

## Government Relations & Public Affairs Committee

Monday, August 27, 2018, at 10:00 a.m.

SACOG Board Room, 1415 L Street, Suite 300, Sacramento, CA

*The Government Relations & Public Affairs Committee may take up any agenda item at any time, regardless of the order listed. Public comment will be taken on the item at the time that it is taken up by the committee. We ask that members of the public complete a request to speak form, submit it to the clerk of the committee, and keep their remarks brief. If several persons wish to address the committee on a single item, the chair may impose a time limit on individual remarks at the beginning of the discussion. Action may be taken on any item on this agenda.*

**Note:** Time durations are estimates only.

**Roll Call:** Directors Clerici, Douglass, Kennedy, Miklos, Rohan, Samayoa, Stallard, Vice Chair Buckland, and Chair Frerichs

**Public Communications:** Any person wishing to address the committee on any item not on the agenda may do so at this time. After ten minutes of testimony, any additional testimony will be heard following the action items.

### Closed Session:

1. Conference with Legal Counsel - Anticipated Litigation [Paragraph (1) of Subdivision (d) of Government Code Section 54956.9d]  
One potential case  
(Kirk Trost) (Est. time: 10 minutes)
2. Conference with Real Property Negotiators [Government Code Section 54956.8]  
Properties: 660 J Street, Sacramento, CA; 730 I Street, Sacramento, CA; West Sacramento Riverfront, West Sacramento, CA  
Agency Negotiators: James Corless, Kirk Trost, Erik Johnson  
Under Negotiation: Price and terms of payment  
(Kirk Trost) (Est. time: 10 minutes)

### Consent:

3. Approve Minutes of the August 6, 2018, Committee Meeting (Est. time: 0 minutes)
4. Release Request for Qualifications for Consultant Services for the Metropolitan Transportation Plan/Sustainable Communities Strategy Environmental Impact Report (Est. Time: 0 minutes)

### Information:

5. State Advocacy Update (Christina Lokke) (Est. time: 10 minutes)
6. Federal Advocacy Update (Christina Lokke) (Est. time: 5 minutes)
7. Nationwide Proposed Transportation Ballot Measures (Christina Lokke) (Est. time: 10 minutes)

8. Required Communication with Auditors-Statement on Auditing Standards No. 114 (Loretta Su) (Est. time: 5 minutes)

### **Other Matters**

### **Adjournment**

Next committee meeting: **Monday, October 1, 2018**

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**Government Relations and Public  
Affairs Committee**

**Meeting Date:** 8/27/2018

**Agenda Item No.:** 2018-August-1.

**Subject:** Conference with Legal Counsel - Anticipated Litigation (Est. time: 10 minutes)

**Closed Session**

**Prepared by:** Rene Handy

**Approved by:** Erik Johnson

**Attachments:** No

**1. Issue:**

The Government Relations & Public Affairs Committee will meet in closed session regarding this item.

**2. Recommendation:**

**3. Background/Analysis:**

**4. Discussion/Analysis:**

**5. Fiscal Impact/Grant Information:**

**6. This staff report aligns with the following SACOG Work Plan Goals:**



**Government Relations and Public  
Affairs Committee**

**Meeting Date:** 8/27/2018

**Agenda Item No.:** 2018-August-2.

**Subject:** Conference with Real Property Negotiators (Est. time: 10 minutes)

**Closed Session**

**Prepared by:** Rene Handy

**Approved by:** Erik Johnson

**Attachments:** No

**1. Issue:**

The Government Relations & Public Affairs Committee will meet in closed session regarding this item.

**2. Recommendation:**

**3. Background/Analysis:**

**4. Discussion/Analysis:**

**5. Fiscal Impact/Grant Information:**

**6. This staff report aligns with the following SACOG Work Plan Goals:**



**Government Relations and Public  
Affairs Committee**

**Meeting Date:** 8/27/2018

**Agenda Item No.:** 2018-August-3.

**Subject:** Approve Minutes of the August 6, 2018, Committee Meeting (Est. time: 0 minutes)

**Consent**

**Prepared by:** Rene Handy

**Approved by:** Erik Johnson

**Attachments:** Yes

**1. Issue:**

Should the Government Relations & Public Affairs Committee approve the minutes of the August 6, 2018, meeting?

**2. Recommendation:**

Staff recommends approval of the August 6, 2018, committee meeting minutes.

**3. Background/Analysis:**

The Government Relations & Public Affairs Committee met on August 6, 2018.

**4. Discussion/Analysis:**

Each month, the committee is asked to approve the minutes from the previous committee meeting.

**5. Fiscal Impact/Grant Information:**

There is no fiscal impact.

**6. This staff report aligns with the following SACOG Work Plan Goals:**

**ATTACHMENTS:**

Description

Attachment - Meeting Minutes

**SACRAMENTO AREA COUNCIL OF GOVERNMENTS  
GOVERNMENT RELATIONS & PUBLIC AFFAIRS COMMITTEE**

**DRAFT ACTION MINUTES**

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The SACOG Government Relations & Public Affairs Committee met on August 6, 2018 in the Board room on the Third Floor of the Meridian Plaza Building located at 1415 L Street, Sacramento, CA at 10:00 a.m.

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**CALL TO ORDER:** Chair Frerichs called the meeting to order at 10:01 a.m.

**ROLL CALL:** Present: Directors Clerici, Douglass, Kennedy, Rohan, Samayoa, Vice Chair Buckland, and Chair Frerichs

Absent: Directors Miklos and Stallard

**Public Communication:** None

**The following consent items were unanimously approved (Buckland/Clerici):**

- 1. Minutes of the June 11, 2018, Government Relations & Public Affairs Committee Meeting**
- 2. Approve Final One-Year Extension of the Joint Fuel & Lubricants Contract with Hunt & Sons, Inc.**
- 3. Designating SACOG Office Space Negotiators**
- 4. Federal Advocacy Update**

The Government Relations & Public Affairs Committee received and reviewed this report, presented by Christina Lokke, SACOG staff.

- 5. State Advocacy Update**

The Government Relations & Public Affairs Committee received and reviewed this report, presented by Christina Lokke, SACOG staff.

- 6. 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy Update: Project Status**

The Government Relations & Public Affairs Committee received and reviewed this report, presented by Kacey Lizon, SACOG staff.

- 7. 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy: Background on Equity and Economic Inclusion**

The Government Relations & Public Affairs Committee received and reviewed this report, presented by Monica Hernandez, SACOG staff.

**8. Upcoming Opportunities for Technical Assistance: Civic Lab Commercial Corridors and Rural Main Streets**

The Government Relations & Public Affairs Committee received and reviewed this report, presented by Raef Porter and Greg Chew, SACOG staff.

**9. Quarterly Report on Contracts**

This was a receive & file item. No staff presentation was made.

**Other Matters**

James Corless, SACOG CEO, announced that the August 16 Board of Directors Meeting will include a workshop regarding equity and economic inclusion.

**Adjournment**

Chair Frerichs adjourned the meeting at 11:12 a.m.



**Government Relations and Public  
Affairs Committee**

**Meeting Date:** 8/27/2018

**Agenda Item No.:** 2018-August-4.

**Subject:** Release Request for Qualifications for Consultant Services for the Metropolitan Transportation Plan/Sustainable Communities Strategy Environmental Impact Report (Est. Time: 0 minutes)

**Consent**

**Prepared by:** Renee DeVere-Oki

**Approved by:** Erik Johnson

**Attachments:** No

**1. Issue:**

Should SACOG release a Request for Qualifications (RFQs) for a contractor to provide assistance with legal services for the preparation of the Environmental Impact Report (EIR) for the 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) Update?

