

BILL: SB 824

AUTHOR: SENATOR JIM BEALL
(D-SAN JOSE)

SUBJECT: LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)

STATUS: SENATE TRANSPORTATION AND HOUSING COMMITTEE
HEARING SCHEDULED: APRIL 12, 2016

ACTION: SUPPORT

RECOMMENDATION

Staff recommends that the Board adopt a SUPPORT position on SB 824 (Beall).

ISSUE

Senator Jim Beall, Chair of the Senate Transportation and Housing Committee, has introduced SB 824, a bill that would authorize create funding management tool for transit agencies in the Low Carbon Transportation Operations Program (LCTOP). The LCTOP was created as a formula based program to provide operating and capital assistance to transit agencies under the state's Cap and Trade program.

SB 824 would authorize local transit agencies to:

- Retain funding shares across fiscal years.
- Loan or transfer funds to other agencies.
- Reallocate funds to other projects or programs in the agency's expenditure plans
- Apply to Caltrans for a Letter of No Prejudice to allow expenditure of local funds prior to LCTOP funds being made available.

DISCUSSION

SB 824 (Beall) would implement funding management tools for the LCTOP program that would create greater flexibility for transit agencies.

The state allocates Cap and Trade funds to transit agencies for a variety of uses. The LCTOP program annually allocates 5% of these funds to transit agencies using the State Transit Assistance Account formula. Agencies must submit an expenditure plan to the state and verify that they expenditures resulted in a reduction of greenhouse gas emissions.

The tools that would be authorized by SB 824 are similar to those that were implemented for the transit funds that were allocated in Proposition 1B. The mechanisms will allow agencies to use these funds in a more flexible manner which will support a wider variety of uses for these funds. The changes to the formula program proposed in this measure would allow recipient transit agencies to more easily implement programs and complete projects that maximize GHG reduction and benefits.

California Transit Association has voiced their support for the measure.

Staff is recommending that the Board of Directors adopt a SUPPORT position on this measure.

DETERMINATION OF SAFETY IMPACT

Staff has determined that there is no direct impact to safety as a result of this proposal.

FINANCIAL IMPACT

Staff has determined that there is not an immediate fiscal impact to the agency as the result of the provisions outlined in this bill.

ALTERNATIVES CONSIDERED

Metro could consider adopting a WORK WITH AUTHOR position on this legislation; however, this would be inconsistent with our agency's effort to improve mobility in the region and to secure funding for future transportation projects.

NEXT STEPS

Should the Board decide to adopt a SUPPORT position on SB 824, staff will communicate the Board's position to the author and work to ensure its successful passage. Staff will continue to keep the Board informed as this issue is addressed throughout the legislative session.