



April 6, 2020

TO: Board Members, Transportation Agency for Monterey County  
FROM: Gus Khouri, Principal  
Khoury Consulting LLC

**RE: STATE LEGISLATIVE UPDATE – MARCH**

---

On March 16, the California State Legislature approved [Assembly Concurrent Resolution 189](#) to adjourn the 2019-20 Regular Legislative Session for Spring Recess until at least April 13, due to the outbreak of the coronavirus pandemic. On April 3, the legislature extended the recess until May 5. We expect that date to change again. This has resulted in committee hearings being cancelled and staff being ordered to work remotely. The Capitol is not open to the public during this time. On May 20, Governor Newsom issued an Executive Order for all Californians to shelter in place, which could last through at least the end of May. In order to limit social gatherings, there has been conversation about the legislature reconvening for the sole purpose of addressing COVID-19 related items, emergency budget items, fire preparedness, and other emergency bills at some point in June. Legislators are being asked to have a short list of priority bills for possible consideration, although there is no guarantee that the Regular Session will resume. There has been discussion about shortening the Summer Recess to account for the lost time, but with the uncertain duration needed to flatten the curve of spreading the virus, the situation remains fluid.

**TAMC-Sponsored Legislation**

Senator Bill Monning has agreed to author legislation, SB 1231, on behalf of TAMC to improve safety through the State Route 156 Corridor (SR 156). The bill has been referred to the Senate Natural Resources and Water Committee.

**Transportation Development Act Reform**

The 1971 Transportation Development Act (TDA) dedicated a statewide 1/4 cent sales tax to local transportation. That 1/4 cent sales tax, now known as the Local Transportation Fund (LTF), generates over \$1.7 billion annually, primarily for public transit.

To be eligible to receive its full share of Local Transportation Funding, existing law requires a transit operator to meet a specified ratio of fare revenues to operating cost,

called farebox recovery ratios. Generally, existing law defines the minimum ratio necessary to receive all Local Transportation Funding as either 20% for urban operators, or 10% for operators in a non-urbanized area. If a transit operator fails to meet its specified farebox recovery ratios, existing law requires the Regional Transportation Planning Agency to withhold a percentage of the Local Transportation Fund equal to the percentage by which the operator missed its expected ratio. At the request of the legislature, the California Transit Association (CTA) has been leading working groups to determine the feasibility of either amending or overhauling the Transportation Development Act.

We have proposed that California Transit Association consider a prospective fix for operators in rural and suburbanized areas (Central Coast, rural counties in Northern California, and San Joaquin Valley) that would increase the “urbanized area” population threshold from 500,000 to 1 million, reflecting the doubling of the state’s population since 1971, and allow for those areas to consider using population density as a metric. Another suggestion was to allow for Local Transportation Funding to always be used for operations rather than restricting funding for capital purposes only. It seems logical that you should not purchase a bus that you cannot operate and that maintenance of existing service should be a priority.

Monterey-Salinas Transit has expressed an interest in a bill that can provide relief through a prospective global fix, particularly to address the high cost of providing paratransit service.

#### **California Transportation Commission Update**

There have been many changes at the California Transportation Commission. Paul Van Konynenburg has been named Chair, while Hilary Norton has been selected as Vice-Chair. Mitchell Weiss was also named Executive Director, succeeding Susan Bransen who retired. Speaker Rendon selected Joseph Lyo, President and CEO of the Coalition for Clean Air, as his appointee to the Commission, while Senate President pro Tempore Toni Atkins has reselected Christine Kehoe to serve. Governor Newsom has up to three nominations that he has to make: one is to fill a vacancy left by the resignation of Tamika Butler, while the other two he could either reappoint or find successors for Van Konynenburg and Lucy Dunn.

Governor Newsom however is delaying decisions on appointments. Currently, the Governor has 60 days to reappoint an incumbent. If he fails to do so, the position becomes vacant. On March 21, issued an [Executive Order](#) (Page 3, Item 9), that defers appointments by an additional 60 days. For the CTC, terms for Commissioners Dunn and Van Konynenburg’s were up on 3/31. The Order buys the Governor until 5/31 to reappoint either or both. The vacancy for the Tamika Butler vacancy will probably not be made until then as well.