**2. Recommendation:**

That the Government Relations & Public Affairs Committee recommend that: 1) the SACOG Board of Directors authorize the SACOG Chief Executive Officer to release an RFQ for legal services for the preparation of the EIR; and 2) the SACOG Board of Directors authorize the SACOG Chief Executive Officer to negotiate and execute a contract with the selected contractor.

**3. Background/Analysis:**

Under state law, SACOG's quadrennial update of the MTP/SCS is subject to the California Environmental Quality Act. In order to comply with this law, SACOG prepares a programmatic environmental impact report (PEIR). The purpose of the PEIR is to enable SACOG to examine and disclose the overall environmental effects of the MTP/SCS. Under SB 375, the PEIR can also enable CEQA streamlining review for subsequent land development projects that are consistent with the MTP/SCS, if the SCS achieves its SB 375 GHG target. SACOG has enabled this SB 375 streamlining with the 2012 and 2016 MTP/SCS, and land use projects have used the streamlining enabled by both plans.

**4. Discussion/Analysis:**

Staff seeks board approval to release an RFQ for legal service to supplement SACOG's legal team in implementing the provisions of SB 375 and other state statutes pertaining to the development of the 2020 MTP/SCS and accompanying PEIR. The legal services



provided by the consultant will be used to efficiently and effectively comply with CEQA, continue to activate CEQA streamlining as directed by MTP/SCS policies, and efficiently use SACOG resources.

The scope of services for the selected consultant will include some combination of the following:

- Assist with development of the PEIR, including providing advice and coordination with other outside technical experts. SACOG wishes to coordinate this work with other MPOs in the state and, to the extent practical and appropriate, work toward consistency in the treatment of these issues in the PEIRs developed by other MPOs.
- Advise on compliance with CEQA requirements and development of appropriate project alternatives under CEQA.
- Recommend use of a sustainable communities strategy (SCS) versus an alternative planning strategy (APS) to meet the greenhouse gas emissions target established by the California Air Resources Board.
- Recommend utilization of the various CEQA streamlining components of SB 375, including Transit Priority Projects.

The final scope of work will be negotiated with the selected consultant.

## **5. Fiscal Impact/Grant Information:**

This project activity is budgeted for up to \$150,000 over two fiscal years: \$90,000 has been allocated in SACOG's adopted Fiscal Year 2018-2019 Overall Work Program (OWP) and Budget; the remaining \$60,000 is expected to be allocated in the Fiscal Year 2019-2020 OWP and Budget, subject to board approval.

## **6. This staff report aligns with the following SACOG Work Plan Goals:**

1. Advance Economic Prosperity



**Government Relations and Public  
Affairs Committee**

**Meeting Date:** 8/27/2018

**Agenda Item No.:** 2018-August-5.

**Subject:** State Advocacy Update (Est. time: 10 minutes)

**Information**

**Prepared by:** Christina Lokke

**Approved by:** Erik Johnson

**Attachments:** Yes

**1. Issue:**

State advocacy update

**2. Recommendation:**

None, this item is for information only.

**3. Background/Analysis:**

The Legislature is in the middle of the last month of the 2017-2018 Legislative Session and is taking final action on remaining legislation.

**4. Discussion/Analysis:**

**Legislation**

Staff will provide an oral report on the status of tracked legislation at the August 27, 2018, committee meeting. Attachment A is the Sacramento Area Council of Governments (SACOG) legislative tracking report. Below is a list of key deadlines for the remainder of the year:

- August 17, 2018: Last day Appropriations Committee may meet and act on bills
- August 20, 2018-August 31, 2018: Floor Session only
- August 31, 2018: Last day for the Legislature to pass bills
- September 30, 2018: Last day for the Governor to sign or veto legislation

Wildfire Preparedness and Response Conference Committee

In July, the Governor and legislative leadership established a Wildfire Preparedness & Response Legislative Conference Committee with the goal of proposing legislation to strengthen disaster preparedness and establish appropriate policies to respond to increasing wildfire danger. The Committee will focus on three key issues: Response - ensuring adequate buy-in from local communities; Mitigation - improving hazard mapping and public warning; and Prevention - reducing wildfire risk and making improvements to infrastructure to make them fire resistant. The Committee has begun to hold a series of hearings covering numerous related topics, including a safe and reliable electrical grid, inverse condemnation and utility wildfire liability, and wildfire fuels reduction. The Governor submitted his own proposal to the Committee, highlighting the following key

elements:

- Requiring utilities to strengthen and enhance the construction, maintenance and operation of their electrical lines and equipment to further reduce the risk of wildfire.
- Mandating that utilities adopt more expansive wildfire prevention plans.
- Holding utilities accountable for implementing their safety plans by increasing state oversight of those plans and increasing state penalties for safety violations.
- Providing a framework for judges to use when determining liability for wildfires.
- Continuing to hold accountable those who are at fault for causing wildfires.
- Requiring stronger wildfire prevention strategies, such as utility company inspections, infrastructure maintenance, and temporary shut off power during extreme weather.

### **Statewide November Ballot**

Twelve statewide measures qualified for the California November ballot.

#### Proposition 1 – Housing Bond

This proposition was placed on the ballot last year by the Legislature via SB 3 (Beall). It authorizes the issuance of \$4 billion in general obligation (GO) bonds for affordable housing programs and a veterans' home ownership program. The SACOG Board of Directors voted to take a support position at its June 21, 2018, board meeting.

#### Proposition 2 – Homeless Housing Bond

This proposition was placed on the ballot this year by the Legislature via AB 1827 (Committee on Budget). It authorizes the state to spend \$2 billion in bond funds on supportive housing for chronically homeless people with mental illness. The bonds would be repaid with funds from 2004's Proposition 63, the Mental Health Services Act, which increased income taxes on millionaires to fund county mental health services. Proposition 2 is in response to litigation related to the use of Proposition 63 funds to fund supportive housing, which is resolved if this measure passes.

#### Proposition 3 – Water Bond

This proposition authorizes the issuance of about \$8.9 billion in state GO bonds for various water and environmental projects. This includes:

- Watershed Lands Improvements - \$2.5 billion. Projects to protect or improve the supply and quality of the water that comes from watershed lands.
- Water Supply - \$2.1 billion. Projects that increase the amount of water available for people to use.
- Fish and Wildlife Habitat - \$1.4 billion. Projects to improve fish and wildlife habitat.
- Water Facility Upgrades - \$1.2 billion. Funds for four specific projects – Madera and Friant-Kern canals, canals and other types of projects that connect local reservoirs and communities in the San Francisco Bay region, Oroville Dam, and the North Bay Aqueduct.
- Groundwater - \$1.1 billion. Projects related to groundwater storage to make sure groundwater will be available in future years.
- Flood Protection - \$500 million. Projects that reduce the risk of floods.

#### Proposition 4 – Children's Hospital Bond

This proposition authorizes the issuance of \$1.5 billion in bonds to fund grants for the construction, expansion, renovation, and equipping of qualifying children's hospitals. Voters previously approved two bond measures for children's hospitals - \$750 million in 2004 and \$980 million in 2008. Funding from these two measures is expected to be fully committed by the end of this summer.

