



Regional Transportation Planning Agency - Local Transportation Commission
Monterey County Service Authority for Freeways & Expressways
Monterey County Regional Development Impact Fee Joint Powers Agency
Email: info@tamcmonterey.org

EXECUTIVE COMMITTEE

Members are: Ed Smith, Chair; Mary Adams, 1st Vice Chair; Michael LeBarre, 2nd Vice Chair; Luis Alejo, Past Chair; Chris Lopez, County Representative; Kimbley Craig, City Representative

Wednesday, October 6, 2021

****8:30 AM****

REMOTE CONFERENCE ONLY

There will be NO physical location of the meeting.

Please see all the special meeting instructions at the end of the agenda.

Join meeting online at

<https://us02web.zoom.us/j/775161178?pwd=STY4UzZZblpOK0VLdEs3RGZUS3kyUT09>

OR

Via teleconference at +1 669 900 6833

Meeting ID: 775 161 178

Password: 536047

1. ROLL CALL

Call to order and self-introductions. If you are unable to attend, please contact Elouise Rodriguez, Senior Administrative Assistant. Your courtesy to the other members to assure a quorum is appreciated.

2. PUBLIC COMMENTS

Any member of the public may address the Committee on any item not on the agenda but within the jurisdiction of the Committee. Under this item, each member of the public is allowed three minutes to address concerns. Comments in items on this agenda may be given when that agenda item is discussed. Persons who wish to address the Committee for public comment or on an item on the agenda are encouraged to submit comments in writing to Maria at maria@tamcmonterey.org by

5:00 pm the Monday before the meeting, and such comments will be distributed to the Committee before the meeting.

3. BEGINNING OF CONSENT AGENDA

Approve the staff recommendations for items listed below by majority vote with one motion. Any member may pull an item off the Consent Agenda to be moved to the end of the **CONSENT AGENDA** for discussion and action.

3.1 APPROVE the Executive Committee draft minutes of September 1, 2021.

-Rodriguez

END OF CONSENT AGENDA

4. RECEIVE update on state and federal legislative issues and **RECOMMEND** the Board of Directors approve the draft 2022 legislative program for distribution to committees.

- Watson

Staff and federal legislative analysts Gus Khouri and Paul Schlesinger will present updates on state and federal legislative activities and request input on the 2022 legislative program.

5. RECEIVE update and **PROVIDE FEEDBACK** on the funding proposal for the 2022 Regional Transportation Improvement Program.

- Zeller

To ensure efficient coordination among various fund sources, the 2021 Integrated Funding Plan identifies projects that are strong candidates for specific Senate Bill 1 grants, State Transportation Improvement Program funds, Measure X, and other matching funds, and can be brought to construction over the next five years. As a subset of that plan, the Regional Transportation Improvement Program specifies the region's proposed use of certain state funds to the California Transportation Commission.

6. RECEIVE report on draft TAMC Board meeting agenda.

- Muck

7. ANNOUNCEMENTS

8. ADJOURN

**Next Executive Committee meeting is:
Wednesday, November 3, 2021
Please mark your calendars.**

Important Meeting Information

Remote Meetings: On March 12, 2020, Governor Newsom issued Executive Order N-25-20, which enhanced State and Local Governments ability to respond to COVID-19 Pandemic based on Guidance for Gatherings issued by the California Department of Public Health. The Executive Order specifically allowed local legislative bodies to hold meetings via teleconference and to make meetings accessible electronically, in order to protect public health. That order expired on September 30, 2021. Governor Newsom has now signed AB 361, and the TAMC Board of Directors approved a resolution to enact AB 361 on September 22, 2021. This legislation permits teleconferencing for Brown Act meetings during a state of emergency. Thus, TAMC meetings will convene remotely, until further notice. For remote meetings, the public is strongly encouraged to use the Zoom app for best reception. Prior to the meeting, participants should download the Zoom app at: <https://zoom.us/download>. A link to simplified instruction for the use of the Zoom app is: <https://blog.zoom.us/wordpress/2018/07/03/video-communications-best-practice-guide/>.

Remote Meeting Public Comment: Due to current circumstances, there may be limited opportunity to provide verbal comments during remote meetings. Persons who wish to address the Committee for public comment or on an item on the agenda are encouraged to submit comments in writing to maria@tamcmonterey.org by 5:00pm the Monday before the meeting. Such comments will be distributed to the Committee before the meeting. Members of the public participating by Zoom are instructed to be on mute during the proceedings and to speak only when public comment is allowed, after requesting and receiving recognition from the Chair.

Agenda Packet and Documents: Any person who has a question concerning an item on this agenda may call or email the Agency office to make inquiry concerning the nature of the item described on the agenda. Complete agenda packets are on display online at the Transportation Agency for Monterey County website. Documents relating to an item on the open session that are distributed to the Committee less than 72 hours prior to the meeting shall be available for public review at the Agency website. Agency contact information is as follows:

Transportation Agency for Monterey County
www.tamcmonterey.org
Office is closed an all employees are working remotely until further notice
TEL: 831-775-0903
EMAIL: info@tamcmonterey.org

Agenda Items: The agenda will be prepared by Agency staff and will close at noon nine (9) working days before the regular meeting. Any member of the Committee may request in writing an item to appear on the agenda. The request shall be made by the agenda deadline and any supporting papers must be furnished by that time or be readily available.

Alternative Agenda Format and Auxiliary Aids: If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals requesting a disability-related modification or accommodation, including auxiliary aids or services, may contact Transportation Agency staff at 831-775-0903. Auxiliary aids or services include wheelchair accessible facilities, sign language interpreters, Spanish language interpreters, and printed materials in large print, Braille or on disk. These requests may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting and should be made at least 72 hours before the meeting. All reasonable efforts will be made to accommodate the request.

CORRESPONDENCE, MEDIA CLIPPINGS, AND REPORTS - No items this month.



Memorandum

To: Executive Committee
From: Elouise Rodriguez, Senior Administrative Assistant and Clerk of the Board
Meeting Date: October 6, 2021
Subject: **Executive Committee draft minutes of September 1, 2021**

RECOMMENDED ACTION:

APPROVE the Executive Committee draft minutes of September 1, 2021.

ATTACHMENTS:

- ▣ Executive Committee draft minutes of September 1, 2021.

DRAFT MINUTES

TRANSPORTATION AGENCY FOR MONTEREY COUNTY
 SERVICE AUTHORITY FOR FREEWAYS EMERGENCIES AND MONTEREY COUNTY
 REGIONAL DEVELOPMENT IMPACT FEE JOINT POWERS AGENCY

EXECUTIVE COMMITTEE MEETING

*Members: Ed Smith (Chair),
 Mary Adams (1st Vice Chair), Michael LeBarre (2nd Vice Chair),
 Luis Alejo (Past Chair),
 Chris Lopez (County representative), Kimbley Craig (City representative)*

Wednesday, September 1, 2021

*** 8:30 a.m. ***

REMOTE VIDEO/PHONE CONFERENCE ONLY

EXECUTIVE COMMITTEE	OCT 20	NOV 20	JAN 21	FEB 21	MAR 21	APR 21	MAY 21	JUN 21	AUG 21	SEP 21
Ed Smith, Chair Monterey (D. Albert, A. Renny)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)
Mary Adams, 1st Vice Chair Supr. Dist. 5 (S. Hardgrave, C. Courtney)	P(A) (VC)	P(A) (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P(A) (VC)	P(A) (VC)	P (VC)
Michael LeBarre, 2nd Vice Chair King City (C. DeLeon)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)
Luis Alejo, Past Chair Supr. Dist. 1 (L. Gonzales/ J. Gomez)	P (VC)	P (VC)	A (VC)	P (VC)	P(A) (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)
Chris Lopez, County Representative Supr. Dist. 2 (P. Barba)	P (VC)	P (VC)	A (VC)	P (VC)	P (VC)	P (VC)	P (VC)	E	P (VC)	P (VC)
Kimbley Craig, City Representative (C. Cromeenes)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)

TC: via teleconference; VC: via video conference

P = Present

A = Absent

P(A) = alternate present

1. CALL TO ORDER:

Chair Smith called the meeting to order at 8:30 a.m. Roll call was taken, and a quorum was confirmed. Committee Member LeBarre arrived during item 5.

Staff present: Goel, Hale, Jacobsen, Muck, Rodriguez, Watson, and Zeller.

Others present: Agency Counsel Katherine Hansen, Paul Schlesinger of Alcalde & Fay, and Gus Khouri of Khouri Consulting.

2. PUBLIC COMMENTS:

No public comment.

3. CONSENT AGENDA:

M/S/C

Lopez/Adams/unanimous

On a motion by Committee Member Lopez seconded by Committee Member Adams, the committee voted 5-0 to approve the minutes from the Executive Committee meeting of August 4, 2021.

4. LEGISLATIVE UPDATE

Gus Khouri, Agency State Legislative Consultant, provided a state legislative update, noting there is not much change to the bill list since the Board report on August 25. He reported that the legislature will conclude regular session on September 10. He noted the budget bills authorizing revenue for transportation infrastructure and funding to augment the Active Transportation Program (ATP), Transit and Intercity Rail Capital Program (TIRCP), and State and Local Climate Adaption, would not be available unless additional legislation is enacted by October 10 related to the remaining \$4.2 billion Proposition 1A appropriation for high-speed rail.

