



# Memorandum

## AGENDA ITEM 5

**DATE:** January 25, 2024  
**TO:** Transportation Authority Board  
**FROM:** Amber Crabbe - Public Policy Manager  
**SUBJECT:** 2/13/24 Board Meeting: Approval of the 2024 State and Federal Legislative Program

<p><b>RECOMMENDATION</b>   <input type="checkbox"/> Information   <input checked="" type="checkbox"/> Action</p> <p>Approve the 2024 State and Federal Legislative Program</p> <p><b>SUMMARY</b></p> <p>Every year, the Transportation Authority adopts high level goals and strategies to guide legislative strategy and advocacy while still providing the necessary flexibility to respond to specific bills and policies over the course of the legislative sessions. We developed the attached 2024 State and Federal Legislative Program in coordination with local, regional, and statewide partners. It continues many themes from prior years and builds on them to address new opportunities and legislation currently being discussed at the federal, state, and regional level. This year, it focuses on securing transportation funding; engaging in potential authorization for a regional revenue measure; ensuring reasonable oversight of autonomous vehicles; and supporting the city's equity, mobility, climate, and Vision Zero goals.</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Fund Allocation</li> <li><input type="checkbox"/> Fund Programming</li> <li><input checked="" type="checkbox"/> Policy/Legislation</li> <li><input type="checkbox"/> Plan/Study</li> <li><input type="checkbox"/> Capital Project Oversight/Delivery</li> <li><input type="checkbox"/> Budget/Finance</li> <li><input type="checkbox"/> Contract/Agreement</li> <li><input type="checkbox"/> Other: _____</li> </ul>
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## BACKGROUND

The State and Federal Legislative Program, adopted annually by the Transportation Authority Board, establishes a general framework to guide our legislative and funding advocacy efforts at the state and federal levels. Transportation Authority staff, and our advocacy consultants in Sacramento and Washington, D.C., will use this program to plan legislative strategies and communicate positions to the city's state and federal legislative delegations, other transportation agencies, and advocates, as well as to develop recommendations to bring to the Board, as appropriate.



The proposed 2024 State and Federal Legislative Program reflects key principles gathered from our common positions with the San Francisco Municipal Transportation Agency (SFMTA), the Mayor's Office, other city agencies, transit operators serving San Francisco, other local transportation sales tax authorities around the state, and the Metropolitan Transportation Commission (MTC); as well as our understanding of the most pressing issues facing the city, the region, and our partner agencies. It is presented in the form of principles rather than specific bills or legislative initiatives to allow staff the necessary flexibility to respond to legislative proposals and policy concerns that may arise over the course of the session. Throughout the year, we will be reporting on the status of bills that are of significance to the Transportation Authority and developing recommendations for positions as appropriate.

## **DISCUSSION**

Our 2024 State and Federal Legislative Program continues many themes from prior years and builds on them to address new opportunities and legislation currently being discussed at the federal, state, and regional level. Highlights are below.

### **State Advocacy**

**Bay Area Transit Coordination and Regional Revenue Measure.** In 2022, MTC began implementing the region's Transit Transformation Action Plan, which identifies actions to improve the connectivity and customer-facing features of Bay Area transit and actions for the region to pursue in the near-term. Over the past year, MTC has been conducting stakeholder engagement on a potential future regional revenue measure that would provide a stable source of ongoing transit operations funding as well as support for implementing capital projects across all transportation modes. Specifically, MTC has been working to determine how the measure could be structured, what it should fund, and what accountability provisions should be included. Senator Wiener recently introduced Senate Bill 925, which is an intent bill that his staff have signaled will ultimately carry the language to authorize MTC to place a measure on the ballot no earlier than 2026. At its January meeting, the MTC Commission will consider approving a structure for this authorizing language to submit to Senator Wiener's office for consideration. We have been working with MTC and SFMTA staff, as well as the Senator's staff directly, and engaging in conversations with other stakeholders (county transportation authorities, labor, advocates) to provide feedback about the proposed approach to hopefully maximize benefit to San Francisco and avoid provisions that could disbenefit the City and its transit operators moving forward.