### Proposition 5 – Proposition 13 Property Tax Base

This proposition makes numerous changes to the ability of a homeowner to transfer their property tax base to a new home. It allows eligible homeowners, those over 55 years of age or any severely disabled homeowner, to transfer the taxable value of their existing home to a new home anywhere in the state. Under current law, a county must choose to allow such transfers from homes in another county. Additionally, it allows eligible homeowners to transfer the taxable value of their existing home to a more expensive home, with some adjustments. Current law only allows such a transfer for a less expensive home. Finally, when an eligible homeowner moves to a less expensive home, the taxable value transferred is adjusted downward. The Legislative Analyst's Office estimates an annual reduction in local property tax dollars of about \$100 million statewide in the first few years, growing over time to about \$1 billion per year (in today's dollars).

### Proposition 6 – Senate Bill 1 Repeal and Statewide Vote Requirement for Future Transportation Taxes

This proposition repeals SB 1 (Beall) and requires statewide voter approval of any tax proposed by the Legislature on the sale, storage, use, or consumption of motor vehicle gas or diesel or the privilege to operate on the public highways. The SACOG Board of Directors voted to continue efforts with the Fix Our Roads Coalition (Coalition to Protect Local Transportation Improvements) to oppose the repeal of SB 1 at its April 19, 2018, board meeting.

### Proposition 7 – Daylight Saving Time

This proposition gives the Legislature the ability to change daylight saving time period, subject to a two-thirds vote and provided the changes are consistent with federal law. Such a move would result in year-round daylight saving time in California. If approved by the voters, two-thirds approval of the Legislature, the governor's signature, and Congressional approval is still required before the change can take effect.

### Proposition 8 – Dialysis Clinic Charges

This proposition regulates the amount outpatient kidney dialysis clinics can charge for dialysis treatment. Specifically, it requires clinics to pay rebates to payers, excluding Medicare and other government payers, when total revenues exceed a specified cap. The cap is equal to 115 percent of specified direct patient care services costs and health care quality improvement costs, such as staff wages and benefits, staff training and development, drugs and medical supplies, and facilities. Administrative overhead cannot be counted towards the cap.

### Proposition 9 – Three Californias

This proposition would have split California into three states. The California Supreme Court unanimously removed it from the ballot, finding significant questions regarding the proposition's validity.

### Proposition 10 – Rent Control

This proposition expands local governments' authority to enact rent control on residential property. Specifically, it repeals the Costa-Hawkins Rental Housing Act (Costa-Hawkins), which prohibits local jurisdictions from enacting rent control on single-family homes or any housing completed after February 1, 1995, and from specifying the amount a landlord can charge a new renter. If Costa-Hawkins is repealed, cities and counties could take

action to enact broader rent control laws than currently allowed. The proposition also codifies caselaw that requires rent control laws to allow landlords to received a fair rate of return.

#### Proposition 11 - Private-Sector Ambulance Employee Work Breaks

This proposition allows private-sector emergency ambulance companies to require emergency employees to remain on-call during work breaks. A 2016 California Supreme Court ruling found that a private security guard company violated state labor law when it required security guards to remain on-call for emergencies during breaks. The Court also awarded the employees payments for the violations. There are similar active lawsuits filed against private ambulance companies, which could result in similar rulings. This proposition would continue current practice by allowing private ambulance companies to require emergency employees to remain on-call during their entire shift and state that this practice has always been allowable, staving off any potential liability for the companies as a result of the pending litigation.

#### Proposition 12 - Confinement of Specified Farm Animals

This proposition establishes minimum requirements for confining egg-laying hens, breeding pigs, and calves raised for veal. These requirements would apply to animals raised in California. It also makes it illegal for California businesses to knowingly sell eggs or uncooked pork or veal that comes from an animal housed in a manner that does not meet the new requirements, regardless of where the animal was raised.

### **5. Fiscal Impact/Grant Information:**

This item has no direct fiscal impact.

### **6. This staff report aligns with the following SACOG Work Plan Goals:**

1. Advance Economic Prosperity, 3. Assist Economic Development Strategies, 6. Help the Region Advance a Vision for "Next Generation Transit", 7. Deliver Key High-Profile Transportation Projects

#### **ATTACHMENTS:**

Description

Attachment A State Legislative Tracking 8.27.18

Bills With a Position

Bill	Author	Title	Location/Status	Summary	SACOG's Position
AB 1771	Bloom (D)	Planning and Zoning: Regional Housing Needs Assessment	Senate Appropriations Committee	Amends the Planning and Zoning Law. Authorizes members of the public to make an electronic request for the proposed methodology that furthers the objectives by a Regional Housing Needs Allocation Plan. Authorizes a local government to appeal to the Council of Governments for a revision of the share of the proposed regional housing need. Specifies criteria for the appeal. Requires the local Council of Governments to notify all other governments of all appeals.	Oppose Unless Amended
AB 1952	Mayes (R)	Social Services: Access to Food	Senate Appropriations Committee	Requires the State Department of Social Services, the State Department of Public Health, the State Department of Education, and the Department of Food and Agriculture, to develop a plan to end hunger. Establishes criteria for the plan, including establishing a budget to support local food hub efforts. Requires the Board of Regents and Board of Governors of CCC to develop systems that allow EBT cards to be used on their respective campuses.	Support
AB 2596	Cooley (D)	Economic Development Strategic Action Plan	Senate Appropriations Committee	Requires the office to lead the preparation of a California Economic Development Strategic Action Plan, as specified, to commission a study to identify and evaluate economic development issues, and to create a comprehensive agenda and framework for inclusive statewide and regional economic growth. Authorizes the office to accept nonstate moneys for the purposes of commissioning the study and developing the action plan.	Support
SB 1162	Pan (D)	Capitol Area Planning: Height Limits	Assembly Floor	Designates Matsui Alley as the southern boundary of an area with a height limit in the central city of the City of Sacramento.	Support
SB 1184	Pan (D)	Sacramento Shared Autonomous Vehicle Pilot Project	Assembly Transportation Committee/Failed Deadline	Authorizes the City of Sacramento to conduct a shared autonomous vehicle pilot project within a specified location and radius to test autonomous vehicles without drivers, steering wheels, breaks, or accelerators. Requires certification that local law enforcement approves of the testing area and conditions. Exempts specified Department of Motor Vehicles regulations. Allows a manufacturer to receive compensation, but prohibits directly charging a fee to a member of the public to ride in an autonomous vehicle.	Support

## Tracked Legislation

Bill	Author	Title	Location/Status	Summary
AB 87	Ting (D)	Vehicles: Removal: Autonomous Vehicles	Assembly Floor - Concurrence in Senate Amendments	Authorizes a peace officer or specified public employee, as specified, to remove a vehicle that uses autonomous technology without a valid permit that is required in order to operate the vehicle on public roads. Authorizes the release of the vehicle after the registered owner furnishes the storing law enforcement agency with proof of current registration and a valid driver's license and a valid permit or sworn statement from DMV, as specified.
AB 161	Levine (D)	Public Employees' Retirement: Pension Fund Management	Senate Rules Committee	Requires specified staff of the Public Employees' Retirement System to work with appropriate state agencies to produce an annual list, that may be provided to each Board, of priority infrastructure projects most suitable for funding, as provided.
AB 193	Cervantes (D)	Zero Emission Assurance Project	Senate Floor	Requires the State Air Resources Board to establish the Zero Emission Assurance Project to provide rebates for the replacement of, or a vehicle service contract for, a battery, fuel cell, or related components for an eligible used vehicle.
AB 558	Quirk-Silva (D)	Alternative Fuel Vehicles: Flexible Fuel Vehicles	Assembly Floor - Concurrence in Senate Amendments	Provides that the Joint Legislative Committee may recommend that the State Air Resources Board provide education and support to local governments regarding specific components of local government climate action plans, such as ensuring the use of E85 in flexible fuel vehicles, expanding infrastructure for zero-emission vehicles, and enabling active transportation. Requires the Board to develop a summary on E85 sales and flexible fuel vehicle registrations.
AB 636	Irwin (D)	Local Streets and Roads: Expenditure Reports	Governor's Desk	Amends reporting requirements related to the Highway Users Tax Account. Deletes existing sections to read, require that the Controller publish and make the report publicly available on its Internet Web site in a format that may be printed and downloaded.
AB 686	Santiago (D)	Housing Discrimination: Further Fair Housing	Senate Appropriations Committee	Requires a public agency, as defined, to administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and to not take any action that is materially inconsistent with this obligation. Requires the land inventory to be used to identify sites throughout the community, consistent with the provisions requiring a regional housing needs program, within the housing element to affirmatively further fair housing.
AB 829	Chiu (D)	Local Government: Funding: State-assisted Projects	Senate Floor	Prohibits a local agency from requiring, as a threshold or condition for applying for the award of any funding for a housing development that will also be receiving state assistance, that the development proponent receive a letter of acknowledgment, letter of approval, or similar document from the legislative body of that local agency or from a member of that legislative body.