Paul Schlesinger, Agency Federal Legislative Consultant, reported House Senate is on recess, there is no new development to report since the August 25 Board update. He noted the Senate infrastructure bill eliminated earmarks that had been in the House transportation authorization bill, which includes the potential for the \$2 million earmark for the US 101 South of Salinas project. The next step is reconciliation between the Senate and the House versions of the bill.

Director Hale noted the Governor's Executive Order enabling remote meetings under the Brown Act is set to end September 30, and asked Mr. Khouri if there will be an extension for virtual or hybrid meetings, asking whether a virtual meeting can be construed as a public meeting. He noted that the Governor may announce an extension of the executive order until the end of the year, but that is not likely to happen until

after the September 14 special election. He concurred with Director Hale that pending legislation does not modernize the Brown Act for special districts such as TAMC.

5. FORT ORD REGIONAL TRAIL AND GREENWAY - SR 218 CANYON DEL REY SEGMENT UPDATE

Mike Zeller, Principal Transportation Planner, presented on the Canyon Del Rey segment of the Fort Ord Regional Trail and Greenway project. He reported that the Fort Ord Regional Trail and Greenway (FORTAG) project has reached several milestones including certification of the final environmental document, approval of a Master Agreement among the underlying jurisdictions, and completion of the preliminary engineering design. He noted that the trail is designed to connect people with open space, employment and businesses, and schools.

Mr. Zeller noted that the Segment 1 final design tasks will be funded out of \$600,000 in state Senate Bill 1 Local Partnership Program funds and \$1.376 million in local Measure X funds. The right-of-way tasks will be paid from \$1.198 million in state Active Transportation grant funds. Construction will be funded through a future allocation of \$9.1 million in state Active Transportation grant funds. Other segments will proceed to final design and construction as matching funds for Measure X (which sets aside a total of \$20 million for the entire trail) are obtained.

To hear feedback and concerns directly from Del Rey Oaks residents and the community, the project team has held numerous outreach activities, including in-person site visits, virtual public workshops, and focus groups. The team has received over 300 comments from our online interactive project map. Amongst the comments received have been questions regarding the safety of the trail and the tunnel. The project team has been responsive to these comments and has made refinements to the design. Some of these refinements have resulted in the proposed alignment falling outside of the boundary of the certified environmental impact report, and Agency staff will be requesting Board approval of an Addendum to the Final Environmental Impact Report to cover these changes. He also noted that agency staff will be requesting Board approval to increase outreach efforts to help ensure that correct information about the project is being shared with the community.

In response to a question from Committee member Adams, Mr. Zeller noted that safety features will be included in the tunnel - these can include lights, cameras, art and murals. Mr. Muck added that the walking tunnel under Carmel Valley Road is an excellent example of a pedestrian undercrossing that has been very secure and has vastly improved crossing safety for nearby residents.

6. FORT ORD BUILDING DEMOLITION - JOINT PROCUREMENT WITH MST

The Committee received an update on the Fort Ord Building Demolition Joint Procurement Agreement with Monterey-Salinas Transit.

Deputy Executive Director Muck reported that the TAMC-owned property within the former Fort Ord is located between 1st Avenue and Highway 1, and 5th and 8th streets in Marina, California. On the property are seven buildings, including a former cold storage building, a former meat cutting building, four warehouses, and a former storehouse building.

To reduce costs by securing a single demolition contract, TAMC approved a joint procurement agreement with MST, whereby MST is the lead agency for the purposes of the procurement to select a contractor, with consultation from TAMC staff, to conduct the demolition of both TAMC and MST's buildings within the available budget.

MST has received bids that fall under the \$1.3 million TAMC received from the former Fort Ord Reuse Authority for the demolition of all buildings. Action to approve the demolition contract will be brought to the MST and TAMC Boards in September or October. The demolition will begin in late fall or early spring.

7. TAMC BOARD DRAFT AGENDA

Deputy Executive Director Todd Muck reviewed the draft regular and consent agenda for the TAMC Board meeting of September 22, 2021.

After Executive Committee discussion, direction was provided to staff to place the following items for consideration on the regular agenda:

- Measure X Revenue Forecasts and status of Regional Projects
- Freeway Service Patrol Annual Report

8. ANNOUNCEMENTS

Director Debbie Hale announced and invited the Committee members to her retirement going away party on September 23, 2021, at 3:00 pm at Portobello's in Salinas. Please RSVP to Elouise Rodriguez at elouise@tamcmonterey.org.

9. ADJOURNMENT

Chair Smith adjourned the meeting at 9:35 a.m.



Memorandum

To: Executive Committee
From: Christina Watson, Principal Transportation Planner
Meeting Date: October 6, 2021
Subject: Legislative Update & Draft 2022 Program

RECOMMENDED ACTION:

RECEIVE update on state and federal legislative issues and **RECOMMEND** the Board of Directors approve the draft 2022 legislative program for distribution to committees.

SUMMARY:

Staff and federal legislative analysts Gus Khouri and Paul Schlesinger will present updates on state and federal legislative activities and request input on the 2022 legislative program.

FINANCIAL IMPACT:

The legislative program continues a focus on preserving and seeking transportation funding.

DISCUSSION:

Agency state legislative analyst Gus Khouri will present an update on state legislative activities, Agency federal analyst Paul Schlesinger will present an update on federal legislative activities, and staff will request input for the Agency legislative program for 2022.

Attachment 1 is the state legislative update and **Attachment 2** is the state bill list. Key issues addressed in these attachments include the Brown Act exemptions for meetings during the pandemic emergency, the state budget, and broadband legislation. The bill list shows the current status of state legislation, whether the bills are signed, two-year bills, or awaiting the Governor's signature (he has until October 10 to veto or sign legislation).

Attachment 3 and 4 are federal legislative updates outlining the status of transportation legislation negotiations as of September 17 and September 24, 2021.

Attachment 5 is the draft 2022 legislative program, showing changes from the 2021 adopted program (**web attachment 1**), for discussion at the meeting.

ATTACHMENTS:

- ❑ State Legislative Update
- ❑ State bill list
- ❑ Federal Legislative Update, week of September 17
- ❑ Federal Legislative Update, week of September 24

- Draft 2022 Legislative Program

WEB ATTACHMENTS:

- [Adopted 2021 TAMC legislative program](#)



September 15, 2021

TO: Board Members, Transportation Agency for Monterey County

FROM: Gus Khouri, President, Khouri Consulting LLC

RE: **STATE LEGISLATIVE UPDATE – SEPTEMBER**

General Update

The Legislature adjourned the first year of the 2021-22 Session on September 10. The Governor has until October 10 to act on bills sent to him in the final weeks of the session. Majority vote bills go into effect January 1, 2022, urgency items become effective immediately upon enactment.

On September 14, more than 9.1 million votes were cast in the recall election of Governor Newsom. The recall effort failed by a resounding margin of 63.9% to 39.1% per unofficial results reported on the Secretary of State's website. County elections officials must report final official results to the Secretary of State by October 15, 2021. The Secretary of State will summarize and certify the county reports in the official Statement of Vote (Official Results) on October 22, 2021.

Brown Act Exemptions for Virtual Meetings

On March 17, 2020, Governor Newsom issued Executive Order N-29-20 in response to the COVID-19 pandemic, allowing local or state legislative bodies to hold meetings via teleconference and to make meetings accessible electronically without violating the open meeting laws found in the Bagley-Keene Act or the Brown Act.

The Governor announced California's reopening as of June 15, 2021, lifting many COVID-19 restrictions. There was some lack of clarity on what reopening would entail for public agencies, and many agencies sought clarification from the Governor's office regarding guidelines for conducting public meetings.

On June 11, 2021, the Governor issued Executive Order N-08-21 with clarifying language concerning N-29-20 on conducting public meetings, allowing for virtual meetings to continue through September 30, 2021. Notwithstanding the issuance of another executive order, local jurisdictions would have to revert to meeting in person after that date.

AB 339 (Lee) is viewed as the main legislative vehicle to amend the Brown Act to enable meetings to continue to be held virtually, but AB 339 does not provide the desired flexibility, since it requires in-person and virtual options to be simultaneously provided for every meeting.

AB 361 (Rivas), which, until January 1, 2024, authorizes a local agency an exemption from the Brown Act to use teleconferencing capabilities during a state or local declared state of emergency, has made it to the Governor's desk. The bill has an urgency clause and would therefore take effect immediately upon the Governor's signature.

Fiscal Year 2021-22 State Budget Summary

Governor Newsom signed AB 128 (Ting), the main FY 2021-22 budget bill, and SB 129 (Skinner), the supplemental budget bill, authorizing \$262.6 billion, including \$12.7B for transportation. SB 129 includes language pertaining to augmented funding for Active Transportation Program (ATP), \$500 million; Transit and Intercity Rail Capital Program (TIRCP), \$2.5 billion; and the State and Local Climate Adaptation funding, \$400 million, stating that money shall not be available for encumbrance or expenditure unless additional legislation is enacted by October 10, 2021. This language is directly related to the stalemate on exhausting the remaining \$4.2 billion Proposition 1A appropriation for high-speed rail. The legislature and Governor were unable to come to an agreement by the end of Session. As a result, the \$3.4 billion in General Fund money proposed for TIRCP, ATP, and State and Local Climate Adaptation are no longer available. Conversations will resume in January with the release of the 2022-23 State Budget and a General Fund augmentation for transportation programs may be reconsidered then.