**Transportation Funding.** In his January budget, Governor Gavin Newsom proposed to largely honor last year's \$5.1 billion transit funding deal (delaying some funding but not reducing funding levels), even in the face of what his team is estimating as a \$38 billion budget shortfall. MTC has committed \$445 million of the region's formula share to help with transit operator budget shortfalls, the bulk of it for SFMTA and San Francisco Bay Area Rapid



Transit District (BART), which also carry the majority of the region's transit ridership. Fortunately, MTC's analysis suggests the deferral of the funding will not affect the region's ability to sustain existing transit service through Fiscal Year (FY) 2025/26. However, we will have to continue to advocate that the funding is maintained in the final FY 2024/25 state budget. We will also have to continue seeking a stable source of new state funding for transit operations to help address ongoing financial shortfalls past FY 2025/26, especially in case the proposed 2026 transportation revenue measure is unsuccessful.

In 2024, we will also be working with MTC and others on a proposal to extend the state cap-and-trade program, which currently expires in 2030. A major reason we're seeking this is to shore up the Transit and Intercity Rail Capital Program, which is a key source of state funding needed for The Portal project, and for upcoming SFMTA and BART capital priorities. Prior Transit and Intercity Rail Capital Program (TIRCP) grant awards have made multi-year commitments of funding from future TIRCP cycles, so there is very little left that can be committed to projects until cap-and-trade is renewed. Extending the program could also provide an opportunity to secure a potential source of long-term transit operations funding, but there will likely be significant competing interests if the state decides to reopen discussions over the expenditure plan versus simply extending the existing program past 2030.

**Emerging Mobility and Innovative Strategies.** With respect to new transportation technology and innovative strategies, such as Transportation Network Companies and autonomous vehicles, we will continue to advocate for policies that balance their benefits and impacts; ensure safety, equity, and accessibility; and secure local access to data to provide transparency to inform local planning and regulation, where appropriate. Assemblymember Phil Ting has introduced Assembly Bill 1777, which states his intent to enact legislation regarding autonomous vehicles, specifically around traffic code enforcement and data reporting. We're working closely with SFMTA to provide input to Assemblymember Ting.

**Climate Goals.** In 2021, CalSTA approved the state's Climate Action Plan for Transportation Infrastructure (CAPTI), which established a state direction for reducing greenhouse gas emissions from the transportation sector. We will continue to advocate for the adjustment of state transportation investment strategies to better align with CAPTI while maintaining flexibility for local and regional jurisdictions to implement context sensitive greenhouse gas reduction strategies, including roadway pricing.

We will also work to support legislation that advances San Francisco's Climate Action Plan. This includes advocating for SFMTA's and other transit operators' efforts to secure state and federal funding as they work to transition their fleets to clean vehicles, consistent with the state's Innovative Clean Transit rule that requires public transit bus fleets to be 100% zero-emissions by 2040.

**Vision Zero.** This year we will continue to work with the SFMTA and other city agencies to advance San Francisco's Vision Zero goals. Building on 2020's findings from the state's Zero



Fatalities Task Force, we will support efforts that advance roadway safety. We will also support efforts to sustain or increase local authorization to set speed limits.

**Federal Advocacy:**

Federal funding for FY 2023/24 transportation programs (and all other government-funded programs that require appropriations) are currently stalled and the federal government has been utilizing continuing resolutions to temporarily extend current funding. Additionally, as 2024 is an election year, major legislation will have a tough time moving through Congress.

**Transportation Funding and Appropriations.** The 2021 approval of the federal Bipartisan Infrastructure Law included a five-year reauthorization of the federal transportation bill at around a 50% higher level than prior bills. In 2024, our focus will continue to be on securing transportation appropriations at or exceeding the authorized levels, sustaining new, innovative funding programs, and positioning priority projects for major future grant appropriations (e.g., The Portal, which is seeking to enter the federal Capital Investment Grant program this year). We also anticipate submitting projects for consideration through any annual earmark distribution process and beginning to engage in the process to reauthorize the current federal transportation bill, which expires on September 30, 2026.

