Jobs and Transportation California shows that voters strongly support increased funding for transportation improvements. They are much more open to a package that spreads potential tax or fee increases across a broad range of options rather than just one source. Additionally, any package should move California toward an all-users pay structure in which everyone who benefits from the system contributes to maintaining it - from traditional gasoline-fueled vehicles, to hybrids, alternative fuel and or electric vehicles, to commercial vehicles. Our coalition supports:

- Reasonable increases in:
 - Gasoline and diesel excise taxes.
 - Vehicle registration and vehicle license fees.
- Dedicating a portion of the cap and trade revenue paid by motorists at the pump to transportation projects that reduce greenhouse emissions.
- Ensuring existing transportation revenues are invested in transportation-related purposes (i.e. truck weight fees and fuel taxes for off-road vehicles that are currently being diverted into the general fund).
- User charge for electric and other non-fossil fuel powered vehicles that currently do not contribute to road upkeep.

5. Equal split between state and local projects.

We support sharing revenue for roadway maintenance equally (50/50) between the state and cities and counties. Funding to local governments should be provided directly (no intermediaries) to accelerate projects and ensure maximum accountability.

6. Strong accountability requirements to protect the taxpayers' investment.

Voters and taxpayers must be assured that all transportation revenues are spent responsibly. Authorizing legislation should:

- Constitutionally protect transportation revenues for transportation infrastructure only. Time and again (Prop 42, 2002; Prop 1A, 2006; Prop 22, 2010), voters have overwhelmingly supported dedicating and constitutionally protecting transportation dollars for those purposes. We strongly support protections that prohibit using transportation dollars for other purposes.
- Repay existing transportation loans and end ongoing diversions of transportation revenues, including approximately \$850 million in loans to the general fund and the annual loss of approximately \$140 million in off-highway vehicle fuel taxes.

Strong accountability requirements to protect the taxpayers' investment (Continued).

- Establish performance and accountability criteria to ensure efficient and effective use of all funding. All tax dollars should be spent properly, and recipients of new revenues should be held accountable to the taxpayers, whether at the state or local level. Counties and cities should adopt project lists at public hearings and report annually to the State Controller's Office regarding all transportation revenues and expenditures. Local governments should also commit to ensuring any new revenues supplement revenues currently invested in transportation projects. Both Caltrans and local governments can demonstrate and publicize the benefits associated with new transportation investments.
- Caltrans reform and oversight. To increase Caltrans effectiveness, provide stronger oversight by the state transportation commission of the programs funded by new revenues and establish an Inspector General office to provide accountability. Reduce Caltrans administrative budgets through efficiency reviews with all savings to be spent on road improvements.
- Expedite project delivery. More should be done to streamline project delivery, including but not limited to:
 - Establishing timelines for actions required by state agencies and eliminating other permit delays.
 - Increased implementation of alternative delivery systems that encourage more investment from the private sector.
 - Reforms to speed project completion.

7. Provide Consistent Annual Funding Levels.

Under current statute, the annual gas tax adjustment by the Board of Equalization is creating extreme fluctuations in funding levels -- a \$900 million drop in this budget year alone. A transportation funding package should contain legislation that will create more consistent revenue projections and allow Caltrans and transportation agencies the certainty they need for longer term planning. While this change would not provide any new revenue to transportation, it would provide greater certainty for planning and project delivery purposes.

C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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August 13, 2015

The Honorable Jim Beall
Chair, Senate Transportation and Infrastructure Development Committee
State Capitol, Room 2209
Sacramento, CA 95814

RE: **SUPPORT** for SBX1 1 (Beall)

Dear Senator Beall:

The City/County Association of Governments of San Mateo County (C/CAG), the Congestion Management Agency (CMA) for San Mateo County, is pleased to write to you today in **SUPPORT** of SBX1 1. This bill would phase in a multi-faceted transportation funding package, resulting in an approximately \$4.5 billion annual increase in transportation funding.

San Mateo County faces significant funding shortfalls to maintain our local streets & roads and improve the state highway system in our county. To fully address our local street and road funding shortfall, San Mateo County would need almost \$1.6 billion over the next 10 years. This bill, through a combination of fuel tax, vehicle registration fee, and vehicle license fee increases, would provide billions of dollars over that same timeframe to cities and counties. Of the new revenue generated, 47.5 percent would be distributed to cities and counties, resulting in an estimated \$35-\$40 million annually in new funding flowing to San Mateo County for transportation projects. Similarly, this bill would provide approximately \$2 billion annually for projects on the state highway system, which faces similar funding shortfalls in our county.

We **SUPPORT** SBX1 1 and appreciate your efforts to provide both state and local agencies the additional resources necessary to address our transportation infrastructure needs. Please feel free to contact Sandy Wong, the C/CAG Executive Director, at slwong@smcgov.org with any questions or concerns.