Farebox Recovery Relief

On July 16, Governor Newsom signed AB 149 (Committee on Budget). This bill extends statutory relief in meeting farebox recovery requirements for receiving State Transit Assistance (STA), Low Carbon Transit Operations Program (LCTOP), and State of Good Repair funds through fiscal year 22-23. It suspends Transportation Development Act (TDA) and STA penalties

for this duration. The bill adds a list of new exemptions from the farebox recovery calculation, including on-demand service and micro transit service beyond fixed-route service, costs for security, ticketing services, pensions, planning for improvements in transit operations, integration with other operators and agencies, transitioning to zero-emission operations, and for compliance with state and federal mandates.

Broadband Investments

Through adoption of its 2021 State Legislative Platform, TAMC took a step in endorsing non-traditional congestion relief efforts, such as advocating for the deployment of expanded broadband service to help encourage telecommuting and reduce highway congestion.

On July 20, Governor Newsom signed SB 156 (Committee on Budget), which is the budget trailer bill that implements \$6 billion in broadband investments over three years, as follows:

- \$3.25 billion from federal American Rescue Plan Act funds for construction of state-owned open access middle mile broadband infrastructure for projects in rural and urban areas.
- \$2 billion for the Broadband Infrastructure Grant Account program over 3 years for last mile expenditures. Of this amount, at least \$1 billion must be used for last mile projects in rural counties, and \$1 billion is initially allocated to urban counties.
- \$750 million over three years to assist local governments and non-profits in financing broadband service projects.
- Authority to support Caltrans in the construction of middle-mile infrastructure on state rights of way, and for technical assistance to local governments seeking to deploy and connect local broadband networks.

AB 14 (Aguiar-Curry) and SB 4 (Gonzalez) are both on the Governor's desk and attempt to increase the amount of funding set aside (\$100 million) to increase internet speed to at least 100 mega bites per second and make it availability in rural and disadvantaged areas. The goal is to provide 98 percent of all Californians with reliable, high-speed internet service.

SB 1 Cycle 3 Competitive Program Update

SB 1 Cycle 3 guidelines will be discussed later this Fall through December with tentative guideline adoption and the calls for projects in the various programs occurring in summer of 2022, and applications being due summer of 2023.

Active Transportation Program (ATP)

The ATP was created in 2013 to consolidate five programs (Transportation Alternatives Program, Safe Routes to School Program, Bicycle Transportation Account Program, Recreational Trails Program, and Environmental Enhancement and Mitigation Program) to better leverage resources to provide multi-modal options. The CTC awarded \$450 million this March for Cycle 5.

Solutions for Congested Corridors Program (SCCP)

The SCCP provides funding to achieve a balanced set of transportation, environmental, and community access improvements to reduce congestion throughout the state. The program makes \$250 million available annually programmed in 2-year increments for projects that implement specific transportation performance improvements.

Local Partnership Program (LPP)

The LPP is intended to provide local and regional transportation agencies that have passed sales tax measures, developer fees, or other imposed transportation fees with a continuous appropriation of \$200 million annually from the Road Maintenance and Rehabilitation Account to fund road maintenance and rehabilitation, sound walls, and other transportation improvement projects. The Competitive program is funded at \$100 million annually.

Trade Corridor Enhancement Program (TCEP)

The TCEP provides funding for infrastructure improvements on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network as identified in California Freight Mobility Plan, and along other corridors that have a high volume of freight movement. There is approximately \$300 million provided per year programmed in 2-year increments for the competitive program.

TAMC Bill Matrix – October 2021

Measure	Status	Bill Summary	Recommended Position
AB 11 (Ward) Climate Change: regional climate change authorities	1/25/21 Two-year bill	This bill would require the Strategic Growth Council to establish up to 12 regional climate change authorities to coordinate climate adaptation and mitigation activities in their regions, and coordinate with other regional climate adaptation authorities, state agencies, and other relevant stakeholders.	Watch Priority 2S
AB 14 (Aguilar-Curry) Communications: broadband services: California Advanced Services Fund	9/9/21 Governor's Desk	This bill would authorize the Public Utilities Commission to impose the surcharge to fund the California Advanced Services Fund, capped at \$100 million annually, until December 31, 2032 instead of through 2022. The purpose of the bill is to provide broadband access to no less than 98% of all Californians.	SUPPORT Priority 6S Support letter 5/11/21; ltr to Gov 9/16
AB 34 (Murasutchi) Broadband for All Act of 2022	5/20/21 Held on Suspense	This bill would enact the Broadband for All Act of 2022, which, if approved by the voters on November 8, 2022, would authorize the issuance of \$10 billion in general obligation bonds for purposes of providing financial assistance to deploy broadband infrastructure and broadband services.	SUPPORT Priority 6S Support letter 5/11/21
AB 41 (Wood) Broadband Infrastructure deployment	9/10/21 Governor's Desk	This bill would require Caltrans, as part of those projects that are specifically funded in this year's Budget and are located in priority areas, to ensure that construction includes the installation of conduits capable of supporting optic communication cables.	Watch Priority 6S

TAMC Bill Matrix – October 2021

Measure	Status	Bill Summary	Recommended Position
<p>AB 43 (Friedman)</p> <p>Traffic Safety</p>	<p>9/9/21</p> <p>Governor’s Desk</p>	<p>This bill would require Caltrans to convene a committee of external design experts to advise on revisions to the Highway Design Manual to balance integrated mass transportation, highway, aviation, maritime, railroad, and other transportation facilities and services in support of statewide and regional goals. The bill would require the California Traffic Safety Program to include a traffic safety monitoring program that identifies and addresses locations with pedestrian- and bicyclist-related crashes. The bill would allow for the recalibration of speed limits of order to eliminate fatalities for motorists, bicyclists, and pedestrians. This bill has been amended to allow Caltrans and local jurisdictions to change speed limits on highways approaching schools or business districts.</p>	<p>SUPPORT</p> <p>Priority 9S Support letter 4/6/21; ltr to Gov 9/20</p>
<p>AB 51 (Quirk)</p> <p>Climate change: regional climate adaptation planning groups and plans</p>	<p>1/11/21</p> <p>Two-year bill</p>	<p>Existing law establishes the Integrated Climate Adaptation and Resiliency Program, administered by the Office of Planning and Research, to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change. This bill would require the Strategic Growth Council to establish guidelines for the formation of regional climate adaptation planning groups. The bill would require the council to develop criteria for regional climate adaptation plans.</p>	<p>Watch</p> <p>Priority 2S</p>
<p>AB 67 (Petrie-Norris)</p> <p>Sea-level Rise: Working Group: economic analysis</p>	<p>5/20/21</p> <p>Held on Suspend</p>	<p>This bill would require a state agency to conduct a sea level rise analysis for any state-funded infrastructure project located in the coastal zone or otherwise vulnerable to flooding from sea level rise or storm surges, and restrict funding as needed, pursuant to that methodology.</p>	<p>Watch</p> <p>Priority 2S</p>

TAMC Bill Matrix – October 2021

Measure	Status	Bill Summary	Recommended Position
AB 72 (Petrie-Norris) Environmental protection: coastal adaptation projects: natural infrastructure: regulatory review and permitting: report	9/7/21 Governor's Desk	This bill would enact the Coastal Adaptation Permitting Act of 2021. The bill would require the Natural Resources Agency to explore and authorize the implementation of options within the agency's jurisdiction to establish a more coordinated and efficient regulatory review and permitting process for coastal adaptation projects. The bill would require the agency to submit a report to the Legislature with recommendations for improving and expediting the regulatory review and permitting process for coastal adaptation projects.	Watch Priority 2S
AB 111 (Boerner-Horvath) Transportation: zero-emission vehicles	3/23/21 Two-year bill	This bill would require the CalSTA Secretary to implement a Safe and Clean Truck Infrastructure Program to support the construction and operation of zero-emission medium- and heavy-duty vehicle parking and electric vehicle charging and hydrogen refueling infrastructure on public and private properties, and to encourage the use of zero-emission vehicles.	Watch Priority 2S
AB 117 (Boerner Horvath) Electric Bicycles	8/27/21 Held on Suspende	This bill, as amended, would specify that programs providing incentives for purchasing electric bicycles are eligible for funding under the Air Quality Improvement Program. This bill is superseded by SB 129, Chapter 69, Statutes of 2021, which contains \$10 million to establish the Electric Bicycle Incentives Project by no later than July 1, 2022, to provide financial incentives for purchasing electric bicycles.	SUPPORT Priority 14S Support letter 7/23/21

