



July 19, 2023

TO: Board Members, Madera County Transportation Commission  
FROM: Gus Khouri, President  
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**RE: STATE LEGISLATIVE UPDATE – JUNE**

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On June 27, Governor Newsom signed SB 101 (Skinner), Chapter 12, Statutes of 2023, which serves as the main vehicle for the FY 2023-24 State Budget. The legislation includes \$223.6 billion in General Fund spending (\$306 billion with special funds) and addresses a deficit of \$31.5 billion by utilizing the \$37.2 billion Rainy Fund.

**Transit Funding**

The legislature approved trailer bill language through SB 125 (Skinner) to provide public transportation with \$5.1 billion in flexible funding for either capital or operations purposes. Of that amount, \$4 billion will be distributed over FY 23-24 and FY 25-26 (\$2 billion each fiscal year) through the Transit Capital and Intercity Rail Program (TIRCP) to Metropolitan Planning Organizations such as MCTC using the State Transit Assistance formula to supplement transit capital and operations needs. The remaining \$1.1 billion will continue previously appropriated funding for zero-emission vehicle infrastructure through the newly created Zero-Emission Transit Capital Program. This funding source can also be used to fund operations. SB 125 is currently enrolled to the Governor and pending signature. California State Transportation Agency is developing draft guidelines for the administration of funding for the entirety of the \$5.1 billion. There is an expectation that funds can be used to fund existing or new projects and those in development.

**Indirect Cost Rate Proposal**

Caltrans charges an indirect cost rate to self-help counties for work on the state highway system. That cost is capped at 10 percent through January 1, 2023. MCTC worked with Senator Marie Alvarado-Gil and the Self-help Counties Coalition to include language in SB 125 (Skinner) to permanently reinstate the cap to avoid escalating costs associated with project delivery on priority projects on the state highway system. The bill is on the Governor's desk pending a signature.

**Infrastructure Package**

On July 5, the legislature approved a package of bills designed to expedite project delivery by accelerating environmental clearance to assist the state's response to climate change. The package has been sent to the Governor for consideration of a signature. Items of interest include the following:

**SB 146 (Gonzalez)** authorizes using the progressive design-build project delivery method for Caltrans for eight projects estimated to exceed \$25 million in total cost. The bill also expands and extends the existing authorization for the California Secretary of Transportation (CalSTA) to assume the responsibilities under the National Environmental Protection Act (NEPA) of 1969 for transportation projects.

**SB 147 (Ashby)** requires the Department of Fish and Wildlife to update the endangered species list and add or remove species based on their status.

**SB 149 (Caballero and Becker)** shortens the administrative and judicial review process for projects. The bill would require an action or proceeding challenging the certification of an environmental impact report for those projects or the granting of any project approvals, including any potential appeals to the court of appeal or the Supreme Court, to be resolved, to the extent feasible, within 270 days of the filing of the record of proceedings with the court.

### **New Assembly Speaker**

On June 30, Speaker-Designate Robert Rivas (D-Salinas) was sworn in as the 71st Speaker of the California State Assembly. Speaker Rivas succeeds Speaker Anthony Rendon (D-Lynwood), the third-longest serving Assembly Speaker in California history. This could impact appointments to the California Air Resources Board and California Transportation Commission.

### **New California Transportation Commission Executive Director**

On June 29, the California Transportation Commission (CTC) announced that it had appointed Tanisha Taylor to the position of Commission Executive Director. She had previously served as the Deputy Executive Director for the CTC. She will oversee the implementation of all policies and actions adopted by the Commission, including the programming and allocation of several billion dollars annually for the construction of highway, passenger rail, transit, and active transportation improvements throughout California.

Ms. Taylor has served as Interim Executive Director since March 2023 and as Chief Deputy Director since May 2020. Before joining the Commission, Ms. Taylor held positions at the California Association of Councils of Governments and the San Joaquin Council of Governments.

### **Bills of Interest**

Policy committees must complete their business by July 14 (start of Summer Recess, back on August 14), fiscal committees by September 1, and all business by the floor of each house by September 14, to be considered for signature by the Governor by October 14. Below is a summary of bills of interest to MCTC.

**AB 7 (Friedman)** codifies Executive Orders on the Governor's Climate Action Plan for Transportation Infrastructure and Infrastructure Investment and Jobs Act. **Status:** Senate Transportation

### **AB 557 (Hart)**

This bill would remove the January 1, 2024, sunset on the Brown Act exemptions for boards to meet virtually during a state of emergency declaration provided under AB 361 (Rivas), Chapter 165, Statutes of 2021. **Status:** Senate Floor

**SB 537 (Becker)**

This bill has been amended to allow multijurisdictional bodies to meet virtually. Multijurisdictional means a legislative body that includes representatives from more than one county, city, city and county, special district, or a joint powers entity. **Status:** Assembly Local Government