**Emerging Mobility and Technology.** Despite the desire in Congress and the Administration to move forward with autonomous vehicle regulation, it will be very difficult to pass meaningful legislation through a divided Congress this year. However, we will continue to engage with policymakers on this topic, advocating for future regulations that set clear goals; perform data-driven research to evaluate the public benefits and impacts of these services; and mandate access to critical data for local and regional governments to ensure their safety, equity, and accessibility.

**CAC POSITION**

The CAC will consider this item at its January 24, 2024, meeting and unanimously adopted a motion of support for the staff position.

**FINANCIAL IMPACT**

The recommended action does not have an impact on the adopted Fiscal Year 2023/24 budget.

**SUPPLEMENTAL MATERIALS**

- Attachment 1 - Draft 2024 State and Federal Legislative Program
- Attachment 2 - Resolution

**Attachment 1**

San Francisco County Transportation Authority  
Draft 2024 State and Federal Legislative Program

STATE		
Area	Goal	Strategy
1. Funding	a. Secure new revenue and financing measures for transportation	<ul style="list-style-type: none"> <li>• Work with Senator Wiener in partnership with the Metropolitan Transportation Commission (MTC), local agencies, and other stakeholders to advance San Francisco’s priorities in the development of legislation to authorize the placement of a regional transportation funding measure on a future ballot, including oversight and accountability provisions with safeguards to protect core transit services.</li> <li>• With regional and state partners, seek additional supplemental funding to address transit operators’ pending fiscal cliffs (operating shortfalls) due to the COVID-19 pandemic and slower-than-expected ridership increases.</li> <li>• Monitor and potentially support efforts to establish other new transportation revenue mechanisms or to otherwise raise additional dedicated for transportation.</li> </ul>
	b. Protect transportation funding	<ul style="list-style-type: none"> <li>• Maintain transit operating funding at levels promised in the \$5.1 billion state transit package that was included in the Fiscal Year (FY) 2023/24 state budget. MTC has committed \$445 million of its share of these funds to help with transit operating shortfalls.</li> <li>• Advocate against the elimination or redirection of other funds dedicated to transportation (e.g., express lane revenue).</li> </ul>

**Attachment 1**

San Francisco County Transportation Authority  
Draft 2024 State and Federal Legislative Program

	<p>c. Secure cap-and-trade revenues for transportation</p>	<ul style="list-style-type: none"> <li>• Extend the state cap-and-trade program past 2030 to, among other things, increase the availability of funding for the Transit and Intercity Rail Capital Program (TIRCP) and other programs funded with this revenue source. Extending the cap-and-trade program past 2030 is critical for TJPA to secure a multi-year funding commitment to The Portal. An extension of cap-and-trade could also serve as a potential source of new ongoing funding for transit operations to help address transit operator budget shortfalls.</li> <li>• Maintain cap and trade funding for current transportation programs (e.g., transit operations, electric vehicle (EV) buses and infrastructure, transit expansion) and seek discretionary grants for San Francisco priorities.</li> </ul>
	<p>d. Modify allocation formulas for state transportation funds</p>	<ul style="list-style-type: none"> <li>• Advocate to use factors in formula distribution calculations that better tie transportation funding to the true demands placed on the system, such as daytime population or transit usage.</li> <li>• Advocate to modify the state definition of disadvantaged communities to better align with MTC's Equity Priority Communities.</li> </ul>
	<p>e. Improve implementation of state and regional grant programs (e.g., cap-and-trade, Active Transportation Program, Senate Bill 1 program, Transportation Fund for Clean Air)</p>	<ul style="list-style-type: none"> <li>• Advocate for grant eligibility, application, and allocation processes that are clear, relevant, streamlined, and flexible.</li> <li>• Advocate for a stronger role for regional and local governments in prioritizing projects for funding.</li> </ul>
	<p>f. Lower the 2/3 supermajority voter approval requirement for transportation taxes</p>	<ul style="list-style-type: none"> <li>• Review and potentially support amendments to Assembly Constitutional Amendment (ACA) 1, which passed the Legislature in 2023, to increase likelihood of its passage. If approved at the state ballot in November 2024, it would reduce the voter threshold from two-thirds to 55% for a city, county, or special district to approve a local tax measure that funds the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing.</li> </ul>

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San Francisco County Transportation Authority  
Draft 2024 State and Federal Legislative Program