TAMC Bill Matrix – October 2021

Measure	Status	Bill Summary	Recommended Position
AB 122 (Boerner Horvath) Vehicles: required stops: bicycles	9/8/21 Governor’s Desk	This bill requires a cyclist, when approaching a stop sign, to yield the right-of way to any vehicles or pedestrians that have entered the intersection, or that are approaching on the intersecting highway close enough to constitute an immediate hazard, and continue to yield the right-of-way to those vehicles or pedestrians until reasonably safe to proceed. The bill requires other vehicles to yield the right-of-way to a bicycle that, having yielded as prescribed, has entered the intersection. AB 122 would legalize the bicycle safety stop (also known as the stop-as-yield). AB 122 will help all road users share the road more safely. The safety stop is proven to increase safety for people on bikes. Delaware had a 23% reduction in accidents involving people on bikes after legalizing the safety stop. The safety stop is legal in several other states: Idaho, Delaware, Oregon, Washington, Utah, Arkansas, North Dakota, and Colorado.	SUPPORT Priority 14S Ltr to Gov 9/13/2021
AB 128 (Committee on Budget) Budget Act of 2021	7/13/21 Chapter 21, Statutes of 2021	This bill is the main budget bill, which contains over \$5.4 billion in funding for transportation infrastructure.	Watch Priority 1S
AB 149 (Committee on Budget) Transportation	7/16/21 Chapter 81, Statutes of 2021	This bill extends the relief for farebox recovery requirements for receiving State Transit Assistance (STA), Low Carbon Transit Operations Program (LCTOP) and State of Good Repair (SOGR) funds, through fiscal year 22-23.	Watch Priority 1S
AB 339 (Lee) State and local government: open meetings	9/8/21 Governor’s Desk	This bill requires all meetings, including gatherings using teleconference technology, to include an opportunity for all persons to attend via a call-in option or an internet-based service option. In-person testimony would still be required. Postings for board members participating remotely would need to be posted.	Watch Priority 15S

TAMC Bill Matrix – October 2021

Measure	Status	Bill Summary	Recommended Position
AB 361 (Rivas, Robert) Open meetings: local agencies: teleconferences	9/16/21 Chaptered	This bill provides exemptions from the Ralph M. Brown Act’s meeting requirements to allow local jurisdictions to meet virtually during emergencies, provided the legislative body makes certain determinations by majority vote, publishes proper notice, and provides opportunity for public comment. Includes urgency clause for immediate effect upon signature.	SUPPORT Priority 15S Support letter 7/23/21; ltr to Gov 9/16
AB 476 (Mullin) Department of Transportation: state highways: transit bus pilot program	3/17/21 Two-year bill	This bill would authorize the Caltrans to establish a pilot program, of up to 8 projects statewide, to authorize a transit operator or operators to operate transit buses on the shoulders of state highways, under a project selected under the program.	Watch Priority 14S
AB 703 (Rubio, Blanca) Open meetings: local agencies: teleconferences	2/25/21 Two-year bill	This bill is similar to AB 361, except that it would allow local jurisdictions to continue using teleconference capabilities, provided that access is granted to the public, without an emergency being called.	SUPPORT Priority 15S
AB 745 (Gipson) Air pollution: Clean cars 4 all program	5/20/21 Two-year bill	This bill would require the California State Air Resources Board, as a part of the Clean Cars 4 All Program, to provide vouchers for zero-emission vehicles to persons of low or moderate income living in disadvantaged communities to replace vehicles that have failed a smog check inspection. This item was addressed in the state budget by providing \$500 million through SB 129.	SUPPORT Priority 4S Support letter 4/6/21
AB 786 (Cervantes) CTC: Executive Director	2/25/21 Two-year bill	This bill would require the Governor, rather than the California Transportation Commission (CTC), to appoint the CTC Executive Director. This bill is unnecessary. The Governor already appoints 9 out of the 11 Commissioners, who hire the Executive Director.	OPPOSE Priority 1S

TAMC Bill Matrix – October 2021

Measure	Status	Bill Summary	Recommended Position
AB 955 (Quirk) Highways: encroachment permits: broadband facilities	9/8/21 Governor's Desk	This bill would establish additional procedures for Caltrans' review of an application for an encroachment permit for a broadband facility. Caltrans would have 30-days to process a permit.	Watch Priority 6S
AB 1049 (Davies) Public Transportation Account: loan repayment	3/4/21 Two-year bill	The Budget Acts of 2013 and 2014 authorized the transfer of up to \$55,515,000 as loans from the Public Transportation Account to the High-Speed Passenger Train Bond Fund. This bill would require the \$54,000,000 in approved loans to be repaid to the Public Transportation Account and be available to help offset the loss of revenues incurred by transit operators during the COVID-19 pandemic.	Watch Priority 1S
AB 1069 (Lackey) Zero-emission passenger vehicles: underrepresented communities	3/4/21 Two-year bill	This bill would establish a goal of having 60% of all zero-emission vehicles be purchased by underrepresented communities, defined as individuals who self-identify as Black, African American, Hispanic, Latino, Asian, Pacific Islander, Native American, Native Hawaiian, or Alaska Native, and/or who self-identify as gay, lesbian, bisexual, or transgender.	Watch Priority 4S
AB 1147 (Friedman) Active Transportation Program	9/10/21 Governor's Desk	This bill requires each Metropolitan Planning Organization (MPO) to submit a 2035 target action plan by July 1, 2023 to identify barriers in meeting regional greenhouse gas (GHG) emissions reduction targets and establishes the Sustainable Communities Strategy (SCS) Block Grant Program. The Block Grant Program, upon appropriation by the Legislature, to each MPO with an approved 2035 target action plan to support efforts to meet each region's GHG emissions reduction targets.	Watch Priority 14S
AB 1260 (Chen) CEQA: exemptions: transportation-related projects	8/27/21 Held on Suspende	This bill would provide a California Environmental Quality Act (CEQA) exemption for projects by a public transit agency to construct or maintain infrastructure to charge or refuel zero-emission trains.	SUPPORT Priority 4S Support letter 5/11/21

TAMC Bill Matrix – October 2021

Measure	Status	Bill Summary	Recommended Position
AB 1499 (Daly) Transportation: design-build: highways	9/7/21 Governor's Desk	This bill would extend the sunset date of January 1, 2024, to January 1, 2034, for the ability to utilize the design-build project delivery system for up to 10 projects on the state highway system.	Watch Priority 11S
SB 4 (Gonzalez) Communications: California Advanced Services Fund	9/9/21 Governor's Desk	This bill would require the Governor's Office of Business and Economic Development ("GO-Biz") to coordinate with state and local agencies and national organizations to explore ways to facilitate streamlining of local land use approvals and construction permit processes for projects related to broadband infrastructure deployment and connectivity. The purpose of the bill is improve internet speeds statewide. Appropriations amendments limit the amount collected statewide each year to \$100 million.	SUPPORT Priority 6S Support letter 5/11/21; ltr to Gov 9/16
SB 28 (Caballero) Digital Infrastructure and Video Competition Act of 2006	9/9/21 Governor's Desk	This bill would repeal the requirement of the Digital Infrastructure and Video Competition Act of 2006 that franchise holders annually report the availability of and subscriptions to broadband and video service. The bill would instead require the Public Utilities Commission (PUC) to collect data on the actual locations served by franchise holders, adopt customer service requirements for franchise holders, and adjudicate any customer complaints. The purpose of the bill is to collect accurate information about whether rural communities are being serviced and have the PUC identify those communities that lack service.	SUPPORT Priority 6S Support letter 4/6/21; ltr to Gov 9/16
SB 69 (McGuire) North Coast Railroad Authority: right-of-way: Great Redwood Trail Agency: Sonoma-Marin Area Rail Transit District	9/9/21 Governor's Desk	This bill reorganizes the North Coast Rail Authority (NCRA) into the Great Redwood Trail Agency (GRTA), transfers its authority related to freight and rail to the Sonoma-Marin Area Rail Transit District (SMART), and establishes GRTA's new mission of developing the Great Redwood Trail. While not directly relevant to TAMC, we are part of the larger rail megaregion with SMART and recommend supporting our partner agency in this effort, once the bill is amended for those purposes.	SUPPORT Priority 16S Support letter 8/26/21; ltr to Gov 9/16

TAMC Bill Matrix – October 2021

Measure	Status	Bill Summary	Recommended Position
SB 129 (Skinner) Budget Act of 2021	7/12/21 Chapter 69, Statutes of 2021	This budget bill contains items related to transportation infrastructure including \$2.7 billion in zero-emission vehicle infrastructure, the Active Transportation Program (ATP), Transit and Intercity Rail Capital Program (TIRCP), and the State and Local Climate Adaptation funding, stating that money shall not be available for encumbrance or expenditure unless additional legislation is enacted by October 10, 2021. This language is directly related to the stalemate on exhausting the remaining \$4.2 billion Proposition 1A appropriation for high-speed rail.	Watch Priority 1S
SB 261 (Allen) Regional transportation plans: sustainable communities strategies	4/19/21 Two-year bill	This bill would require that the sustainable communities strategy be developed to achieve greenhouse gas emission reduction targets for the automobile and light truck sector for 2045 and 2050 and vehicle miles traveled reduction targets for 2035, 2045, and 2050 established by the Air Resources Board.	Watch Priority 1S
SB 339 (Wiener) Road Usage Charge Pilot Program	9/9/21 Governor’s Desk	This bill extends by four years the Road Usage Charge (RUC) Technical Advisory Committee (TAC). The purpose of the TAC is to guide the development and evaluation of a pilot program to assess the potential for mileage-based revenue collection as an alternative to the gas tax system, gather public comment on issues and concerns related to the pilot program, and make recommendations to the Secretary of Transportation on the design of a pilot program.	Watch Priority 5S
SB 475 (Cortese) Transportation planning: sustainable communities strategies	3/18/2021 Two-year bill	This bill would require the California State Air Resources Board to issue new guidelines on sustainable communities strategies and require these guidelines to be updated thereafter at least every 4 years.	Watch Priority 1S
SB 542 (Limón) Vehicle license fees for zero-emission vehicles	6/1/21 Two-year bill	Amended 3/25 to pertain to heavy/light duty truck license fees. As amended, the bill no longer impacts transportation funding programs, removing TAMC’s opposition.	Watch Priority 1S

