Summary/Action Minutes

I. Federal Legislative Update – CJ Lake

The House and Senate are both in session this week. The House will spend most of the week debating its surface transportation proposal and the Senate will take up legislation to require the Environmental Protection Agency and Army Corps of Engineers to withdraw its Waters of the United States rule.

Budget Deal

Last week the House and Senate both passed a budget deal that would increase domestic spending for both FY16 and FY17 by $80 billion, split evenly between defense and non-defense programs. The deal also raises the debt ceiling through March 2017.

The House passed the bill with 187 Democrats and 79 Republicans supporting the bill. Representatives Honda, Lee and Swalwell all supported the legislation. The deal passed the Senate with 18 Republicans and 14 Democrats supporting. Both Senators Feinstein and Boxer voted for the deal.

The FY16 new topline number for discretionary spending is $1.0167 trillion, a $50 billion increase from the original FY16 levels that adhered to the budget caps put in place by the Budget Control Act of 2011. The Appropriations Committees will give the various subcommittees their new allocations this week. The current Continuing Resolution runs through December 11, 2015, and Congress will be working the next few weeks to finalize the bills in order to meet the deadline.

Surface Transportation Reauthorization

The full House will take up the Surface Transportation Reauthorization and Reform (STRR) Act of 2015, on Wednesday, November 4, 2015. The legislation is a six-year bill, is bipartisan and totals $325 billion.

Over two hundred amendments have been filed and the House Rules Committee will meet later today and tomorrow to set the parameters for debate and to decide which amendments will be in order. The cost of the legislation is slightly lower than the Senate DRIVE Act, which totals $341.2 billion over six years. The House and Senate bills are not much different in terms of policy.

Waters of the United States (WOTUS)

On November 3, 2015 the Senate will hold a procedural vote on the Federal Water Quality Protection Act (S. 1140), a bill that would withdraw the final "Waters of the U.S." rule.
On August 28, 2015 the Environmental Protection Agency and the Corps of Army Engineers began to implement their new "Waters of the U.S." rule. Since its proposal last year, the National Association of Counties has expressed multiple concerns on the rule's impact on county-owned and maintained roadside ditches, bridges, flood control channels, drainage conveyances and wastewater and storm water systems. Counties have called for the final rule to be withdrawn until further analysis and more in-depth consultation with state and local officials be completed.

Senate Bill 1140 would withdraw the final "Waters of the U.S." (WOTUS) rule and require the agencies to restart the rule-making process, inclusive of state and local governments. Additionally, the bill includes a set of principles the agencies should consider when rewriting the rule, including the types of ditches that should be exempt.

The procedural vote needs 60 Members to vote in support in order to move forward with debate. If the Senate fails to find the 60 votes necessary, they will move to take up Senate Joint Resolution 22, which is a resolution of disapproval filed by Senator Joni Ernst that uses the Congressional Review Act (CRA) to nullify the "Waters of the U.S." rule. Under the CRA, only 50 votes are needed for passage.

Purpose:
- Report progress
- Advocacy or Education
- Request PAL Committee Recommendation or Position
- Other: Federal legislative update

This item was informational only and required no Committee action.

II. State Legislative Update – Platinum Advisors

State of Emergency for Dead Trees

On Friday, October 23, 2015 Governor Brown issued a proclamation issuing a state of emergency to address tree die-off in California. The proclamation notes the increased fire danger from dead trees, as well as increased risk to public safety. There are nineteen directives listed in the proclamation however the first step is for state agencies to work together to identify high hazard zones. The proclamation also directs local governments to undertake efforts to remove dead trees. There is no financial assistance for local governments identified in the proclamation; it directs the Office of Emergency Services to provide assistance to local governments consistent with the California Disaster Assistance Act. The proclamation also suspends CEQA requirements for state and local governments undertaking tree removal projects.

