

AGENDA

Legislative Committee

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

Date: Thursday, October 8, 2015 - **6:00 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 September 10, 2015.	Action (Gordon)	Pages 1-3
3	Update from Shaw/Yoder/Antwih	Information (Shaw/Yoder/Antwih)	Pages 4-7
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)	Page 8
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.

For public transit access use SamTrans Bus lines 390, 391, 292, KX, PX, RX, or take CalTrain to the San Carlos Station and walk two blocks up San Carlos Avenue.

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

**MEETING MINUTES
September 10, 2015**

At 5:32 P.M. Chair Gordon called the Legislative Committee meeting to order in the 2nd Floor auditorium at the San Mateo Transit District Office.

Guests or Staff Attending:

Matt Robinson - Shaw/ Yoder/ Antwih Inc. (Call in)
Sandy Wong, Jean Higaki, - C/CAG Staff

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

None

2. Approval of Minutes from August 13, 2015.

Member Kiesel moved and Member Ervin seconded approval of the August 13, 2015 minutes. Motion passed unanimously.

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

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

The Legislative Committee received two handouts, an outline of the Governor's proposed transportation bill and a table comparing SB X1-1 (Beall) and the Governor's transportation funding proposal. This can be ignored as nothing is happening on transportation for the remainder of this regular session. There is a question as to whether or not any current proposal can get the 2/3 votes needed to pass a tax.

There is a plan to form a conference committee made up of appointments from both houses in both parties (Democrat and Republican) to find common ground and work out a proposal for next year. Current proposals by Beall and the Governor may serve as a starting point.

The legislature was not able to come to a consensus for appropriating the currently unappropriated 40% in Cap and Trade revenues. There is a hope that some recommendation can be made in January.

Although AB 464 (Mullin), a bill that raised the sales tax cap from 2% to 3% was vetoed, it looks like SB 705 (Hill), a bill specific to San Mateo County, may be successful in passing. SB 705 will allow the County to raise sales tax by 0.5% for transportation. AB 194 (Frazier), a bill regarding the authorization of managed lanes is still moving forward.

Chair Gordon asked if there was any action C/CAG could take to be proactive. Matt Robinson indicated that our delegation is already supportive of transportation issues. His only suggestion was to chat with other colleagues in support of transportation funding when interacting with a broader range of elected officials in more conservative areas of the state. It was also noted that the business communities in those areas may have some influence.

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).

A support letter for SB 705, mentioned above, was included in the legislative packet for information.

5. Adjournment

The meeting adjourned at approximately 6:00 P.M.

Legislative Committee 2015 Attendance Record

Agency	Name	Jan 8	Feb 12	March 12	April 2	May 14	June 4	July	Aug 13	Sept 10	Oct	Nov	Dec 10
San Bruno	Irene O'Connell								x				
Foster City	Art Kiesel (Leg Vice Chair)	x	x	x	x	x	x		x	x			
Woodside	Deborah Gordon (Leg Chair)	x	x	x		x			x	x			
Pacifica	Mary Ann Nihart (C/CAG Chair)		x	x	x	x			x	x			
Hillsborough	Laurence May	x							x				
Pacifica	Karen Ervin	x	x	x	x	x			x	x			
South San Francisco	Richard Garbarino	x		x	x	x	x		x				
Menlo Park	Catherine Carlton	x				x	x						
Menlo Park	Kirsten Keith	x	x		N/A	N/A	N/A		N/A	N/A			
Redwood City	Alicia Aguirre (C/CAG Vice Chair)		N/A	N/A		x				x			

 no meeting



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

DATE: September 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 – October 2015

Legislative Update

The Legislature recessed the first year of the two-year 2015-16 Legislative Session on September 11. In the final two weeks of the session the Legislature sent Governor Brown approximately 640 bills for consideration. The Governor has until October 11 to act on legislation sent to him in the final two weeks of the session. The Legislature will reconvene on January 4, 2016. We have provided a status update on several bills we have been tracking for the C/CAG Board under ***Bills of Interest***, below.