TAMC Bill Matrix – October 2021

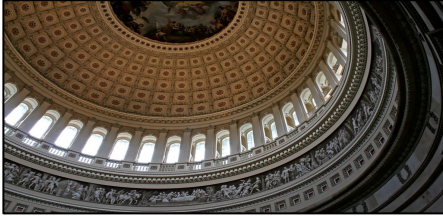
Measure	Status	Bill Summary	Recommended Position
SB 551 (Stern) California Electric Vehicle Authority	8/19/21 Held on Suspense	This bill would establish the California Electric Vehicle Authority to coordinate and streamline activities among state agencies to advance electric vehicle and zero-emission charging infrastructure deployment and ensure related equity, workforce development, and economic development priorities are addressed.	SUPPORT Priority 4S Support letter 4/6/21
SB 643 (Archuleta) Fuel Cell Electric Vehicle Fueling Infrastructure	9/9/21 Governor’s Desk	This bill would require the California Energy Commission to prepare a statewide assessment of the fuel cell electric vehicle fueling infrastructure and fuel production needed to support the adoption of zero-emission trucks, buses, and off-road vehicles.	Watch Priority 4S
SB 671 (Gonzalez) Clean Freight Corridor Efficiency Program	9/9/21 Governor’s Desk	This bill would establish the Clean Freight Corridor Efficiency Program to establish criteria for identifying freight corridors-throughout the state that would be priority candidates for the deployment of zero-emission medium- and heavy-duty vehicles.	Watch Priority 2S
SB 674 (Durazo) Public Contracts: workforce development: covered public contracts	9/9/21 Two-year bill	This bill would require the Labor and Workforce Development Agency to create the California Jobs Plan and the United States Jobs Plan, which requires private entities bidding on covered public contracts over \$10 million related to the procurement, manufacturing, installation, and maintenance of transportation infrastructure, excluding contracts for road, bridge, or highway construction, to include as part of their application a form stating information about jobs created and retained.	Watch Priority 1S
SB 726 (Gonzalez) Alternative fuel and vehicle technologies: transportation sustainability strategy	9/7/21 Two-year bill	This bill would require the California State Resources Board and the State Energy Resources Conservation and Development Commission to develop a comprehensive transportation sustainability strategy. The bill would require the Board, as part of the 2027 update of the scoping plan, to set a greenhouse gas emissions reduction target for the transportation sector.	Watch Priority 1S

TAMC Bill Matrix – October 2021

Measure	Status	Bill Summary	Recommended Position
SB 735 (Rubio) Vehicles: speed safety cameras	4/13/2021 Two-year bill	The bill would authorize a local authority to use a traffic speed safety camera system to enforce speed limits in a school zone.	SUPPORT Priority 9S Support letter 5/11/21
SB 771 (Becker) Sales and Use Tax Law: zero emissions vehicle exemption	5/26/21 Two-year bill	This bill would provide a state sales tax exemption on the purchase of an electric or a hybrid electric vehicle. The bill no longer impacts local sales tax revenue as amended, removing TAMC’s opposition.	Watch Priority 1S Oppose unless amended letter 4/6/21
SB 790 (Stern) Wildlife connectivity mitigation credits	9/9/21 Governor’s Desk	This bill authorizes the Department of Fish and Wildlife (DFW) to give Caltrans mitigation credit for wildlife crossing projects. The bill could be useful for addressing work on State Route 68. As amended, the bill prohibits, in each fiscal year, DFW from providing compensatory mitigation credits for more than 10 new projects or for more than 2 of those projects in each region.	SUPPORT Priority 11S Support letter 5/27/21; ltr to Gov 9/16
SB 792 (Glazer) Sales and use tax: retailers: reporting	9/10/21 Governor’s Desk	This bill would require a retailer whose annual sales of tangible personal property transacted online exceeded \$50,000,000 for the previous calendar year to track and report to the department the city or ZIP code where the purchaser resides for each sale within the state that is transacted online. Tracking the location of online purchases may help Measure X revenues.	SUPPORT Priority 1S Support letter 4/6/21; ltr to Gov 9/16

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THIS WEEK IN WASHINGTON

Week of September 13-17, 2021

FEDERAL UPDATE

The House was again in a “committee work period” this week, with several committees concluding work on their respective legislative proposals for the budget reconciliation bill as further detailed below. Both the House and Senate will be in session next week, with the House now expected to vote on a continuing resolution (CR) to fund the federal government (likely through early December), thereby avoiding a government shutdown if no extension is passed before the end of the Fiscal Year (FY) on September 30th. Also of note, with a looming debt limit crisis that would likely occur by mid-October without an increase to, or suspension of, the debt ceiling, Democratic leadership is also considering attaching a temporary suspension to the CR. The Senate will also be in session next week and will continue with consideration of several of President Biden’s judicial nominees. Although the Senate Appropriations Committee had planned to markup several of its pending appropriations bills next week, earlier today Committee Chairman Pat Leahy (D-VT) abruptly postponed the markups citing a lack of progress on negotiations with Republicans over topline levels for defense and nondefense discretionary spending.

BUDGET RECONCILIATION

As referenced above, eight House Committees tasked with drafting portions of the reconciliation package all completed their respective markups this week (with the other five having previously marked up their sections) and all submitted their sections to the House Budget Committee by the September 15th deadline. Earlier this week, the House Agriculture Committee completed their markup session that began last Friday, the Financial Services and Energy & Commerce Committee marked up their proposals that were unveiled last week, and the House Homeland Security, Judiciary, Veterans Affairs, and Transportation & Infrastructure Committees held markups of their respective proposals that were unveiled late last Friday evening. Of particular note, the Energy & Commerce Committee’s title that would allow Medicare to negotiate certain drug prices to lower out-of-pocket costs was stalled when three Democrats – Reps. Scott Peters (D-CA), Kurt Schrader (D-OR), and Kathleen Rice (D-NY) - joined all Republicans on the Committee in voting against the measure over concerns it could discourage private investments into the research and development of new drugs. As outlined below, the Ways & Means Committee advanced a similar drug pricing provision this week as part of its own reconciliation proposal, although as negotiations within the Democratic caucus continue on this and other components of the broader package, the drug pricing provision could be further amended by the Rules Committee before the full package reaches the floor.

The Ways & Means Committee this week unveiled and marked up several health care expansion provisions similar to those proposed by the Energy & Commerce Committee, as well as proposals related to clean energy, infrastructure and social safety net programs, which when combined with the proposals marked up by the panel last week would cost approximately \$1.3 trillion over 10 years (partially based on a projected economic growth dividend). The Committee also unveiled and marked up several tax cuts and increases this week that would raise approximately \$2.2 trillion over 10 years according to the Joint Committee on Taxation (JCT). These include a top corporate tax rate of 26.5 percent for companies making more than \$5 million, a 25-percent rate on long-term capital gains and a top individual income rate of 39.6-percent starting at \$400,000 in annual income and an extra 3 percent surcharge beginning at \$5 million. Of note, the tax proposals did not include a full or even partial repeal of the \$10,000 cap on

the state and local tax (SALT) deduction established by the 2017 Tax Cuts and Jobs Act, although there are ongoing efforts by some Democrats in Congress to include some form of SALT relief in the final budget reconciliation bill.

The House Budget Committee is expected to package the legislative proposals from each House Committee as early next week. Earlier this summer, House Speaker Nancy Pelosi (D-CA) indicated she would not bring the reconciliation bill to the floor before resolving differences with the reconciliation proposals from the Senate. While no formal proposals have come out of the Senate Committees at this point, this week Senate leadership began floating several policy changes to the proposals from the House Committees, including but not limited to a shorter extension of the child tax credit, restructured funding for child care and the Civilian Climate Corps, and replacing the clean energy tax incentives included in the Ways & Means Committee proposals with Senate Finance Committee legislation (*Clean Energy for America Act*; *fact sheet available [here](#)*) that was marked up earlier this year to consolidate 40 existing energy-related tax breaks into three separate tax clean energy tax incentives.