<p>2. Policy Initiatives</p>	<p>a. Advance San Francisco's Vision Zero goals, improving safety for all users</p>	<ul style="list-style-type: none"> <li>• Work with local partners to identify and secure state and federal funding for Vision Zero projects.</li> <li>• Advocate to implement recommendations from the state Zero Traffic Fatalities Task Force.</li> <li>• Support efforts to improve safety for all road users, including supporting bills that advance complete streets, local speed limit setting, and best practices in safe roadway design.</li> <li>• Advocate for the California Public Utilities Commission (CPUC) and the Department of Motor Vehicles (DMV) to provide timely and transparent reporting and due diligence in regulatory requirements for autonomous vehicle passenger service permits.</li> </ul>
	<p>b. Support the Treasure Island Mobility Management Agency's (TIMMA) work for sustainable mobility on Treasure Island</p>	<ul style="list-style-type: none"> <li>• Seek funding and update authorizing legislation, as needed, for implementation of the Treasure Island Transportation Improvement Program.</li> </ul>
	<p>c. Improve reliability and efficiency of San Francisco's roadway network, transit network, and other transportation demand management (TDM) strategies</p>	<ul style="list-style-type: none"> <li>• Consider supporting new legislation that promotes innovative TDM strategies such as authorizing area-wide congestion pricing pilot programs as recommended in the city's Vision Zero Action Strategy and Climate Action Plan (2021) or mandating an employer-provided transit pass program as part of an updated regional Commuter Benefits Program ordinance, which also could support transit operations to help with forecasted financial shortfalls.</li> <li>• Continue to monitor and, as appropriate, provide input into the State Road Pricing Working Group, other working groups regarding roadway pricing strategies, and the state Road Charge Collection Pilot (Senate Bill 339 (Wiener)).</li> <li>• Support MTC's efforts to improve compliance with occupancy requirements in High Occupancy Vehicle lanes.</li> </ul>

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Draft 2024 State and Federal Legislative Program

	<p>d. Ensure the implementation of emerging mobility innovations (e.g., Transportation Network Companies (TNCs), scooters, autonomous vehicles) is consistent with new mobility principles</p>	<ul style="list-style-type: none"><li>• Working with Assemblymember Ting, lead the development of legislative proposals that ensure the transparency of data, an ability to enforce compliance with driver statutes, and incremental permitting procedures to ensure the safety, operational efficiency, and effective deployment of autonomous vehicle services. Ensure that local jurisdictions are included in the decision-making process for testing and deployment.</li><li>• Continue efforts to ensure emerging mobility is regulated and deployed in a way that balances benefits and impacts and ensures safety, equity, and accessibility. Ensure local authority is preserved as it relates to San Francisco’s local pilot and permit programs.</li><li>• Advocate for updated state regulations and state traffic codes, as appropriate, to ensure the safety, operational efficiency, climate benefits, and effective deployment of emerging mobility.</li><li>• Continue to support efforts to develop and implement requirements for Transportation Network Companies’ (TNCs’) greenhouse gas emissions and accessibility (e.g., California Air Resources Board’s (CARB’s) Clean Mile Standard, improving the transparency and integrity of CPUC TNC data.</li><li>• Seek cost recovery fees for addressing new mobility (e.g., autonomous vehicles) regulatory and policy activities in state rulemakings and hearings.</li></ul>
	<p>e. Advance the adoption and integration of EVs in a manner consistent with other city priorities</p>	<ul style="list-style-type: none"><li>• Advocate for EV legislation to be equitable and consistent with San Francisco’s other mobility policies (e.g., transit-first) and that addresses some of the unique challenges facing San Francisco’s deployment of EV infrastructure (e.g. curbside charging, installing EV chargers in multi-family dwellings).</li><li>• Support funding opportunities for EV infrastructure planning, promotion, and deployment. This includes expanding eligibility of existing or new state funds to help transit operators meet the state’s Innovative Clean Transit rule that requires public transit bus fleets to be 100% zero-emission by 2040.</li></ul>



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San Francisco County Transportation Authority  
Draft 2024 State and Federal Legislative Program