General Plan Guidelines

The Governor’s Office of Planning & Research (OPR) has issued a draft update to the General Plan Guidelines. Public comments are now being accepted for the plan and the public comment period will close on December 18, 2015 at 5:00 p.m. OPR has announced a series of workshops, including three in the Bay Area. These include a workshop today in Santa Rosa, December 3rd in Oakland, and December 4th in San Francisco. OPR asks participants to register in advance. To register for these workshops follow the link: http://opr.ca.gov/s_generalplanguidelines.php

Statewide Bicycle & Pedestrian Plan

Caltrans announced that it will embark on developing a statewide bicycle and pedestrian plan. It will be a multi-year process that will ultimately guide Caltrans on making bicycle and pedestrian investments. Caltrans has created a separate website for this process. The website includes a survey, an email list serve, and will include future workshop announcements and information. The link for the website is: http://www.cabikepedplan.org/
Conference Committees

The Conference Committee on Transportation Infrastructure began efforts to determine how to fund the maintenance needs of state highways, local roads, and mass transit systems. The hearings to date have been a recap of statistics of the declining value of the excise tax, the unfunded backlog of road maintenance needs and the need to increase revenues.

In an effort to reach a compromise many of the advocates urges the use of the Governor’s funding plan as the basis for negotiations. The Governor’s plan contains provisions from each of the funding proposals unveiled by the Senate Democrats, the Senate Republicans, and the Assembly Republicans. The plan also includes an increase in excise taxes, a $65 vehicles registration fee, as well as the use of cap & trade funds, expanding the use of public-private-partnerships, minor CEQA changes, and increased efficiencies within Caltrans. Republicans remain opposed to any tax increases and prefer using existing funds, and the Democrats feel it does not generate enough revenue.

Truck Weight Fees

The Republicans want to halt the use of truck weight fees for financing transportation bonds. The General Fund revenue has grown by over $20 billion since the transfer of weight fees has started, and Republicans question how much longer transportation funds should be used to shore up the General Fund. The Administration continues its stance that using weight fees to fund transportation bonds is an appropriate use of the funds. Ending the transfer of weight fees would create a $1 billion hole in the General Fund, which is already facing a $1 billion shortfall for healthcare programs in the coming fiscal year.

Excise Tax

Senators raised legitimate concerns about the value of increasing the excise tax. Any revenue gains from increasing the excise tax is unlikely given the Administration’s competing goal of reducing petroleum use and increasing the use of zero emission vehicles. The Administration’s revenue estimate uses a flat projection on fuel use. This flat projection addresses the downward pressure on fuel consumption from increasing fuel efficiency and the expanding use of alternative fueled vehicles that is countered by upward pressure from population growth and growing economic activity. The Governor’s proposal relies more heavily on a vehicle fee. The Legislative Analyst’s Office (LAO) announced at the Ontario hearing that it will provide the Committee various scenarios on forecasting fuel consumption in the coming years to get a clearer understanding of what an excise tax increase could generate.

Cap & Trade

The Senate Republicans want all of the $1.9 billion of auction proceeds dedicated to transportation; the Assembly Republicans proposed directing $1.2 billion, and the Governor and Senate Democrats propose directing $400 million to transit capital. The Governor also proposed using $100 million in cap & trade revenue for Complete Streets.

The LAO suggests readopting the cap & trade program as a tax to eliminate the nexus requirements. At the Ontario hearing, Assemblyman Obernolte suggested the possibility of redirecting the existing ¼ cent TDA sales tax revenue to roads and then backfilling transit with cap & trade revenue in order to address the nexus issue. This TDA shift raises serious concerns on how it would impact transit funding and other priority programs currently funded with cap & trade revenue. This shift might also include Constitutional restrictions.

Purpose:

☐ Report progress
☐ Advocacy or Education
☐ Request PAL Committee Recommendation or Position
☒ Other: State legislative update
This item was informational only and required no Committee action.

**PUBLIC COMMENT**

None.

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