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.

After several informational and policy hearings, the special session on transportation failed to produce a comprehensive transportation funding plan for consideration by the Legislature and the Governor prior to adjourning on September 11. In the final days of the legislative session, Governor Brown announced a \$3.6 billion proposal that would fund state highways, goods movement, local streets & roads, public transit, and complete streets, as well as \$890 million in one-time funding from early loan repayments. The ongoing proposal would be paid for using a mix of fuel excise tax increases, increased vehicle registration fees, and Cap and Trade revenue.

Governor's Brown's proposal failed to gain any traction in the waning days of the session and it was ultimately decided that the Legislature would convene a conference committee to run parallel with the special session to explore new transportation funding, i.e. the special session will run past the September 11th adjournment of the regular session. The make-up of the conference committee was established on September 23 and will feature Senators Beall (D-San Jose & Co-Chair), Allen (D-Santa Monica), Leyva (D-Chino), Cannella (R-Ceres), and Gaines (R-El Dorado Hills), as well as Assembly Members Gomez (D-Los Angeles & Co-Chair), **Mullin (D-South San Francisco)**, Burke (D-Inglewood), Melendez (R-Lake Elsinore) and Obernolte (R-Big Bear Lake). Scheduled hearings have, as of this writing, yet to be announced.

Cap and Trade

As mentioned above, the Governor proposed to use some Cap and Trade funding for transit. However, the Legislature has yet to propose a spending plan for the majority of the remaining 40 percent of the Cap and Trade revenues that aren't subject to continuous appropriation. As part of his January Budget, the Governor proposed investments in clean transportation, sustainable forestry, clean energy, water efficiency, and waste diversion. The Air Resources Board conducted its first auction of the 2015-16 Fiscal Year on August 18, which yielded approximately \$650 million in revenues for the state. Using this as a base for estimating revenues for the fiscal year, there could be as much as \$2.6 billion in Cap and Trade revenues in 2015-16.

Under the rubric of the special session on transportation, various legislators and interest groups have put in calls for a share of Cap and Trade funds for transportation; for instance, some Republican legislators want funds for streets and roads projects, while some Democratic legislators want more Cap and Trade funds for public transit purposes. The Legislature and the Governor have agreed to tackle Cap and Trade funding when they return in January. We continue to advocate for a significant amount of these revenues going to transit.

Special Session Bills

ABX1 1 (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.**

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. **The Board is in SUPPORT of this bill.**

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. **The Board is in SUPPORT of these bills.**

Regular Session Bills of Interest

(The Governor has signed or is waiting to act on bills listed in green. Bills listed in red will not be moved this year or have been vetoed.)

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

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 (Vetoed on 8/17/15)

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 779 (Garcia) Congestion Management Programs

This bill would delete the level of service standards as an element of a congestion management program in infill opportunity zones and revise and recast the requirements for other elements of a congestion management program.

AB 1098 (Bloom) Congestion Management Plans

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

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 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.**

SB 705 (Hill) San Mateo County Sales Tax-Limit Increase

This bill would authorize the County of San Mateo, for the purpose of submitting to the voters for approval an additional sales tax measure for transportation programs, to exceed the existing 2 percent limit placed on local jurisdictions enacting local sales tax measures. **The Board is in Support of this bill.**

C/CAG AGENDA REPORT

Date: October 8, 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.

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 will adjourn for interim recess on September 11, 2015. Special sessions, called by the Governor, do not have a specified adjournment dates. At this time only two bills of interest to C/CAG appear to be moving forward this year in regular session.

The first is Senate Bill 705 (Hill), which would provide an opportunity for San Mateo County to seek up to a 0.5% sales tax measure for transportation. The second is AB 194 (Frazier) which would authorize a regional transportation agency to apply to the California Transportation Commission (CTC) instead of the legislature to operate a high-occupancy toll (HOT) lane.

ATTACHMENTS

1. Full Legislative information is available for specific bills at <http://leginfo.legislature.ca.gov/>