AB 939	Low (D)	Local Government: Taxicab Transportation Services	Senate Floor	Requires each city or county in which a taxicab company is substantially located to adopt an ordinance or resolution in regards to taxicab transportation service, that includes provisions for a permitting program for taxicab drivers. Provides that it is unlawful to operate a taxicab company without a valid permit issued by each city or county in which the taxicab company is substantially located. Provides authorization for the arrangement of prearranged trips.
AB 943	Santiago (D)	Land Use Regulations: Local Initiatives: Voter Approval	Senate Appropriations Committee	Excludes requirement the proposal and submission to the voters of an ordinance or amendment of an ordinance by the legislative body and the adoption or amendment of a city or county charter. Excludes ordinances to certain lands specified in such general plan. Increases the vote threshold for approval of local ordinances or amendments of ordinances intended to reduce density or stop development or construction of any parcels located less than one mile from a major transit stop within a municipality.
AB 1250	Jones-Sawyer (D)	Counties: Contracts for Personal Services	Senate Rules Committee	Establishes specific standards for the use of personal services contracts by counties. Requires the county to demonstrate that the proposed contract will result in costs savings to the county and to show that the contract does not cause displacement of county or city workers. Establishes liability provisions for employment law violations and torts committed in the course of providing services under contract. Imposes disclosure requirements on contracts.
AB 1404	Berman (D)	Environmental Quality Act: Categorical Exemption	Senate Appropriations Committee	Revises exemptions from the California Environmental Quality Act to include proposed residential and mixed-use housing projects occurring within an unincorporated area of a county. Requires the Office of Planning and Research to recommend proposed regulatory amendments for the implementation of these provisions. Requires the secretary to certify and adopt the changes.
AB 1445	Reyes (D)	Designated Qualified Opportunity Zones: Property	Senate Floor	Directs a city or county to require a Qualified Opportunity Zone Fund to provide, as part of any transaction for the sale or lease of property owned by the city or county that is located within such a Zone and for use as a qualified opportunity zone business property, a timeline for completion of the investment activity on the property and specified information relating to the development of the property. Requires such information to be posted on the city or county's website.
AB 1683	Burke (D)	Transformative Climate Communities Program: Report	Senate Rules Committee	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.
AB 1755	Steinorth (R)	Bicycle Operation	Chaptered	Subjects a person riding a bicycle on a Class I bikeway to those rights and requirements of the Vehicle Code that apply if a person is involved in an accident resulting in injury or death of a person other than himself or herself. Provides that violation constitutes a crime.



AB 1756	Brough (R)	Transportation Funding	Assembly Transportation Committee	Repeals the Road Repair and Accountability Act of 2017 which establishes, among other things, a comprehensive transportation funding program by increasing the motor vehicle fuel (gasoline) tax.
AB 1792	Frazier (D)	Affordable Housing Authorities: Infrastructure	Senate Governance and Finance Committee	Amends existing law which authorizes a development proponent to submit an application for a multifamily housing development, which satisfies specified objective planning standards, that is subject to a streamlined, ministerial approval process, as provided, and not subject to a conditional use permit. Exempts a project from these requirements under certain conditions. Expands the exemption for the ministerial approval of projects under CEQA.
AB 1804	Berman (D)	Environmental Quality Act: Exemption: Infill	Senate Appropriations Committee	Revises the categorical exemption from the California Environmental Quality Act (CEQA) concerning infill development to include proposed residential and mixed-use housing projects occurring within an unincorporated area of a county.
AB 1866	Fong (R)	Transportation funding	Assembly Transportation Committee	Creates the Traffic Relief and Road Improvement Program to address traffic congestion and deferred maintenance on the state highway system and the local street and road system. Provides for the deposit of various existing sources of revenue in the Traffic Relief and Road Improvement Account as created by this bill in the State Transportation Fund, including specified revenues attributable to sales and use tax on vehicles, from motor vehicle insurance policies, diesel fuel and registration fees.
AB 1912	Rodriguez (D)	Public Employees' Retirement: Joint Powers Agreements	Senate Appropriations Committee	Eliminates an authorization, and would specify that if an agency established by a joint powers agreement participates in, or contracts with, a public retirement system, member agencies, both current and former to the agreement, would be required, prior to a termination or a decision to dissolve or cease the operations of the agency, to mutually agree as to the apportionment of the agency's retirement obligations among themselves.
AB 1945	Garcia E (D)	Greenhouse Gas Reduction Fund: Investment Plan	Senate Appropriations Committee	Requires the State Air Resources Board to work with state agencies administering grant programs that allocate moneys from the Fund to give specified communities preferential points during scoring for programs intended to improve air quality. Includes a specified application timeline for programs with competitive application processes. Allows applicants from the Counties of Imperial and San Diego to include daytime population numbers in applications. Requires monies used to achieve specified goals.
AB 1954	Patterson (R)	Timber Harvest Plans: Exemption: Flammable Materials	Governor's Desk	Deletes the inoperative date of an exemption from some or all provisions of the Forest Practices Act of 1973 concerning a person engaged in specified forest management activities.

AB 1956	Limon (D)	Fire Prevention Activities: Local Assistance Grants	Senate Appropriations Committee	Amends existing law relating to local assistance grant programs for fire prevention activities. Requires the Director of Forestry and Fire Prevention to hold a public workshop to review activities funded by the local assistance grant program and program outcomes, and to discuss and recommend possible program improvements.
AB 1999	Chau (D)	Local Government: Public Broadband Services	Senate Floor	Authorizes a county service area to acquire, construct, improve, maintain, and operate broadband Internet access services. Requires a county service area that does so to take certain actions regarding the accessing of content on the Internet by end users of that service. Prohibits a local agency that is authorized to engage in the provision of broadband Internet access service in the state from taking certain actions regarding the accessing of content on the Internet by end users.
AB 2006	Eggman (D)	Charge Ahead California Initiative: Vanpool Programs	Assembly Floor - Concurrence in Senate Amendments	Requires the state board, in consultation with the State Energy Resources Conservation and Development Commission, air pollution control and air quality management districts, and the public, to require existing agricultural vanpool programs to serve disadvantaged communities and low-income communities, as defined, and to allocate a minimum of 25% of the moneys appropriated for agricultural vanpool programs to those programs servicing low-income communities.
AB 2035	Mullin (D)	Affordable Housing Authorities	Senate Floor	Defines authorizing resolution and property tax increment for provisions relating to financing of affordable housing projects. Establishes certain requirements for property tax increment resolutions. Authorizes the repeal of local entities adopting a resolution allocating other tax revenues to an Authority. Authorizes an Authority to issue bonds in conformity with the Housing Authorities Law.
AB 2061	Frazier (D)	Near Zero Emission and Zero Emission Vehicles	Senate Appropriations Committee	Authorizes a near zero emission vehicle or a zero emission vehicle to exceed the weight limits on the power unit by up to 2,000 pounds. Increases the weight limit to 82,000 pounds for a near-zero-emission or zero-emission vehicle.
AB 2071	Bloom (D)	Accessory Dwelling Units: Owner Occupancy	Senate Floor	Amends the Planning and Zoning Law. Requires, when a local agency or ordinance requires owner occupancy, as provided, that the lot that contains the accessory dwelling unit, or the single family residence in which the junior accessory dwelling unit is located, be deemed to be owner occupied if the lot or single family residence is owned by a trust in which at least one beneficiary of the trust is a person with a disability and that person occupies the primary residence or the accessory dwelling unit.