Sincerely,

Mary Ann Nihart, Chair
City/County Association of Governments of San Mateo County

Cc: Assembly Member Richard Gordon
Assembly Member Kevin Mullin
Assembly Member Phil Ting
Senator Jerry Hill

C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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August 13, 2015

Assembly Member Jim Frazier
Chair, Assembly Transportation and Infrastructure Development Committee
1020 N Street, Room 112
Sacramento, CA 95814

RE: **SUPPORT** for ABX1 7 (Nazarian)

Dear Senator Beall:

The City/County Association of Governments of San Mateo County (C/CAG), the Congestion Management Agency (CMA) for San Mateo County, is pleased to write to you today in **SUPPORT** of ABX1 7. This bill would provide additional dedicated Cap and Trade funding for mass transportation projects in our region.

As you are aware, mass transportation in the Bay Area is critical to our region's mobility and plays an important role in congestion relief and air quality improvement. This bill would provide an additional 15 percent of Cap and Trade revenues to the existing programs that fund mass transportation – the Transit and Intercity Rail Capital Program and the Low-Carbon Transportation Program – dedicating a total of 30 percent of all Cap and Trade revenues. Mass transportation, specifically improved Caltrain, SamTrans, and BART service, is necessary to improve congestion on US 101 in San Mateo County, as well as meet our regional air quality goals and provide transportation options for our growing businesses.

For these reasons we ask that you **SUPPORT** ABX1 7 and the need to provide resources for our entire transportation infrastructure needs. Please feel free to contact Sandy Wong, the C/CAG Executive Director, at slwong@smcgov.org with any questions or concerns.

Sincerely,

Mary Ann Nihart, Chair
City/County Association of Governments of San Mateo County

Cc: Senator Jerry Hill
Assembly Member Richard Gordon
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August 13, 2015

The Honorable Jim Beall
Chair, Senate Transportation and Infrastructure Development Committee
State Capitol, Room 2209
Sacramento, CA 95814

RE: **SUPPORT** for SBX1 8 (Hill)

Dear Senator Beall:

The City/County Association of Governments of San Mateo County (C/CAG), the Congestion Management Agency (CMA) for San Mateo County, is pleased to write to you today in **SUPPORT** of SBX1 8. This bill would provide additional dedicated Cap and Trade funding for mass transportation projects in our region.

As you are aware, mass transportation in the Bay Area is critical to our region's mobility and plays an important role in congestion relief and air quality improvement. This bill would provide an additional 15 percent of Cap and Trade revenues to the existing programs that fund mass transportation – the Transit and Intercity Rail Capital Program and the Low-Carbon Transportation Program – dedicating a total of 30 percent of all Cap and Trade revenues. Mass transportation, specifically improved Caltrain, SamTrans, and BART service, is necessary to improve congestion on US 101 in San Mateo County, as well as meet our regional air quality goals and provide transportation options for our growing businesses.

For these reasons we ask that you **SUPPORT** SBX1 8 and the need to provide resources for our entire transportation infrastructure needs. Please feel free to contact Sandy Wong, the C/CAG Executive Director, at slwong@smcgov.org with any questions or concerns.

Sincerely,

Mary Ann Nihart, Chair
City/County Association of Governments of San Mateo County

Cc: Senator Jerry Hill
Assembly Member Richard Gordon
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August 13, 2015

Governor Jerry Brown
Senate President pro Tempore Kevin de León
Assembly Speaker Toni G. Atkins
Senate Minority Leader Bob Huff
Assembly Minority Leader Kristin Olsen

Re: Coalition Framework to Increase Funding for Transportation in Special Session

Dear Governor Brown and California Legislative Leaders:

Our organization representing local governments and transportation interest in San Mateo County believes it is imperative that a legislative solution be reached during the special session that results in a robust and meaningful dent in California's transportation funding shortfall. It is a critical issue that cannot wait to be addressed. Our roads continue to deteriorate as inadequate funding to deal with deficiencies creates safety hazards, costs motorists money and leaves Californians stuck in gridlock.

A broad coalition comprised of local governments, transportation advocacy groups, business and labor organizations has come together in support of the following priorities and funding sources, which we believe should be the basis for legislation addressing this critical issue for California. We urge you to support these priorities as you debate policies and funding sources for California's streets and roads.

1. Make a significant investment in transportation infrastructure.

If we are to make a meaningful dent that demonstrates tangible benefits to taxpayers and drivers, any package should seek to raise at least \$6 billion annually and should remain in place for at least 10 years or until an alternative method of funding our transportation system is agreed upon.

2. Focus on maintaining and rehabilitating the current system.

Repairing California's streets and highways involves much more than fixing potholes. It requires major road pavement overlays, fixing unsafe bridges, providing safe access for bicyclists and pedestrians, replacing storm water culverts, as well as operational improvements that necessitate, among other things, the construction of auxiliary lanes to relieve traffic congestion choke points and fixing design deficiencies that have created unsafe merging and other traffic hazards.

Efforts to supply funding for transit in addition to funding for roads should also focus on fixing the system first.

3. Invest a portion of diesel tax and/or cap & trade revenue to high-priority goods movement projects.

While the focus of a transportation funding package should be on maintaining and rehabilitating the existing system, California has a critical need to upgrade the goods movement infrastructure that is essential to our economic well-being. Establishing a framework to make appropriate investments in major goods movement arteries can lay the groundwork for greater investments in the future that will also improve air quality and reduce greenhouse gas emissions.