For your reference, we have included below several highlights from the various Committee proposals unveiled and marked up this week:

House Transportation & Infrastructure Committee (bill text available [here](#); section-by-section available [here](#))

Highways & Transit

- **\$10 billion** for a joint effort through the Secretary of Housing and Urban Development (HUD) and Federal Transit Administrator to support access to affordable housing, job and community services, and improve mobility of low-income individuals and residents of persistent poverty areas through the establishment of new transit routes, expansion of service areas, improved frequency on existing routes; the provision of fare-free and reduced-fare transit service; state of good repair for transit facilities; research and workforce activities; route planning; and projects to improve accessibility.
- **\$4 billion** for Community Climate Incentive Grants to reduce surface transportation greenhouse gas emissions, of which **\$950 million** for incentive grants to states to make progress in reducing emissions and adopting strategies to achieve net-zero surface transportation emissions by 2050 and **\$3 billion** would be for grants to non-state entities for projects to reduce carbon emissions.
- **\$4 billion** for Neighborhood Access and Equity Grants to support neighborhood equity, safety, and affordable transportation access, of which **\$3.95 billion** would be for competitive grants through FHWA to reconnect communities divided by infrastructure barriers and mitigate negative impacts of transportation facilities or construction projects on disadvantaged or underserved communities, and support equitable transportation planning and community engagement activities. **\$1.58 billion** would be set aside for disadvantaged and underserved communities, and communities that have taken steps to ensure residents will not be displaced, and **\$50 million** would be for the FHWA to provide technical assistance to local governments.
- **\$6 billion** to “advance local surface transportation priorities”

Rail

- **\$10 billion** for passenger rail improvement, modernization and emission reduction grants; for high-speed rail corridor assistance, supporting the planning and development of public high-speed rail projects.
- **\$150 million** for Railroad Rehabilitation and Improvement Financing Credit Assistance to support additional railroad infrastructure development.

Federal Emergency Management Agency (FEMA)

- **\$300 million** for FEMA grants to state, local, tribal and territorial governments to update and enforce hazard resistant building codes and standards
- **\$500 million** for the Hazard Mitigation Revolving Loan Fund

- **\$25 million** to upgrade the Integrated Public Alert and Warning System (IPAWS) for the implementation of Next Generation Warning Systems for public broadcasters
- **\$425 million** for grants (limited to \$4 million) to construct, retrofit, and update planning requirements for state, local, and tribal emergency operations centers
- **\$200 million** for the construction, renovation, retrofit, technological enhancement, and updated planning requirements of federal emergency training centers and federal emergency operations centers

Economic Development

- **\$5.5 billion** for the Economic Development Administration (EDA), including:
 - **\$4 billion** to invest in the creation of regional innovation hubs;
 - **\$1 billion** for the EDA's Economic Adjustment Assistance program to fund pre-developed activities and provide assistance to energy and industrial transition communities; and,
 - **\$500 million** for Public Works projects
- **\$4 billion** to establish a formula-based grant pilot program at EDA to improve eligible area's prime age employment rate by providing long-term assistance to persistently distressed communities

Water Resources

- **\$2 billion** for sewer overflow and stormwater reuse municipal grants, with greater federal cost share for projects that serve financially distressed communities
- **\$495 million** in critical investments to support small, rural, and other economically-challenged communities in meeting the technical and financial requirements of the Clean Water Act, as well as to invest in maintaining an adequate supply of trained personnel to operate and maintain existing and future sewage treatment plants
- **\$125 million** for alternate water source project grants including groundwater and potable reuse projects
- **\$450 million** for the installation, repair, or replacement of domestic septic systems, including investment in connecting households with failing septic systems to public sewer systems. This section prioritizes this investment to low-income households that lack access to sewage treatment technologies, including households that currently use cesspools to capture sewage
- **\$5 million** for an assessment of wastewater system capital improvement needs of all treatment works in the United States that are eligible for assistance from state water pollution control revolving funds

House Ways & Means Committee (Subtitles F,G,H,J bill text [here](#); Subtitles F,G,H,J section-by-section [here](#); Subtitle I bill text [here](#); Subtitle I section-by-section [here](#))

Infrastructure Financing

- Revives Obama-era "Build America Bonds" (rebranded as "qualified infrastructure bonds") that subsidize state and local governments to issue taxable municipal bonds that pay out higher yields to investors than traditional tax-exempt municipal bonds. Issuers may elect to have an otherwise tax-exempt bond treated as a qualified infrastructure bond, the interest on a qualified infrastructure bond is taxable to the bondholder and the issuer of the bond is allowed a credit equal to the applicable percentage of each interest payment (depending on calendar year).
- Restores the tax-free status of advance refunding bonds (repealed in 2017 Tax Cuts and Jobs Act) for state and local governments to refinance older debt at lower interest rates.

- Raises the \$10 million annual cap on tax-exempt bonds during the calendar year for infrastructure and other state and local projects sold directly to the local banks to \$30 million.
- Exempts water and sewer projects from the private activity bond annual issuance cap.
- Expands the definition of exempt facility bond eligible for tax-exempt private activity bond financing to include any bond issued if 95-percent or more of the net proceeds are to be used to provide zero-emission vehicle infrastructure.
- Establishes a 30% tax credit for state, local and tribal governments for the operations and maintenance costs of government-owned broadband.
- Expands and makes permanent the “New Market Tax Credit” for investments in low-income communities.
- Expands the low-income housing tax credit (LIHTC) through increasing annual LIHTC allocations, temporarily reducing the tax-exempt private activity bond (PAB) financed by threshold from 50% to 25% for buildings financed by obligations issued in 2022-28, and providing a 50% boost to units serving extremely low-income tenants as long as 20% of units in the building are reserved for households earning no more than 30% of the area median gross income or the federal poverty line.
- Establishes a new tax credit of up to 35% for the rehabilitation of deteriorated homes in distressed neighborhoods.

Green Energy

- Provides a refundable income tax credit of \$4,000 for new qualified plug-in electric vehicles placed into service during the taxable year, plus an additional \$3,500 if the qualified vehicle is placed into service prior to Jan. 1, 2027.
- Extends and increases the nonbusiness energy property tax credit, including increasing the credit for installing energy efficiency improvements from 10% to 30%.
- Extends the credit for the cost of qualified residential energy efficient property expenditures.
- Expands the energy efficient commercial buildings deduction by increasing the maximum deduction.
- Extends and increases the new energy efficient homes credit through 2031; \$2,500 credit for energy efficient single family and manufactured new homes.
- Creates a new refundable credit for the purchase of used plug-in electric cars (\$1,250 with additional incentives for battery capacity).
- Creates a new credit for qualified commercial electric vehicles (30 percent of the cost of the vehicle)
- Extends the tax credit for the purchase of qualified fuel cell vehicles.
- Extends the alternative fuel vehicle refueling property credit through 2031 and expands the credit for zero-emission charging infrastructure.
- Reinstates and expands the qualified bicycle commuting benefit and increases the benefit from \$20 per month to \$52.50 per month.

- Establishes a new 15% refundable tax credit for qualified electric bicycles placed into service before January 1, 2032.
- Creates a capped refundable competitive credit of \$1 billion for institutions of higher education for environmental justice programs.
- Reinstates the Hazardous Substance Superfund Financing Rate on crude oil and imported petroleum products at the rate of 16.4 cents/per gallon.

Social Safety Net Programs

- **Child Tax Credit:** Provides a one-year extension of the child tax credit (CTC) and advance payment through 2022 and increases the safe harbor amount to \$3,000 (\$3,600 for a child under the age of 6) in cases where repayment may be required, and establishes a monthly CTC and advance payment through 2025 in which each qualifying child aged 6 years or younger would receive \$300 and each qualified child aged 6-17 would receive \$250, phased out for households with incomes above \$150,000 (for joint filers \$400,000).
- **Child and Dependent Care Tax Credit:** makes the modifications to the child and dependent care tax credit (CDCTC) made for 2021 in the American Rescue Plan Act permanent. These modifications included making the credit fully refundable, increasing the maximum credit rate to 50 percent, and increasing the phase-out threshold to \$125,000 instead of \$15,000.
- **Supporting Caregivers:** provides a non-refundable credit, up to \$4,000, equal to 50 percent of the qualified expenses paid or incurred by a qualified care recipient during the taxable year through 2025
- **Earned Income Tax Credit:** makes the temporary “childless Earned Income Tax Credit (EITC)” expansion included in the American Rescue Plan permanent and increases the childless EITC credit and phase-out percentage from 7.65 to 15.13 percent
- **Higher Education:** provides a 40% general business credit for qualified cash contributions to public universities in connection with a qualifying research infrastructure program; provides a reduction in private college and universities’ investment income excise tax liability determined by the amount of qualified undergraduate scholarship and grant aid are provided by the institution relative the aggregate undergraduate tuition and fees during the taxable year; excludes Federal Pell Grants from gross income for purposes of the American Opportunity Tax Credit (AOTC); and repeals the prohibition excluding students convicted of state or felony drug offenses from claiming the AOTC.