	<p>f. Advance legislative actions in support of other city policy goals</p>	<ul style="list-style-type: none"><li>• Support efforts to advance a more affordable, connected public transit system in the Bay Area with integrated and/or discounted transit fares to benefit both low-income transit riders and attract new riders to the system, provided a sustainable fund source is identified, informed by the Bay Area’s Transit Transformation Action Plan. Monitor proceedings of the new Statewide Transit Transformation Task Force, required by Senate Bill 125 (Wiener).</li><li>• Work with state and local partners to advance the implementation of the California State Transportation Agency’s (CalSTA’s) Climate Action Plan for Transportation Infrastructure (CAPTI), which seeks to align state investments with policies to reduce greenhouse gas emissions, reduce vehicle miles traveled, and provide clean transportation options.</li><li>• Support funding programs and policies that facilitate implementation of San Francisco’s Hazards and Climate Resilience Plan, Sea Level Vulnerability and Consequences Assessment, and Climate Action Plan. This includes engaging in any legislative effort to guide state expenditure on climate resiliency and adaptation projects.</li><li>• With other County Transportation Agencies (CTAs), work to modernize Congestion Management Program regulations to support key policies and reinforce CTAs’ role in state, regional, and local transportation planning, congestion management and funding.</li></ul>
<p>3. High-Speed Rail (HSR)</p>	<p>a. Strengthen state commitment to a blended HSR and electrified Caltrain system from San Francisco to San Jose</p>	<ul style="list-style-type: none"><li>• Work with partner agencies to advance the HSR project, oppose redirection of existing funds, and advocate that the HSR early investment projects are implemented in a manner consistent with the northern California Memorandum of Understanding to develop a blended system, including achieving level boarding at all shared Caltrain/High Speed Rail facilities.</li><li>• Advocate for the California High Speed Rail Authority to prioritize funding and to collaborate with the Transbay Joint Powers Authority (TJPA) on federal and state funding opportunities for its funding commitment to The Portal.</li></ul>

**Attachment 1**

San Francisco County Transportation Authority  
Draft 2024 State and Federal Legislative Program

<b>FEDERAL</b>		
<b>Area</b>	<b>Goal</b>	<b>Strategy</b>
1. Transportation Funding	a. Sustain or increase federal transportation funding through the Fiscal Year 2025 appropriations process and future reauthorization	<ul style="list-style-type: none"> <li>• Advocate for the approval of federal transportation spending at or above the higher levels authorized in the Bipartisan Infrastructure Law, including robust funding for the Federal Transit Administration’s Capital Investment Grant program (i.e., New Starts, Small Starts, and Core Capacity programs).</li> <li>• Secure directed funding (i.e., earmarks) for San Francisco’s priority transportation projects.</li> <li>• Advocate for the programming of funding from the Inflation Reduction Act to transportation-related projects and programs, such as funding designated for low-emission transportation technologies.</li> <li>• Advocate for increasing the federal gasoline tax and index it to inflation, or introducing some other funding mechanism such as a road usage charge to help close the Highway Trust Fund funding deficit.</li> <li>• Support the study and piloting of grant programs for innovative approaches to transportation innovation and equity challenges such as congestion management, implementing public transit affordability programs, technology demonstrations, and alternative project delivery methods. Demonstrate how existing programs have funded successful pilots and programs.</li> </ul>
	b. Secure additional or more flexible federal funding for transit operations.	<ul style="list-style-type: none"> <li>• Advocate for additional funding for transit operators or continued flexibility for federal formula funding programs to sustain services that are critical to economic recovery and disproportionately provide mobility for low income, minority, and transit dependent persons.</li> </ul>

**Attachment 1**

San Francisco County Transportation Authority  
Draft 2024 State and Federal Legislative Program