4. Raise revenues across a broad range of options.

Research by the California Alliance for Jobs and Transportation California shows that voters strongly support increased funding for transportation improvements. They are much more open to a package that spreads potential tax or fee increases across a broad range of options rather than just one source. Additionally, any package should move California toward an all-users pay structure in which everyone who benefits from the system contributes to maintaining it - from traditional gasoline-fueled vehicles, to hybrids, alternative fuel and or electric vehicles, to commercial vehicles. Our coalition supports:

- Reasonable increases in:
 - Gasoline and diesel excise taxes.
 - Vehicle registration and vehicle license fees.
- Dedicating a portion of the cap and trade revenue paid by motorists at the pump to transportation projects that reduce greenhouse emissions.
- Ensuring existing transportation revenues are invested in transportation-related purposes (i.e. truck weight fees and fuel taxes for off-road vehicles that are currently being diverted into the general fund).
- User charge for electric and other non-fossil fuel powered vehicles that currently do not contribute to road upkeep.

5. Equal split between state and local projects.

We support sharing revenue for roadway maintenance equally (50/50) between the state and cities and counties. Funding to local governments should be provided directly (no intermediaries) to accelerate projects and ensure maximum accountability.

6. Strong accountability requirements to protect the taxpayers' investment.

Voters and taxpayers must be assured that all transportation revenues are spent responsibly. Authorizing legislation should:

- Constitutionally protect transportation revenues for transportation infrastructure only. Time and again (Prop 42, 2002; Prop 1A, 2006; Prop 22, 2010), voters have overwhelmingly supported dedicating and constitutionally protecting transportation dollars for those purposes. We strongly support protections that prohibit using transportation dollars for other purposes.
- Repay existing transportation loans and end ongoing diversions of transportation revenues, including approximately \$850 million in loans to the general fund and the annual loss of approximately \$140 million in off-highway vehicle fuel taxes.

- Establish performance and accountability criteria to ensure efficient and effective use of all funding. All tax dollars should be spent properly, and recipients of new revenues should be held accountable to the taxpayers, whether at the state or local level. Counties and cities should adopt project lists at public hearings and report annually to the State Controller's Office regarding all transportation revenues and expenditures. Local governments should also commit to ensuring any new revenues supplement revenues currently invested in transportation projects. Both Caltrans and local governments can demonstrate and publicize the benefits associated with new transportation investments.
- Caltrans reform and oversight. To increase Caltrans effectiveness, provide stronger oversight by the state transportation commission of the programs funded by new revenues and establish an Inspector General office to provide accountability. Reduce Caltrans administrative budgets through efficiency reviews with all savings to be spent on road improvements.
- Expedite project delivery. More should be done to streamline project delivery, including but not limited to:
 - Establishing timelines for actions required by state agencies and eliminating other permit delays.
 - Increased implementation of alternative delivery systems that encourage more investment from the private sector.
 - Reforms to speed project completion.

7. Provide Consistent Annual Funding Levels.

Under current statute, the annual gas tax adjustment by the Board of Equalization is creating extreme fluctuations in funding levels -- a \$900 million drop in this budget year alone. A transportation funding package should contain legislation that will create more consistent revenue projections and allow Caltrans and transportation agencies the certainty they need for longer term planning. While this change would not provide any new revenue to transportation, it would provide greater certainty for planning and project delivery purposes.

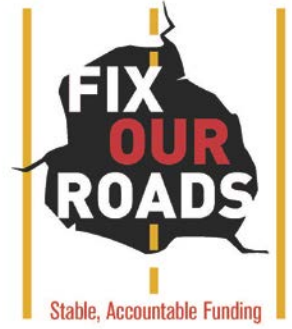
We believe these priorities represent a solution to begin to address our transportation funding shortfalls, resulting in real projects at both the state and local level. We look forward to working with you over the coming weeks as a transportation package is finalized.

Sincerely,

Mary Ann Nihart, Chair
 City/County Association of Governments of San Mateo County

Cc: Assembly Member Richard Gordon
 Assembly Member Kevin Mullin
 Senator Jerry Hill

I Support the Fix Our Roads Coalition Principles for New Transportation Funding in the Legislative Special Session



Yes, I/my organization support(s) efforts to secure new sources of stable, accountable funding to fix California’s highways and road infrastructure. I/we sign-on to join the “Fix our Roads” coalition and in support of the following principles that should guide the legislative special session on transportation.

- 1. Make a significant investment in transportation infrastructure.**
- 2. Focus on maintaining and rehabilitating the current system.**
- 3. Invest a portion of diesel tax and/or cap & trade revenue to high-priority goods movement projects.**
- 4. Raise revenues across a broad range of options.**
- 5. Equal split between state and local projects.**
- 6. Strong accountability requirements to protect the taxpayers’ investment.**
- 7. Provide consistent annual funding levels.**

Please select a category: Organization Company Elected official

City County Association of Governments of San Mateo County (C/CAG)

Company or Organization Name

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E-mail Address			
Signature (Required)			Date

Email or fax this form to: acelesius@bcfpublicaffairs.com or 916-442-3510 (fax)