

AGENDA: December 2, 2004

TO: Regional Transportation Commission
FROM: Linda Wilshusen, Executive Director
RE: 2005 Legislative Outlook and Draft 2005 Legislative Agenda

RECOMMENDATION

Staff recommends that the Regional Transportation Commission review and accept the proposed Draft 2005 State and Federal Legislative Agenda (Attachments 1 & 2, respectively) and release it to the RTC committees for review and comment.

BACKGROUND

Every year the Commission adopts a legislative agenda to guide its support and opposition of state and federal legislative or administrative actions. The 2004 Legislative Agenda was approved by the Commission in February 2004, after review and comment by the Commission's committees. SCCRTC staff coordinates with the Santa Cruz Metropolitan Transit District, the County of Santa Cruz, and other regional transportation planning agencies on the development and implementation of the RTC legislative program.

This past year RTC worked with Senator Bruce McPherson to sponsor a bill (SB1793) to authorize the use of design-build construction methods on the Highway 1 HOV Lane Widening project. While initially gaining broad bipartisan support with applications in several other county jurisdictions, this bill was ultimately tabled along with other bills which attempted to address transportation funding and project delivery issues.

DISCUSSION

Legislative activity this year, at both the state and federal level, will be broad in nature in an attempt to deal comprehensively on a range of operational, program and funding issues. The ongoing state budget crisis (discussed elsewhere in this agenda) and release of the California Performance Review (CPR) have generated a new level of interest in transportation issues. At the federal level, work continues on reauthorization of the expired Transportation Equity Act for the 21st Century (TEA 21).

Staff proposes a broad legislative agenda to address the range of issues likely to develop over the course of the year. The Draft 2005 State and Federal Legislative Agenda (Attachments 1 & 2, respectively) is an updated, reorganized and streamlined version of the 2004 Legislative Agenda, which is also attached for your information (Attachments 3 and 4). After the draft 2005 agenda

has been accepted by the RTC, it will be circulated to the Commission's committees for review and comment, with final adoption scheduled for February 2005.

State Legislative Issues

Over \$5.5 billion in transportation revenues have been diverted to help offset the State's General Fund deficits over the past 3 years. This has virtually eliminated new projects and has decreased funding for maintenance and safety projects to one-quarter of the funding level needed to maintain current performance standards. The state funding situation is discussed at greater length in the previous agenda item.

The Draft 2005 State Legislative Agenda ([Attachment 1](#)) is responsive to major elements identified to address current shortcomings in the state's transportation program:

- Protect transportation funds from diversion
- Enhance current transportation funding levels
- Provide a broader range of project delivery methods
- Modify the institutional framework to better monitor and improve efficiencies

As you know, many counties were recently able to renew their local transportation sales tax measures or institute new sales tax measures. It is generally agreed that there is no longer broad statewide interest in lowering the approval threshold from two-thirds to 55%. Therefore this possibility has been deleted from the State Legislative Agenda.

The Self-Help Counties Coalition recently initiated a "Rescue Transportation" proposal with the goal of safeguarding state funding for transportation ([Attachment 5](#)) over the longer term. For the upcoming state budget cycle, the Regional Transportation Planning Agencies (RTPA) Group is compiling information from around the state on the impacts of continued "borrowing" of transportation funds to help balance the state budget. Both of these efforts are consistent with the proposed State Legislative Agenda.

Federal Legislative Issues

The largest issue at the federal level continues to be the reauthorization the Transportation Equity Act for the 21st Century (TEA 21). Since TEA 21 expired on September 30, 2003, Congress has enacted six extension bills to ensure that federal funds continue to flow to states. The Draft 2005 Federal Legislative Agenda ([Attachment 2](#)) supports a six-year reauthorization bill that preserves the basic framework and key principles contained in TEA 21. Carolyn Chaney & Associates, RTC's Washington Assistant, has transmitted a report ([Attachment 6](#)) on the current status and outlook in the upcoming legislative year.

A critical element in the reauthorization bill for Santa Cruz County is the inclusion of a new program entitled High Intensity Transit Tier (HITT) within the federal transit funding program formula. This program would provide supplemental funding to smaller communities that have high transit service levels and high transit ridership. The Santa Cruz METRO has been

recognized as one the nation's top operating transit systems in communities under 200,000 in population, and would be a beneficiary of the HITT program.

It is anticipated that Congress will not pass the reauthorization bill when it reconvenes in November for a short session, hence it will be necessary to once again promote inclusion of the HITT program and other elements in the Draft 2005 Federal Legislative Agenda when the 109th Congress convenes in 2005.

SUMMARY

This report offers an update on state and federal legislative issues in process to adoption of a 2005 State and Federal Legislative Agenda, another item in this agenda discusses state transportation funding issues. The Commission is asked to review and accept the Draft 2005 State and Federal Legislative Agenda (Attachments 1 & 2, respectively) for circulation to its committees for additional review and update, with final adoption scheduled in February 2005.

Attachments:

1. Draft 2005 State Legislative Agenda
2. Draft 2005 Federal Legislative Agenda
3. Approved 2004 State Legislative Agenda
4. Approved 2005 Federal Legislative Agenda
5. Rescue Transportation Proposal
6. Federal Legislative Report from Carolyn C. Chaney & Associates, Inc., RTC's Washington Assistant.

Prepared by: Kim Shultz

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