	<p>c. Secure federal approvals for San Francisco’s project priorities</p>	<ul style="list-style-type: none"> <li>• Advocate that Congress approves a Full Funding Grant Agreement for the TJPA’s anticipated Capital Investment Grant (CIG) funding application for The Portal (formerly Caltrain Downtown Extension project).</li> <li>• Support SFMTA funding priorities such as facility and zero-emission bus investments.</li> </ul>
<p>2. Transportation Policy Initiatives</p>	<p>a. Advance autonomous vehicle regulations that improve safety and facilitate local evaluation of their performance</p>	<ul style="list-style-type: none"> <li>• Continue to engage in and support efforts to develop a national policy framework for autonomous vehicle testing, deployment, and regulation to ensure their safe, efficient, and effective deployment.</li> <li>• Partner with state and local governments to advocate for research that supports evidence-based regulations to inform autonomous vehicle policy and regulation and preserve the ability of jurisdictions to appropriately oversee their safe operation and ensure the availability of collected data.</li> </ul>
	<p>b. Address the impacts of shared mobility services (e.g., TNCs, private transit shuttles, scooters) and ensure their safety, equity, and accessibility</p>	<ul style="list-style-type: none"> <li>• Contribute to the development of legislation and funding programs that balance their benefits and impacts, provide for state and local regulation, and secure access to critical data as well as climate, safety, equity, accessibility.</li> <li>• Support new federal funding for pilot projects that include a robust analysis of outcomes to inform future investment and regulation.</li> </ul>
	<p>c. Advance regulatory actions in support of other city and regional policy goals</p>	<ul style="list-style-type: none"> <li>• Support equitable policies to achieve greenhouse gas emissions reduction goals and to shift travel to affordable low-carbon modes, consistent with San Francisco’s Climate Action Plan.</li> <li>• Monitor other potential regulation activities (e.g., mobile applications, privacy protection) that would impact San Francisco’s range of transportation services.</li> <li>• Support policies and programs that advance San Francisco’s climate adaptation and resiliency priorities, such as the Embarcadero Seawall.</li> </ul>

**Attachment 1**

San Francisco County Transportation Authority  
Draft 2024 State and Federal Legislative Program

<b>STATE AND FEDERAL (Project Delivery and Administration)</b>		
<b>Area</b>	<b>Goal</b>	<b>Strategy</b>
1. Project Delivery	a. Expand use of innovative strategies for efficient delivery of transportation infrastructure	<ul style="list-style-type: none"><li>• Advocate for additional opportunities to use alternative delivery methods to manage risk and improve implementation of transportation infrastructure projects.</li><li>• Advocate for retention and expansion of innovative financing programs such as Transportation Infrastructure Finance and Innovation Act (TIFIA), as well as additional flexibility.</li><li>• Support efforts to increase the efficiency of Caltrans and the Federal Highway Administration in reviewing and approving project documents and permits.</li></ul>
2. General Administration	a. Ensure efficient and effective Transportation Authority and TIMMA operations	<ul style="list-style-type: none"><li>• Advocate for the streamlining of administrative requirements.</li><li>• Oppose legislation and regulations that constrain the Transportation Authority's and TIMMA's ability to contract for goods and services and conduct business efficiently and effectively. Support legislation and regulations that positively affect our effectiveness and limit or transfer our risk of liability.</li></ul>



RESOLUTION APPROVING THE 2024 STATE AND FEDERAL LEGISLATION  
PROGRAM

WHEREAS, The Transportation Authority routinely monitors pending legislation that may affect the Transportation Authority and San Francisco's transportation program; and

WHEREAS, Each year the Transportation Authority adopts a set of legislative principles to guide its transportation policy and funding advocacy in the sessions of the State and Federal Legislatures; and

WHEREAS, The attached 2024 State and Federal Legislative Program reflects key principles gathered from common positions with other local sales tax transportation authorities, County Transportation Agencies, and the Metropolitan Transportation Commission; the Transportation Authority's understanding of the most pressing issues facing the San Francisco Municipal Transportation Agency, regional transit providers serving the City of San Francisco, and other City agencies charged with delivering transportation projects; and are consistent with the advocacy approaches of the Mayor's Office; and

WHEREAS, At its January 24, 2024, meeting, the Community Advisory Committee was briefed on the proposed 2023 State and Federal Legislative Program and unanimously adopted a motion of support for its adoption; now, therefore be it

RESOLVED, That the Transportation Authority does hereby adopt the attached 2024 State and Federal Legislative Program; and be it further

RESOLVED, That the Executive Director is authorized to communicate this program to the appropriate parties.

Attachments:

1. 2024 State and Federal Legislative Program