



## **SACOG Board of Directors**

**Item #17-6-17  
Receive & File**

June 8, 2017

### **State Advocacy Update**

The Legislature has until June 15 to pass a budget for 2017-18. Attached is a list of legislation that SACOG is monitoring. Additional policy updates are listed below.

#### May Revise Budget

In May, the Governor released his revised budget. Given the significance of SB 1, there are very few changes of impact to SACOG and its members. The Governor highlights the importance of SB 1 in meeting the needs of the state as a statement of policy.

#### Cap-and-Trade

On May 16, the California Air Resources Board conducted its most recent auction of greenhouse gas allowances under its cap-and-trade program, which earned approximately \$488 million from the sale of current year allowances, and another \$25 million in 2020 vintage allowances. This is a significant increase from the February 2017 auction, which only received \$8 million, and is the second-largest result since the program began in 2012. The significant increase is largely attributed to a court decision earlier this year validating the legality of the program.

The May Revise Budget did not propose any changes to the cap-and-trade program, which is set to expire in 2020. SB 775 would establish a post-2020 cap-and-trade program. There are a number of other bills attempting to modify existing programs funded by cap-and-trade, or add new ones.

#### SB 1 Implementation

The California Transportation Commission (CTC) is charged with implementing many elements of SB 1, the transportation funding measure passed in April. The first increases in gas taxes will not occur until November, so cities, counties and transit agencies have some time before they will actually receive additional funds. The CTC is planning to hold hearings in June to get stakeholder input on guidelines for competitive programs included in SB 1. Staff will participate in hearings and provide comments on guidelines as appropriate.

The Legislature is also considering several trailer bills as part of the budget to provide clarification or correction to a few sections of SB 1. Staff is working with local public works officials and transit agency staff to provide technical support and implementation details as they become available.

Housing Legislation

There are several bills moving through the Legislature that would modify housing policy and funding. Most significant on the funding side SB 3 would impose a real estate transaction fee and a housing bond for affordable housing. Those bills of interest to SACOG are called out in the attachment.

## Attachment

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Bill	Author	Title	Summary
AB 18	Garcia E (D)	Clean Water, Climate, and Coastal Protection Act	Enacts the California Clean Water, Climate, Coastal Protection and Outdoor Access For All Act, which would authorize the issuance of bonds to finance a clean water, climate, and coastal protection and outdoor access for all program. Provides for the submission of these provisions to the voters at the statewide direct primary election.
AB 174	Bigelow (R)	California Transportation Commission: Membership	Requires that at least one voting member of the California Transportation Commission reside in a rural county with a population of less than a certain number of individuals.
AB 515	Frazier (D)	State Highway System Management Plan	Requires the department of Transportation to prepare a State Highway System Management Plan, which would consist of a specified 10-year state highway rehabilitation plan and a specified 5-year maintenance plan. Requires the department to make a draft of its proposed plan available to regional transportation agencies and to transmit the plan to the Governor and Legislature periodically.
AB 686	Santiago (D)	Housing Discrimination: Further Fair Housing	Requires a public agency to administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing. authorize the Director of Fair Employment and Housing to exercise his or her discretion to investigate, or to bring a civil action, based on a verified complaint that alleges a violation of these provisions. Requires an agency that completes an assessment of fair housing to submit it and post it on its Web site.
AB 709	McCarty (D)	Sacramento Regional Transit District: Bonds: Use Taxes	Relates to the the Sacramento Regional Transit District. Authorizes sales and use taxes to be levied to pay the principal and interest on bonds as they become due, for required reserve funds and for sinking fund payments. Requires a vote.
AB 810	Gallagher (R)	Local Alternative Transportation Improvement Program	Relates to planned state transportation facilities over the Feather River in the City of Yuba City and certain Counties. Authorizes affected local agencies, acting jointly with a transportation planning agency, to develop and file a specified alternative transportation improvement program. Requires all proceeds from the sale of certain excess properties to be allocated to the approved local alternative.
AB 829	Chiu (D)	Planning and Zoning: Annual Report	Amends the Planning and Zoning Law. Requires a certain annual report by planning agencies to include the relationship between jobs and housing, including any imbalance between jobs and housing. Require that this portion of the report include an assessment of any significant increases or decreases in employment since the date of the last annual report.
AB 863	Cervantes (D)	Affordable Housing and Sustainable Communities Program	Requires the Strategic Growth Council, in selecting projects for funding under the Affordable Housing and Sustainable Communities Program, to seek methods for inclusion of local entrepreneurs in the implementation of the projects and workforce training and certification of workers hired to work on the projects.

