



Board Report

File #: 2020-0021, File Type: Federal Legislation / State Legislation (Position)

Agenda Number: 38.

REVISED
EXECUTIVE MANAGEMENT COMMITTEE
JANUARY 16, 2020

SUBJECT: STATE LEGISLATION

ACTION: ADOPT STAFF RECOMMENDED POSITIONS

RECOMMENDATION

ADOPT staff recommended positions:

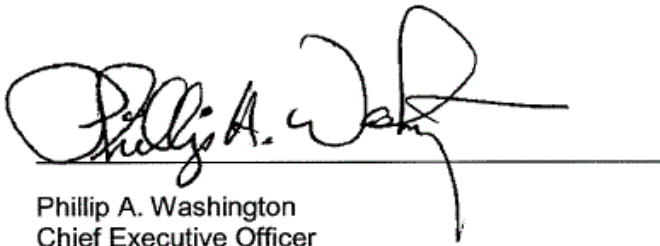
- A. ~~Senate Bill 732 (Allen) – Transactions and use tax: South Coast Air Quality Management District.~~ **SUPPORT**
- B. Assembly Bill 1350 (Gonzalez) - Free youth transit passes: eligibility for state funding. **WORK WITH AUTHOR**

ATTACHMENT

- Attachment A – ~~Senate Bill 732 (Allen) Legislative Analysis~~
- Attachment B - Assembly Bill 1350 (Gonzalez) Legislative Analysis

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Phillip A. Washington
Chief Executive Officer

ATTACHMENT B

BILL: ASSEMBLY BILL 1350
AS AMENDED 1/6/2020

AUTHOR: ASSEMBLYMEMBER LORENA GONZALEZ (D-SAN DIEGO)

SUBJECT: FREE YOUTH TRANSIT PASSES: ELIGIBILITY FOR STATE FUNDING.

STATUS: ASSEMBLY TRANSPORTATION COMMITTEE
HEARING SCHEDULED: JANUARY 13, 2020

ACTION: WORK WITH AUTHOR

RECOMMENDATION

Staff recommends that the Board of Directors adopt a WORK WITH AUTHOR position on Assembly Bill 1350 (Gonzalez) as amended January 6, 2020.

ISSUE

This bill was amended on January 6, 2020 to add provisions related to transportation funding to the Public Utilities Code.

Specifically the bill would:

- Require transit agencies to offer free youth transit passes to persons under 18 years of age in order to be eligible for state funding under the Mills-Deddeh Transit Development Act, the State Transit Assistance Program, or the Low Carbon Transit Operations Program.
- Require a free youth transit pass to count as a full price fare for purposes of calculating the ratio of fare revenues to operating costs.

DISCUSSION

AB 1350 (Gonzalez) is a two-year bill that was recently amended. The amendments of January 6, 2020 would require that transit agencies to provide free fares for students under the age of 18 in order to receive funding from the State Transit Assistance Program Transportation Development Act and the Low Carbon Transit Operations Program to a requirement.

The Board has previously supported efforts to assist students in particular who ride our system. The Board's support has been directed towards creating incentives or increased funding. AB 1350 takes a different approach by creating a mandate. It should also be noted that as a part of our Congestion Reduction initiative, Metro is pursuing a strategy that could achieve a similar objective. Staff would suggest that while we would support increasing assistance for those in need who ride our system there may be other ways to achieve this objective. We would like to work with the Assembly Member to explore more appropriate to identify additional state funding or other mechanisms that could be provided rather than pursuing this objective through a mandate.

Staff is working internally with relevant Metro departments to evaluate the impacts of the enactment of this legislation to Metro's current funding allocations under the TDA and LCTOP, and the administration of U-Pass, Reduced Fare and System Security programs. Staff will also work through the California Transit Association to address potential concerns with the proposal.

For these reasons, staff recommends that the Board adopt a WORK WITH AUTHOR position on AB 1350 (Gonzalez).

DETERMINATION OF SAFETY IMPACT

Allowing free rides on a transit system may have impacts to safety and security on our system. We would like to work with the author to address those concerns should the legislation proceed.

FINANCIAL IMPACT

The estimated financial impact of this action is still being evaluated.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Staff recommendation supports strategic plan goal # 4.2: Metro will help drive mobility agendas, discussions and policies at the state, regional and national levels.

ALTERNATIVES CONSIDERED

Staff has considered adopting either a support or oppose position on the bill. A support or oppose position would be inconsistent with Metro's Board approved 2020 State Legislative Program Goal #1: ensure the state continues to secure, protect and fully fund the major transportation programs in the state with existing commitments.

NEXT STEPS

Should the Board decide to adopt a WORK WITH AUTHOR position on this legislation; staff will communicate the Board's position to the author and work to ensure inclusion of the Board's priorities in the final version of the bill. Staff will continue to keep the Board informed as this issue is addressed throughout the legislative session.