AB 2127	Ting (D)	Electric Vehicle Charging Infrastructure: Assessment	Senate Appropriations Committee	Requires the Energy Commission, working with the State Air Resources Board and the PUC, to prepare and biennially update a statewide assessment of the electric vehicle charging infrastructure needed to support the levels of electric vehicles adoption required for the state to meet its goals of putting a certain number of zero emission vehicles on state roads by a specified year and of reducing greenhouse gas emissions to a certain level. Requires input from stakeholders.
AB 2145	Reyes (D)	Vehicular Air Pollution	Senate Appropriations Committee	Adds, as eligible projects for the Clean Truck, Bus, and Off Road Vehicle and Equipment Technology Program, those projects that support grid integration and integrated storage solutions and charging management demonstration and analytics.
AB 2162	Chiu (D)	Planning and Zoning: Housing Development	Senate Floor	Requires that supportive housing be a use by right in zones where multifamily and mixed uses are permitted, including commercial zones permitting multifamily uses, if the proposed housing development meets specified criteria, and would require a local government to approve a supportive housing development that complies with these requirements. Prohibits the local government from imposing any minimum parking requirement for units occupied by supportive housing residents under certain circumstances.
AB 2238	Aguiar-Curry (D)	Local Agency Formation: Fire Hazards: Medical Waste	Senate Inactive File	Amends the Cortese Knox Hertzberg Local Government Reorganization Act. Requires a local agency formation commission to consider the assessed valuation rather than per capita assessed valuation. Requires the commission to consider information contained in a local hazard mitigation plan, a safety element of a general plan, and any maps that identify land as a very high fire hazard zone or that identify land determined to be in a state responsibility area if it is determined that such information is relevant.
AB 2263	Friedman (D)	Designated Historical Resource	Governor's Desk	Requires a local agency to provide specified reductions in required parking for certain development projects in which a designated historical resource, as defined in the bill, is being converted or adapted, unless otherwise required by local ordinance.
AB 2267	Wood (D)	Sonoma County Renewal Enterprise District	Senate Appropriations Committee	Exempts from the requirements of CEQA specified actions and approvals taken between January 1, 2019, and January 1, 2024, for the adoption or approval of amendments to the Downtown Station Area Specific Plan for the City of Santa Rosa meeting certain requirements. Exempts from the requirements of CEQA the approval of residential projects that are consistent with the amended Downtown Station Area Specific Plan.
AB 2341	Mathis (R)	California Environmental Quality Act	Assembly Floor - Concurrence in Senate Amendments	Specifies that, except as provided, the aesthetic effects of projects meeting certain requirements are not significant effects on the environment for the purposes of the California Environmental Quality Act and that the lead agency is not required to evaluate the aesthetic of those projects.

AB 2363	Friedman (D)	Zero Traffic Fatalities Task Force	Assembly Floor - Concurrence in Senate Amendments	Requires the Secretary of Transportation to establish and convene the Zero Traffic Fatalities Task before a specified date. Requires the Task Force to develop a structured, coordinated process for policies to reduce traffic fatalities to zero. Requires the Secretary to prepare and submit a report that includes a detailed analysis of specified issues, including the existing process for establishing speed limits and a recommendation as to whether an alternative method should be considered.
AB 2372	Gloria (D)	Planning and Zoning: Density Bonus: Floor Area	Senate Floor	Authorizes a City Council or county Board of Supervisors to establish a procedure by ordinance to grant a developer of an eligible housing development, upon request by the developer, a floor area ratio bonus in lieu of a density bonus awarded on the basis of dwelling units per acre. Defines eligible housing development as a development that meets specified criteria relating to residential use, location, zoning, replacement of units, and affordability.
AB 2447	Reyes (D)	Environmental Quality Act: Land Use: Justice	Senate Floor	Requires a lead agency that is preparing an environmental impact report, or a negative declaration, to provide certain notices as required to owners and occupants of property located within a specified distance of any parcel or parcels, and to any schools located within a certain distance of any parcel or parcels, on which is located a project involving a subject land use, as defined.
AB 2473	Bonta (D)	State Highway Route 185: Relinquishment: San Leandro	Senate Appropriations Committee	Authorizes the State Transportation Commission to relinquish all or a portion of Route 185 in the City of San Leandro to that city.
AB 2518	Aguiar-Curry (D)	Innovative Forest Products and Mass Timber	Senate Appropriations Committee	Requires the Department of Forestry and Fire Protection, in consultation with the State Board of Forestry and Fire Protection, to identify barriers to in-state production of mass timber, and other innovative forest products and develop solutions that are consistent with the state's climate objectives on forest lands. Requires the Department of Forestry and Fire Protection to collaborate on innovative forest products and mass timber workforce training and job creation.
AB 2551	Wood (D)	Forest and Wildland Health Improvement	Senate Appropriations Committee	Requires the Department of Forestry and Fire Prevention to establish, implement, and administer the Forest and Wildland Health Improvement and Fire Prevention Program. Provides for and administers programs that are intended to promote forest and wildland health, restoration, and resilience, and improve fire outcomes, prevention, and preparedness throughout the state. Authorizes the Department to enter into an agreement with a person to conduct joint prescribed burning operations, as specified.
AB 2562	Mullin (D)	Department Housing and Community Development Loans	Senate Appropriations Committee	Authorizes each extension of an existing loan, subordination of an existing loan to new debt, or investment of tax credit equity to be made in connection with the combining of multiple sites or collateral as if the existing loan is a new loan. Requires the department to reduce the interest rate if the development will utilize low-income housing tax credits, the department makes a specified determination regarding the loan or the ability of the development to syndicate.