Bill	Author	Title	Summary
AB 879	Grayson (D)	Planning and Zoning: Housing Element	Amends the Planning and Zoning Law which requires a city or county to adopt a general plan for land use development within its boundaries that includes a housing element. Requires the housing element to include an analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels.
AB 915	Ting (D)	Planning and Zoning: Density Bonus: Affordable Housing	Requires a city, county, or city and county that has adopted an ordinance requiring an affordable housing minimum percentage for housing developments to apply that ordinance to the total number of housing units in the development, including any additional housing units granted pursuant to these provisions, unless the city, county, or city and county exempts those additional housing units from the ordinance.
AB 1086	Daly (D)	Housing: Regional Housing Needs	Requires the Department of Housing and Community Development to report to the Legislature on whether the guidance and procedures for determining the methodology for regional housing needs are sufficient to capture total housing needs, particularly in coastal regions.
AB 1113	Bloom (D)	State Transit Assistant Program	Amends existing law which requires the Controller to design and adopt a uniform system of accounts and records under which operators prepare and submit annual reports of their operation. Requires the report to be submitted within a certain amount of time and to contain underlying data from audited financial statements. Requires certain information to be reported by operators with respect to eligibility for funding under the State Transit Assistance program as STA-eligible operators.
AB 1156	Ting (D)	Planning and Zoning: General Plan: Report	Amends the Planning and Zoning Law which requires a city or county to adopt a general plan for land use development within its boundaries that includes a housing element. Requires the report to include the number of housing units at each income level remaining to be accommodated within the planning period, and an update to the inventory of land suitable for residential development.
AB 1274	O'Donnell (D)	Smog Check: Exemption	Exempts motor vehicles that are a specified number or less model-years old from being inspected biennially upon renewal of registration. Assesses an annual smog abatement fee on motor vehicles that are a specified number of model-years old. Requires the fee be deposited into the Air Pollution Control Fund and be available for expenditure to fund the Carl Moyer Memorial Air Quality Standards Attainment Program for projects that reduce emissions.
AB 1282	Mullin (D)	Transportation Permitting Taskforce	Requires the Secretary of Transportation, in consultation with the Secretary of the Natural Resources Agency, to establish a Transportation Permitting Taskforce consisting of representatives from specified state entities to develop a process for early engagement for all parties in the development of transportation projects, establish reasonable deadlines for permit approvals, and provide for greater certainty of permit approval requirements.

Bill	Author	Title	Summary
AB 1397	Low (D)	Local Planning: Housing Element	Revises the inventory of land suitable for residential development to include vacant sites and sites that have realistic and demonstrated potential for redevelopment to meet a portion of the locality's housing need for a designated income level. Requires parcels included in the inventory to have sufficient utilities supply available to support housing development.
AB 1423	Chiu (D)	Housing: Annual Reports: Charter Cities	Requires the planning agency of a city or county to investigate and make recommendations to the legislative body of the city or county regarding means for implementing the general plan or element of the general plan and to provide an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes the status of the plan and progress in its implementation and in meeting its share of regional housing needs.
AB 1505	Bloom (D)	Land Use: Zoning Regulations	Amends the Planning and Zoning Law to authorize the legislative body of a city or county to adopt ordinances to require, as a condition of development of residential rental units, that a development include a certain percentage of residential rental units affordable to, and occupied by, moderate-income, lower income, very low income, or extremely low income households.
AB 1568	Bloom (D)	Enhanced Infrastructure Financing Districts	Enacts the Neighborhood Infill Finance and Transit Improvements Act, which authorizes an infrastructure finance plan to provide, under specified circumstances, for the receipt and use of any increase of the total receipts of local sales and use tax or transactions and use tax from one year to the next collected by a consenting local agency and attributable to the area of the district under specified circumstances.
AB 1683	Burke (D)	Transformative Climate Communities Program: Report	Requires the Strategic Growth Council to submit a specified report on the Transformative Climate Communities Program to the Governor and specified committees of the Legislature.
SB 3	Beall (D)	Affordable Housing Bond Act of 2018	Enacts the Affordable Housing Bond Act of 2018 which would authorize the issuance of bonds to be used to finance various existing housing programs, as well as infill infrastructure financing and affordable housing matching grant programs.
SB 4	Mendoza (D)	Goods Movement and Clean Trucks Bond Act	Authorizes state general obligation bonds for projects and programs eligible for funding from the Trade Corridors Improvement Fund, for projects and programs consistent with the Goods Movement Emission Reduction Program and programs to expand the use of zero- and near-zero emission trucks in areas designated as severe or extreme nonattainment areas for ozone and particulate matter. Provides for rail landside access improvements and landside freight access improvements to airports.
SB 5	de Leon (D)	California Drought, Water, Parks, Climate	Enacts the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018. Authorizes the issuance of bonds in an amount of \$3,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.

Bill	Author	Title	Summary
SB 49	de Leon (D)	Environmental and Workers Defense Act of 2017	Relates to the California Environmental, Public Health, and Workers Defense Act of 2017. Relates to clean air, drinking water, discharge of pollutants into the atmosphere and waters and endangered species. Prohibits state or local agencies from amending or revising their rules and regulations implementing these state laws to be less stringent than the baseline federal standards. Prohibits a state agency from amending rules to be less stringent in protection of worker rights and worker safety.
SB 150	Allen (D)	Regional Transportation Plans	Requires the Air Resources Board to update certain greenhouse gas emission reduction targets for automobiles and light trucks. Requires a sustainable communities or alternative planning strategy to include an appendix that outlines a region's transportation planning and programming activities, with transportation projects to be prioritized based on a project's ability to meet certain criteria and objectives, including criteria air pollutants and vehicle miles traveled reductions and certain cobenefits.
SB 262	Wieckowski (D)	Climate Change: Climate Adaptation: Advisory Council	Amends an existing law which requires the Office of Planning and Research to establish an advisory council. Specifies that members on the advisory council shall serve staggered terms.
SB 277	Bradford (D)	Land Use: Zoning Regulations	Authorizes the legislative body of any city or county to adopt ordinances to require, as a condition of development of residential rental units, that the development include a certain percentage of residential rental units affordable to, and occupied by, moderate-income, lower income, very low income, or extremely low income households.