Taxes

- **Corporate Tax Rate:** Replaces the flat corporate tax rate with a graduated rate structure of 18% for the first \$400,000 of income, 21 percent on income up to \$5 million, and 26.5 percent on income thereafter; the graduated rate would phase out for corporations making more than \$10 million and personal services corporations would not be eligible for graduated rates.
- **Tax Increases for High-Income Individuals:** increases the top marginal individual income tax to 39.6% applied to unmarried individuals with taxable income over \$400,000, heads of households with taxable income over \$425,000, married couples filing jointly with taxable income over \$450,000, married couples filing separate returns with taxable income over \$225,000, and estates and trusts with taxable income over \$12,500; increases the capital gains rate to 25%; and owners of “pass-through businesses” would pay an extra 3.8 percent tax and lose access to a 20 percent deduction once they make over \$400,000 per year (\$500,000 for married couples filing jointly)
- **\$78.9 billion** for the Internal Revenue Service (IRS) to strengthen tax enforcement activities, increase voluntary compliance, and modernize information technology to support these activities

Drug Pricing

- Requires the Department of Health and Human Services (HHS) to negotiate with drug manufacturers to lower the cost of prescription drugs, including high priced and commonly used drugs like insulin, and caps out-of-pocket costs for Medicare Part D beneficiaries at \$2,000 per year

House Judiciary Committee (bill text available [here](#))

- **\$2.5 billion** for the Department of Justice (DOJ) to fund evidence-informed strategies to reduce community violence and fund community violence intervention programs that address the cycles of violence in communities (Office of Justice Programs, Community Oriented Policing Services, Office on Violence Against Women).
- Funding to provide a path to legal permanent residence (LPR) for Dreamers, Temporary Protected Status holders, and essential workers.
- Restores availability of immigrant visas lost due to the COVID-19 pandemic and bureaucratic delays, and “recaptures” green cards that went unused from 1992 and 2021 to reduce visa backlogs that stretch years.
- **\$2.8 billion** for U.S. Citizenship and Immigration Services (USCIS) to build capacity to reduce case processing backlogs.

House Veterans Affairs Committee (bill text available [here](#))

- **\$15.2 billion** for VA infrastructure improvements and general operations of VA hospitals and national cemeteries through 2031, taking into consideration the integration of climate resiliency into infrastructure as well as the needs of underserved areas and underserved veterans populations.
- **\$455 million** for enhanced-use leases, in which the VA out-leases its underutilized real estate holdings to the private sector for up to 75 years and properties are developed into housing for homeless and at-risk veterans and their families.
- **\$1.8 billion** for the VA to lease to medical facilities for the treatment of veterans.
- **\$150 million** for costs associated to records scanning and benefits claims processing to address the backlog of benefits claims.

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THIS WEEK IN WASHINGTON

Week of September 20-24, 2021

FEDERAL UPDATE

Both the House and Senate were in session this week, with negotiations among Democrats continuing on several key pending legislative items, as outlined below, and the House taking the first step to avoiding a government shutdown by extending funding for the federal government beyond the end of the current fiscal year on September 30th.

FISCAL YEAR (FY) 2022 APPROPRIATIONS & DEBT CEILING SUSPENSION

As referenced above, the House this week passed a Continuing Resolution (CR) to fund the federal government beyond next Thursday's deadline, although as outlined below, the CR in its current form is likely doomed in the Senate. Approved by a party-line vote of 220-211, the CR (H.R. 5305; *bill text available [here](#); summary available [here](#)*) would extend funding at existing levels through December 3rd for the majority of the federal government, while also providing nearly \$35 billion in supplemental and emergency spending, including \$6.3 billion in supplemental spending to support the resettlement of Afghan refugees and \$28.6 billion to respond to recent natural disasters and extreme weather events such as hurricanes, droughts, and wildfires. As outlined in the section-by-section summary, the CR includes \$10 billion for the Department of Agriculture to cover losses from natural disasters in both 2020 and 2021, \$3 billion for the U.S. Army Corps of Engineers to accelerate construction of flood and storm damage reduction projects, \$2.08 billion to repair damages to Corps projects caused by natural disasters, and \$1.36 billion for U.S. Forest Service expenses related to natural disasters, including wildfires, in 2019, 2020, and 2021.

Of particular note, faced with a looming debt limit crisis projected to occur by mid-October if no action is taken on the debt ceiling, the House-passed CR includes a suspension of the debt ceiling through December 16, 2022. The suspension's inclusion means the CR cannot pass the Senate, as Senate Minority Leader Mitch McConnell (R-KY), along with 45 Senate Republicans, have said they will not support raising or suspending the debt limit due to Democrats pursuing "massive and unprecedented" spending without seeking Republican input. McConnell has suggested that if Democrats want to advance their agenda using the budget reconciliation process then, with control of Congress and the White House, Democrats can and should also address the debt limit through their pending budget reconciliation bill. Doing so, however, would present procedural hurdles related to amending the existing budget resolution to address the debt ceiling, and would also likely require Democrats to increase the debt limit by a specific amount, rather than providing a temporary suspension, which would likely be less politically palatable for many moderate Democrats as opposed to simply voting to suspend.

Also of note, the House-passed CR does not include an extension of the current surface transportation authorization (*FAST Act*); the current one-year extension of the FAST Act is set to expire on September 30th and the CR's lack of an extension puts more pressure on the House to pass the Senate-passed infrastructure package (outlined below) that includes a five-year, \$567 billion surface transportation reauthorization.

INFRASTRUCTURE & BUDGET RECONCILIATION

As previously reported, House Democratic Leadership struck a deal with moderate House Democrats in August whereby leadership promised that the nearly \$1.2 trillion bipartisan *Infrastructure Investment and Jobs Act* (IIJA), that includes \$550 billion in new spending and a five-year surface transportation reauthorization, would be taken up on

the House floor no later than this Monday, September 27th, and in return moderates would vote in support of the FY 2022 budget resolution to initiate the budget reconciliation process. Many progressive House Democrats, however, have threatened to oppose the IIJA if the massive budget reconciliation bill is not considered prior to or in tandem with the IIJA, worried that moderates might reduce the size of the reconciliation package once the IIJA was approved. House Majority Leader Steny Hoyer (D-MD) indicated earlier today that leadership still plans to bring IIJA to the floor on Monday, and that the House will plan to consider the budget reconciliation bill, as detailed further below.

If IIJA were to fail in the House next week, the path forward on surface transportation reauthorization remains unclear as an extension was not included in the stopgap funding measure that passed the House this week. House Transportation & Infrastructure Committee Chairman Peter DeFazio (D-OR) and Senate Environment and Public Works (EPW) Committee Chairman Tom Carper (D-DE), however, have indicated they are exploring options for a short-term reauthorization to avoid a lapse in surface transportation authority and a halt in highway projects across the country.

Budget Reconciliation

As referenced above, House Democratic leadership indicated they are planning to bring Democrats' \$3.5 trillion budget reconciliation bill containing several domestic policy priorities of the Biden White House to the floor next week. On Thursday, House Budget Committee Chairman announced his committee will meet tomorrow, Saturday September 24th, to markup and package the 13 House Committees' policy proposals for reconciliation into one bill. Progress on the bill stalled this week over policy disputes within the Democratic Caucus, including those related to the overall cost of the package as well as specific tax and revenue provisions. President Biden met with Democratic leadership and dozens of House and Senate Democrats this week seeking to reach a compromise on the reconciliation package, and while no immediate progress was made during these meetings we expect negotiations to continue through the weekend.



DRAFT 2022 Legislative Program

State Priorities

- 1S.** Preserve funding for transportation projects, maximize formula funding to regions, and preserve regional discretion and priority-setting.
- 2S.** Pursue competitive grant or bond funding for highway safety, traffic congestion relief, trade corridors, passenger rail, public transportation, infrastructure resiliency, and bicycle and pedestrian routes for Monterey County projects.
- 3S.** Promote jobs-housing balance and alternative transportation modes as ways to reduce vehicles miles traveled, such as via funding reduced transit fares, while maintaining statewide equity between urban and rural areas.
- 4S.** Support funding for electric vehicle charging infrastructure, electric power storage capacity, and rebates for electric vehicle purchase.
- 5S.** Explore replacement funding mechanisms for transportation investments, such as a pay-by-the-mile user fee, public private partnerships, vehicle registration fee, or wholesale energy taxes, that are equitable to disadvantaged and rural areas.
- 6S.** Support funding to increase broadband infrastructure capacity to help bridge the digital divide, including promoting new server farms in rural areas, and to encourage telecommuting to reduce vehicle miles traveled.
- 7S.** Support the use of State rail funding to implement new state-supported passenger rail service on the Coast Route to help the State meet transportation and greenhouse gas emission reduction goals.
- 8S.** Support efforts to reauthorize Public Private Partnership authority, public tolling authority, and design-build authority, expand mode eligibility, and allow for regional control of such projects
- 9S.** Support legislation to increase safety and reduce fatalities by modifying laws establishing speed limits to be based on safety considerations, with attention to enforcement of speed limits.

- 10S.** Support legislation to devote more funding to the oversubscribed Active Transportation Program.
- 11S.** Support streamlining project delivery, including simplifying grant program applications, raising encroachment permit thresholds, and accelerating project permit approvals.
- 12S.** Coordinate with the Monterey-Salinas Transit District (MST) to update Transportation Development Act (TDA) law.
- 13S.** Support MST efforts to seek funding to implement the infrastructure needed to meet the deadlines of the Innovative Clean Transit (ICT) Regulation transition to a 100 percent zero-emission bus fleet by 2040.
- 14S.** Support legislation that promotes transit-oriented development (such as via redevelopment or opportunity zones), complete streets, alternative commutes, multi-modal transportation, bikes on board trains and buses, and active transportation projects.
- 15S.** Reform the Brown Act to enhance transparency and public access to allow the use of remote access to public meetings without requiring noticing of all remote Board or committee member locations, provided the public can participate via remote access software or in-person.
- 16S.** Support member agencies' requests for state funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities, when they are consistent with Transportation Agency for Monterey County priorities.