AB 2615	Carrillo (D)	State Highway System: Accessibility for Bicycles	Senate Appropriations Committee	Requires the Department of Transportation to partner with appropriate public agencies, including, but not limited to, the Department of Parks and Recreation, any federal department or agency, and any regional or local public entity, to develop strategies and plans to maximize safe and convenient access for bicycles and pedestrians to federal, state, regional, and local parks adjacent to or connected to the state highway system.
AB 2734	Frazier (D)	California Transportation Commission	Governor's Desk	Excludes the California Transportation Commission from the Transportation Agency. Establishes it as an entity in state government, and requires it to act in an independent oversight role.
AB 2753	Friedman (D)	Density Bonuses: Density Bonus Application	Senate Floor	Requires a city or county to provide the applicant with a determination as to the amount of density bonus and any parking ratios requested by the applicant for which the development is eligible and whether the applicant has provided adequate information to make a determination as to any incentives, concessions, or waivers or reductions development standards requested by the applicant.
AB 2797	Bloom (D)	Planning and Zoning: Density Bonus	Senate Inactive File	Requires that any density bonus, concessions, incentives, waivers, or reductions of the development standards, and parking ratios to which an applicant is entitled under the Density Bonus Law be permitted in a manner that is consistent with that law and the Coastal Act.
AB 2849	Stone (D)	Sierra Nevada Conservancy: Watershed Improvement	Assembly Floor - Concurrence in Senate Amendments	Establishes the Sierra Nevada Watershed Improvement Program, to be administered by the Conservancy, to protect, conserve, and restore the health and resilience of the watersheds and communities of the region, as prescribed. Defines tribal organization as an Indian tribe, band, nation, or other organized group or community, or a tribal agency authorized by a tribe and identified within the most current Federal Register, or listed on the Native American Heritage Commission contact list, or both.
AB 2851	Grayson (D)	Regional Traffic Signal Optimization Plans	Senate Appropriations Committee	Requires each city located within the jurisdiction of the Metropolitan Transportation Commission to develop and implement a traffic signal optimization plan intended to reduce greenhouse gases and particulate emissions, reduce travel times and the number of stops and fuel use. Requires the Department of Transportation to coordinate with each city with a plan to ensure that any traffic signals owned or operated by the Department are adjusted and maintained properly.
AB 2889	Caballero (D)	Timber Harvesting Plans: Guidance and Assistance	Governor's Desk	Requires the Department of Forestry and Fire Protection to provide guidance and assistance to ensure the uniform and efficient implementation of processes and procedures regulating the filing, review, approval, required modification, completion, and appeal of decisions relating to timber harvesting plans. Requires the department to issue guidance.

AB 2890	Ting (D)	Land Use: Accessory Dwelling Units	Senate Appropriations Committee	Authorizes a local agency to provide by ordinance for the creation of accessory dwelling units in single-family and multifamily residential zones. Prohibits the imposition of lot coverage standards or requirements on minimum lot size, lot coverage, or floor area ratio. Prohibits an ordinance from establishing size requirements for accessory dwelling units that do not permit a certain minimum square foot unit of at least 16 feet in height to be constructed.
AB 3030	Caballero (D)	California Environmental Quality Act: Exemption	Senate Appropriations Committee	Exempts a project that is financed by a qualified opportunity fund, meeting certain requirements, from CEQA. Requires a lead agency to hold a noticed public hearing on the project before making a determination of exemption. Requires a lead agency, upon exempting and approving a project, to file a specified notice with the Office of Planning and Research.
AB 3124	Bloom (D)	Vehicles: Length Limitations: Buses: Bicycles	Chaptered	Authorizes an articulated bus or articulated trolley coach that does not exceed a certain length to be equipped with a folding device attached to the front designed and used exclusively for transporting bicycles as long as the device does not extend more than a certain distance from the front of the vehicle. Requires a public agency to establish a route review committee to operate such bus or trolley coach. Requires the committee to make a determination of safe routes for such bus or trolley coach.
AB 3160	Grayson (D)	Fire Safety	Senate Natural Resources and Water Committee	Authorizes a local jurisdiction to review and update the safety element upon being classified as a very high fire hazard severity zone without revision of the housing element.
AB 3194	Daly (D)	Housing Accountability Act: Project Approval	Governor's Desk	Amends the Housing Accountability Act. Specifies that a proposed housing development project is not inconsistent with the applicable zoning standards and criteria, and would prohibit a local government from requiring a rezoning, if the housing development project is consistent with the objective general plan standards and criteria but the zoning for the project site is inconsistent with the general plan.
ACA 4	Aguiar-Curry (D)	Local Government Financing: Affordable Housing	Assembly Local Government Committee	Authorizes a local government to impose, extend, or increase a special tax for the purposes of funding the construction, rehabilitation or replacement of public infrastructure or affordable housing, if the proposition proposing that tax is approved by a certain percent of voters. Lowers the voter-approval threshold for the incurrence of bonded indebtedness in certain cases.

ACA 11	Caballero (D)	Middle Class Affordable Housing and Shelter: Funding	Assembly Housing and Community Development Committee	Creates the California Middle Class Affordable Housing and Homeless Shelter Account in the General Fund for the support of local and state programs that assist in the development or acquisition of housing. Requires revenues within the account to be allocated for various existing housing programs, as well as infill infrastructure financing, affordable housing matching grant programs, and affordable senior housing and supportive care campuses, as provided.
ACA 21	Mayes (R)	State Infrastructure: Funding: Investment Fund	Assembly Budget Committee	Amends the state Constitution to create the Infrastructure Investment Fund. Requires the Controller to transfer from the General Fund to the California Infrastructure Investment Fund in each fiscal year an amount equal to up to a certain percentage of the estimated General Fund revenues for that fiscal year. Requires the amounts in the fund to be allocated for specified infrastructure investments.
SB 49	de Leon (D)	Environmental and Workers' Defense Act	Assembly Rules Committee	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. Requires specified agencies to take prescribed actions to maintain and enforce standards pertaining to air, water, and protected species. Prohibits a state agency from amending rules to be less stringent in protection of workers' rights and workers' safety than established by federal law.
SB 262	Wieckowski (D)	Climate Change: Climate Adaptation: Advisory Council	Assembly Appropriations Committee	Amends an existing law which requires the Office of Planning and Research to establish an advisory council. Specifies that members on the council shall serve staggered terms. Recasts the advisory council as the California Council for Adaptation and Resiliency. Transfers the office's functions, regarding the program and the clearinghouse, to the council. Requires the council to take certain actions related to climate adaptation.
SB 277	Bradford (D)	Land Use: Zoning Regulations	Assembly Inactive File	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. Requires the ordinance to provide alternative means of compliance.
SB 481	Pan (D)	Successor Agencies: Assets: Disposal	Senate Governance and Finance Committee	Authorizes the successor agency to the Redevelopment Agency of the County of Sacramento to dispose of a specified property previously used as the San Juan Hotel and Mobile Home Park for an amount less than fair market value, provided that the agency require that the property be used for housing affordable to, and occupied by, persons and families of low or moderate income and very low income and extremely low income households and include an enforceable covenant to that effect.

SB 606	Hertzberg (D)	Water Management Planning	Chaptered	Requires an urban retail water supplier to calculate an urban water use objective and its actual urban water use by specified dates and requires a report. Authorizes the Department of Water Resources to waive these requirements for a maximum number of years. Imposes a civil liability for a violation of an order or regulation. Amends the Urban Water Management Planning Act. Provides certain requirements imposed on urban water suppliers.
SB 765	Wiener (D)	Planning and Zoning: Streamlined Approval Process	Assembly Floor	Provides that the determination of whether an application for a development is subject to the streamlined ministerial approval process is not a project for purposes of the California Environmental Quality Act.
SB 802	Skinner (D)	Emerging Vehicle Technology: Advisory Taskforce	Assembly Appropriations Committee	Directs the Office of Planning and Research to convene an Emerging Vehicle Advisory Study Group to review policies regarding new types of motor vehicles, including, but not limited to, autonomous vehicles and shared-use vehicles, and provide recommendations to the Legislature.
SB 828	Wiener (D)	Land Use: Housing Element	Assembly Appropriations Committee	Amends the Planning and Zoning Law. Prohibits the prior underproduction of housing in a city or county from the previous cycle and stable population numbers in a city or county from the previous cycle from being used as a justification for a determination or a reduction in the jurisdiction's share of the regional housing need.
SB 957	Lara (D)	Vehicles: High Occupancy Vehicle Lanes	Assembly Appropriations Committee	Authorizes an identifier for use of HOV lanes to be issued to super low emissions vehicles, enhanced advanced technology partial zero emission vehicles, and transitional zero emission vehicles, for a vehicle that had previously been issued an identifier. Makes that identifier valid until a specified date, if the applicant for the identifier has a household income at or below a specified percentage of the statewide median income.
SB 961	Allen (D)	Enhanced Infrastructure Financing Districts	Assembly Appropriations Committee	Amends the Planning and Zoning Law. Requires the Office of Planning and Research to complete a study on the effectiveness of tax increment financing tools for increasing housing production, including a comparison of the relative advantages and disadvantages of infrastructure financing districts, enhanced infrastructure financing districts, affordable housing authorities, use of the Neighborhood and Second Neighborhood Infill Finance and Transit Improvements Acts.
SB 1000	Lara (D)	Electric Vehicle Charging Infrastructure	Assembly Appropriations Committee	Requires the Energy Commission and State Air Resources Board to develop minimum charging speed recommendations for direct current fast charging stations and for electric vehicle batteries, and to assess disproportionate charging station infrastructure. Authorizes the Commission to use moneys from the Alternative and Renewable Fuel and Vehicle Technology Fund, as well as other mechanisms, including incentives, to more proportionately deploy new charging station infrastructure.



SB 1014	Skinner (D)	California Clean Miles Standard and Incentive Program	Assembly Appropriations Committee	Establishes the California Clean Miles Standard and Incentive Program, which would require by specified date, that the state board establish a baseline for emissions of greenhouse gases for vehicles used on the online-enabled applications or platforms by transportation network companies on a per-passenger-mile basis.
SB 1015	Allen (D)	State Climate Resiliency Program	Assembly Appropriations Committee	Establishes the Natural Resources Climate Resiliency Program to plan and implement projects that increase the resiliency of natural systems, natural and working lands, and wildlife habitat in rural and urban areas throughout the state in the face of climate change. Requires development and implementation by the Wildlife Conservation Board. Establishes the Natural Resources Climate Change Resiliency Fund.
SB 1035	Jackson (D)	General Plans	Assembly Floor	Requires the safety element of the Planning and Zoning Law to be reviewed and revised as necessary to address climate adaptation and resiliency strategies. Requires, after these revisions, the planning agency to review and revise the safety element upon each revision of the local hazard mitigation plan at a certain time interval for specified purposes.
SB 1048	Allen (D)	Intercity Rail Services: Feeder Buses	Assembly Rules Committee	Repeals provisions authorizing the Department of Transportation to contract with Amtrak to provide intercity rail passenger services and feeder bus services operated in conjunction with the intercity trains.
SB 1072	Leyva (D)	Regional Climate Collaborative Program	Assembly Appropriations Committee	Establishes a regional climate collaborative program, to be administered by the Strategic Growth Council to assist under-resourced communities, in a region to access statewide public and other grant moneys. Authorizes the council to award specified grants to collaboratives for specified activities.
SB 1079	Monning (D)	Forest Resources: Fire Prevention Grants	Assembly Floor	Amends existing law providing grants to entities, including private or nongovernmental entities, Native American tribes, or local, state, and federal public agencies, for the implementation and administration of projects and programs to improve forest health and reduce greenhouse gas emissions. Authorizes the Director to authorize certain advance payments to a nonprofit organization, a local agency, a special district, a private forest landowner, or a Native American tribe from the grant awards.
SB 1088	Dodd (D)	Safety, Reliability, and Resiliency Planning	Assembly Rules Committee	Amends the Emergency Services Act. Requires an electrical or gas corporation to submit to the Public Utilities Commission an application for review and approval of a safety, reliability, and resiliency plan on or before a certain date biennially. Amends existing law relating to the Commission's use of a general rate case for a certain number of years to address certain operating costs. Explicitly authorizes the Commission to extend that general rate case cycle.

SB 1119	Beall (D)	Low Carbon Transit Operations Program	Assembly Appropriations Committee	Waives a requirement that transit agencies whose service areas include disadvantaged communities expend a specified amount of funds received from the Low Carbon Transit Operations Program on projects or services that benefit those communities if the recipient transit agencies expend the funding provided on certain transit activities.
SB 1145	Leyva (D)	Enhanced Infrastructure Financing District: Maintenance	Assembly Floor	Authorizes an infrastructure financing district to finance the ongoing or capitalized costs to maintain public capital facilities financed in whole or in part by the district. Prohibits the use of proceeds of bonds issued to finance maintenance of any kind. Codifies the incorporation of additional changes to specified provisions.
SB 1227	Skinner (D)	Density Bonuses	Assembly Floor	Requires a density bonus to be provided to a developer that agrees to construct a housing development in which all units in the development will be used for students enrolled full time at an institution of higher education accredited by the proper authority, and the developer enters into an agreement with an institution of higher education where a percent of the units are used for lower income students, provided at a specified rent level, and priority is provided for students experiencing homelessness.
SB 1260	Jackson (D)	Fire Prevention and Protection: Prescribed Burns	Assembly Appropriations Committee	Requires a local agency to transmit a copy of their adopted ordinance to the state board within a certain number of days of adoption. Requires a local agency to make a finding that ingress and egress for a subdivision meet regulations regarding road standards for fire equipment access, as provided. Gives the Department the option, if it elects not to purchase insurance, to determine proportionate share of liability, as provided.
SB 1328	Beall (D)	Mileage-Based Road Usage Fee	Assembly Appropriations Committee	Extends the operation of the California Transportation Commission to create a Road Usage Charge (RUC) technical Advisory Committee until a specified date. Requires the technical advisory committee to continue to assess the potential for mechanisms, including, but not limited to, a mileage-based revenue collection system, to use as alternative methods to the existing gas tax system for generating the revenue necessary to maintain and operate the state's transportation system.
SB 1376	Hill (D)	Transportation Network Companies: Accessibility	Assembly Appropriations Committee	Requires the Public Utilities Commission as part of its regulation of transportation network companies (TNCs), to establish a program in a new or existing proceeding relating to accessibility for persons with disabilities, including wheelchair users who need a wheelchair accessible vehicle.
SB 1403	Lara (D)	Clean Truck, Bus, and Off Road Vehicle Technology	Assembly Appropriations Committee	Requires, commencing with the funding plan for the Air Quality Improvement Program, that the State Air Resources Board include an investment strategy for zero- and near-zero-emission heavy-duty vehicles and equipment commensurate with meeting certain goals. Requires the funding plan to include information related to milestones achieved by the state's schoolbus incentive programs and the projected need for funding.

SCA 6	Wiener (D)	Local Transportation Measure: Special Taxes: Voter	Senate Appropriations Committee	Requires that the imposition, extension, or increase by a local government of a special tax as may otherwise be authorized by law, whether a sales or transactions and use tax, parcel tax, or other tax for the purpose of providing funding for transportation purposes be submitted to the electorate by ordinance and approved by a certain percentage of the voters voting on the proposition.
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**Government Relations and Public  
Affairs Committee**

**Meeting Date:** 8/27/2018

**Agenda Item No.:** 2018-August-6.

**Subject:** Federal Advocacy Update (Est. time: 5 minutes)

**Information**

**Prepared by:** Christina Lokke

**Approved by:** Erik Johnson

**Attachments:** Yes

**1. Issue:**

Federal advocacy update

**2. Recommendation:**

None, this item is for information only.