DRAFT 2022 Legislative Program

Federal Priorities

- 1F.** Support stabilizing and increasing transportation infrastructure funding sources to avoid the bankruptcy of the federal highway and transit trust funds in the multimodal transportation authorization bill:
1. Support an adequate level of funding for Monterey-Salinas Transit (MST) ~~to restore pre-COVID-19 service levels~~ through advocacy on a new transportation bill with appropriations sufficient to ensure immediate access to funding.
 2. Increase and index the gas tax to inflation.
 3. Explore innovative funding mechanisms, such as a vehicle registration fee, pay-by-the-mile user fee, public private partnerships, or wholesale energy taxes, that are equitable to disadvantaged and rural areas.
 4. Expand access to Transportation Infrastructure Finance and Innovation Act (TIFIA) loans.
 5. Remove procedural obstacles that impede expenditure of authorized federal funding, including cash flow options for small and rural grantees.
 6. Support the return of directed federal funding for transportation priorities.
 7. Coordinate with military installations in Monterey County to seek funding for transportation projects with a nexus to those installations.
 8. Support ~~Monterey-Salinas-Transit-MST~~ application for federal funding for the SURF! Bus Line in the Monterey Branch Line corridor.
 9. Support applications for the Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grant program on the California Central Coast.
 10. Support funding for resilient infrastructure projects.
- 2F.** Allow the California Environmental Quality Act (CEQA) to substitute for the National Environmental Policy Act (NEPA), and expand the definition of Categorical Exclusions, while retaining environmental protections.

- 3F.** Advocate for the Federal Communications Commission to regulate broadband/internet access as a utility to enable the increase of broadband infrastructure capacity to help bridge the digital divide and to encourage telecommuting.
- 4F.** Support streamlining of federal rail funding and removal of funding barriers between commuter and intercity rail programs, with the goal of increasing integrated passenger rail service for the traveling public.
- 5F.** Support an adequate level of funding for Amtrak ~~to restore pre-COVID-19 service level~~ and support a fair share allocation to California for capital improvements and vehicle acquisition.
- 6F.** Support member agencies' requests for federal funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities, when they are consistent with Transportation Agency for Monterey County priorities.



Memorandum

To: Board of Directors
From: Michael Zeller, Principal Transportation Planner
Meeting Date: October 6, 2021
Subject: **2022 Regional Transportation Improvement Program**

RECOMMENDED ACTION:

RECEIVE update and **PROVIDE FEEDBACK** on the funding proposal for the 2022 Regional Transportation Improvement Program.

SUMMARY:

To ensure efficient coordination among various fund sources, the 2021 Integrated Funding Plan identifies projects that are strong candidates for specific Senate Bill 1 grants, State Transportation Improvement Program funds, Measure X, and other matching funds, and can be brought to construction over the next five years. As a subset of that plan, the Regional Transportation Improvement Program specifies the region's proposed use of certain state funds to the California Transportation Commission.

FINANCIAL IMPACT:

The Transportation Agency for Monterey County's target share per the 2022 State Transportation Improvement Program Fund Estimate is \$8.973 million.

DISCUSSION:

Several of the strategic goals identified by the Transportation Agency Board of Directors are to deliver the Measure X regional program of projects, while strategically utilizing debt financing to expedite delivery, and leveraging as much matching funds as possible. With the passage of California Senate Bill 1 (Beall), several new transportation funding programs were created from which the Transportation Agency will potentially be able to leverage Measure X and other existing fund sources. To ensure coordination between the various fund sources, which all have different requirements and eligibility, the Transportation Agency prepared the 2021 Integrated Funding Plan that coincides with the 2022 State Transportation Improvement Program cycle.

The Regional Transportation Improvement Program (RTIP) is a program of highway, local road, transit and active transportation projects that a region plans to fund with State and Federal revenue programmed by the California Transportation Commission in the State Transportation Improvement Program (STIP). The RTIP is developed biennially by the regions and is due to the Commission by December 15 of every odd numbered year.

Staff's funding proposal for the 2022 Regional Transportation Improvement Program reflects TAMC's dedication to improving statewide and regional travel by constructing high-priority highway, regional road, rail, and bicycle and pedestrian transportation projects throughout the region. To that end, the Transportation Agency selected projects to program in the 2022 Regional Transportation Improvement Program that are either ready for construction or moving quickly through pre-construction phases; are regional priority projects in Measure X with multimodal

features; are in the adopted or draft Sustainable Communities Strategy; and are excellent candidates for the Senate Bill 1 grant programs.

The 2021 Integrated Funding Plan project list was approved by the Transportation Agency Board at the May 26, 2021 meeting. The attached project list (**Attachment 1**) is a modified version showing the new project funding information. A summary of staff's new funding recommendations follows (new programming is underlined):

- **Scenic State Route 68 Corridor:** This project received \$3,400,000 of State Transportation Improvement Program funds in fiscal year 2018/19, along with \$2.6 million of federal Highway Infrastructure Program funds, for the environmental phase. Caltrans has informed Agency staff that an additional \$3.259 million will be necessary to complete the environmental phase to design and conduct environmental assessments on the roundabouts proposed for the corridor. Staff is proposing to use \$799,000 of unprogrammed federal Highway Infrastructure Program funds, \$831,000 of 2022 State Transportation Improvement Program funds, and \$1.630 million of unprogrammed State Local Partnership Program formula funds to cover this amount. The project also has an additional \$18.6 million of State Transportation Improvement Program funds currently programmed in fiscal year 2022/23 for the final design and right-of-way phases that is being shifted to fiscal year 2023/24 to align with the current project schedule. Finally, staff is proposing to program \$6.169 million of 2022 State Transportation Improvement Program funds to the construction of Phase 1 improvements as a match for a potential future Senate Bill 1 Congested Corridors grant in fiscal year 2025/26.
- **US 101 South of Salinas Corridor:** This project is currently programmed with \$8,611,000 of State Transportation Improvement Program funds for the environmental phase in fiscal year 2021/22. Staff is proposing to program \$1.973 million of 2022 State Transportation Improvement Program funds in fiscal year 2022/23 to fully-fund the environmental phase. Caltrans has the option to request these funds in an earlier fiscal year if the project moves ahead of schedule.

In addition to the new funding listed above, staff is proposing to carry-over the existing funding that is programmed for the State Route 156 / Castroville Boulevard Interchange Project and Packages 2 and 3 of the Salinas Rail Extension project. Agency staff will revise the plan based on comments received and prepare a revised proposal for the October Board meeting. At the December Board meeting, Agency staff will bring the finalized proposal forward as the Regional Transportation Improvement Program, which is the document the Agency is required to submit in order to receive the County's share of State Transportation Improvement Program funds.

ATTACHMENTS:

- 2022 Regional Transportation Improvement Program - Staff Funding Proposal

Transportation Agency for Monterey County
2021 Integrated Funding Plan (all dollars in \$1,000s)
 Revised for 2022 Regional Transportation Improvement Program



	Prior	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Funding
State Route 68 Safety & Traffic Flow	Env't		Env't	Design & ROW		Con -Phase 1		
State Transportation Improvement Program	\$ 3,400		-->	\$ 18,603				\$ 22,003
Highway Infrastructure Program	\$ 2,594							\$ 2,594
Measure X	\$ 640							\$ 640
State Transportation Improvement Program - 2022			\$ 831			\$ 6,169		\$ 7,000
SB1 Local Partnership Formula - FY21/22			\$ 1,630					\$ 1,630
Highway Infrastructure Program - FY21/22			\$ 799					\$ 799
	\$ 5,994	\$ -	\$ 3,260	\$ 18,603	\$ -	\$ 6,169	\$ -	\$ 34,026
State Route 156 - A: Castroville Boulevard Interchange	Design & ROW	Con						
State Transportation Improvement Program	\$ 25,700	\$ 4,111						\$ 29,811
Federal DEMO	\$ 312							\$ 312
Measure X		\$ 389						\$ 389
Developer Fees		\$ 5,000						\$ 5,000
SB 1 Trade Corridors		\$ 20,000						\$ 20,000
	\$ 26,012	\$ 29,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,512
US 101 Safety Improvements - South County	Study	Env't	Env't					
Measure X	\$ 440							\$ 440
State Transportation Improvement Program		\$ 8,611						\$ 8,611
State Transportation Improvement Program - 2022			\$ 1,973					\$ 1,973
	\$ 440	\$ 8,611	\$ 1,973	\$ -	\$ -	\$ -	\$ -	\$ 11,024
Salinas Rail Extension - Packages 2 (Layover) & 3 (Gilroy)	Design	Con						
State Transportation Improvement Program		\$ 12,573						\$ 12,573
Traffic Congestion Relief Program	\$ 5,500	\$ 15,742						\$ 21,242
SB 1 TIRCP		\$ 8,033						\$ 8,033
TAMC Reserve	\$ 437							\$ 437
	\$ 5,937	\$ -	\$ 36,348	\$ -	\$ -	\$ -	\$ -	\$ 42,285

Funds showing "-->" indicate a time extension on the use of the funds to shift into the next fiscal year from when the funds were originally programmed.