**3. Background/Analysis:**

House Transportation and Infrastructure Chairman Bill Shuster (R-PA) recently released a broad proposal related to transportation funding, including providing short-term and long-term solvency for the Highway Trust Fund (HTF). Attachment A is an overview of each section of the proposal.

**4. Discussion/Analysis:**

On July 24, 2018, Chairman Shuster, who is retiring this year, released an infrastructure package proposal. Action on the proposal, released as a discussion draft, is unlikely. However, that was not the intent of Chairman Shuster, as he stated, "this discussion draft does not represent a complete and final infrastructure bill. It is meant to reignite discussions amongst my colleagues, and I urge all Members to be open-minded and willing to work together in considering real solutions." The proposal focuses on the HTF, providing both short-term and long-term funding solutions, in addition to other transportation infrastructure funding.

Overview of Short-Term HTF Solutions

- \_Increases fuel taxes: gasoline – 15 cents per gallon and diesel – 20 cents per gallon
- Phased in over three years
- Indexes the tax rates for inflation
- Zeros out the fuel taxes in 2028 to allow for other long-term solutions
- Adds several new taxes, which would go towards the HTF:
  - 10 percent tax on batteries for electric vehicles
  - 10 percent tax on bicycle tires
  - 4.3 cent per gallon tax, adjusted for inflation, on diesel for certain passenger trains, expires in 2028

- Eliminates the reduced user fee on fuel used by certain intercity and local public transportation buses
- Increases revenue by at least \$284 billion over a ten-year period, according to a Joint Committee on Taxation (JCT) preliminary estimate
  - Fuel tax increase - \$280 billion
  - Electric vehicle battery tax - \$3.3 billion
  - Bicycle tire tax - \$148 million
  - *JCT did not estimate the commuter rail diesel fuel tax*
- Sets the HTF up for solvency over the next ten years. The fuel taxes would expire in 2028 with the assumption there would be a new structure of taxes

### Overview of Long-Term HTF Solutions

- Creates a blue ribbon commission to study the issue
  - Conduct a study by 2021 that identifies current and future needs of the nation's surface transportation program; determines levels of funding needed to meet those needs; and analyzes potential revenue sources
  - Develop at least one recommendation for achieving long-term HTF solvency and legislation to achieve it. Cannot rely on a federal fuel tax
- Develop a pilot to study the concept of a per-mile user fee
  - Must test the design, acceptance, implementation, and financial sustainability of a national per-mile user fee, increase public awareness, and provide recommendations for adoption and implementation
  - Must include volunteer participants from all 50 states and the District of Columbia and owners of commercial vehicles
  - Includes \$5 million per year for three years

### Additional Items of Interest

- Provides a one-year extension of the Fixing America's Surface Transportation (FAST) Act, through fiscal year 2021, funded at Fiscal Year 2020 levels
- Authorizes the National Infrastructure Investments program, known as BUILD - \$3 billion per year for 5 years
  - Up to \$3 billion total for incentive grants for "asset recycling" and up to \$500 million each year for projects of national significance
  - Minimum award of \$25 million
  - Eligible grantees: state, local government, transit agency, political subdivision of a state, interstate compact, public agency or publicly chartered authority established by one or more states, multistate or multijurisdictional group of entities
  - Eligible projects: highway or bridge project, public transportation project, passenger rail or freight rail, port project, airport project, or a transformative transportation project (defined as "a project that uses innovation or technology to facilitate the movement of goods or people.")
  - At least 30 percent must go to rural projects
- Provides a mechanism to fund "projects of national significance"
  - Requires reports from the Secretary of Transportation to Congress each year identifying projects as submitted by project sponsors
  - Eligible projects cannot have previously been included in a report and must have non-Federal support
- Requires the Secretary of Transportation to report to Congress on unsuccessful applicants for Infrastructure For Rebuilding America (INFRA) grants and provides that

\$200 million for three years can only go to reported unsuccessful prior-year applicants

- Reauthorizes various water resources and economic development programs
- Makes numerous changes intended to accelerate project delivery
  - One Federal Decision - requires a record of decision no later than two years after a notice of intent is published pursuant to the National Environmental Policy Act (NEPA)
  - Requires the National Surface Transportation and Innovative Finance Bureau to maintain a permitting dashboard
  - Expedites the environmental review process by making the application of categorical exclusions applicable to all transportation projects
  - Establishes a pilot program for up to 15 projects using innovative approaches to the environmental review process, including integrating environmental planning; improving mitigation or enhancement measures; technologies that enable more effective public participation; and focusing on outcomes rather than processes

## **5. Fiscal Impact/Grant Information:**

This item has no direct fiscal impact.

## **6. This staff report aligns with the following SACOG Work Plan Goals:**

6. Help the Region Advance a Vision for "Next Generation Transit", 7. Deliver Key High-Profile Transportation Projects

### **ATTACHMENTS:**

Description

Attachment A Shuster Transportation Discussion Draft Section by Section



## Discussion Draft Section by Section

### Title I – Highway Trust Fund

#### Subtitle A – Future of the Highway Trust Fund.

##### **Section 101. Highway Trust Fund Commission.**

This section establishes a Highway Trust Fund Commission. The Commission will submit a report to Congress that includes recommendations to achieve the long-term solvency of the HTF and the corresponding legislation required to enact those recommendations. This section also includes a provision that allows for expedited consideration of the legislation by Congress.

##### **Section 102. Per-mile User Fee Surface Transportation System Funding Pilot.**

This section establishes a national, volunteer-based pilot program to demonstrate whether a per-mile user fee can replace the existing user fees on gasoline and diesel, which are the primary sources of revenue for the HTF. Volunteers can be owners of both passenger vehicles and commercial motor vehicles, as well as an owner of a fleet commercial of motor vehicles. The pilot program would be administered by the Secretary of Transportation, in coordination with the Secretary of the Treasury.

#### Subtitle B – Highway Trust Fund Reform.

##### **Section 111. Elimination of Reduced Rate for Intercity and Local Public Transportation Buses.**

This section eliminates the reduced user fee on fuel used by certain intercity and local public transportation buses. The reduced user fee on fuel used by school buses remains in effect.

##### **Section 112. Application of Tax on Diesel to Certain Passenger Trains.**

This section reinstates the 4.3 cents per gallon user fee on diesel used by passenger trains eligible for funding under certain federal public transportation programs. The user fee is indexed to inflation.

##### **Section 113. Electric Vehicle Battery Excise Tax.**

This section establishes a 10 percent user fee on the wholesale price of electric batteries used to propel motor vehicles.

##### **Section 114. Bicycle Tire Tax.**

This section establishes a 10 percent user fee on the wholesale price of bicycle tires used on adult bicycles.



## **Subtitle C – Highway Trust Fund Solvency.**

### **Section 121. Increase in Tax on Motor Fuels.**

This section increases the federal user fees on gasoline and diesel fuel by 15 cents per gallon and 20 cents per gallon, respectively. These increases are phased in over a period of three calendar years. Once the phase in is complete, the new user fees are indexed to inflation. On September 30, 2028, the rates for these user fees become zero. This section also provides for corresponding increases in similar user fees on alternative fuels.

### **Section 122. Floor Stocks Tax.**

This section imposes a floor stocks tax on certain fuels under limited circumstances.

### **Section 123. Extension of Other Highway-Related Taxes.**

This section extends the other users fees, which provide revenue for the HTF, that were not addressed by previous sections, as well as certain exemptions from those user fees through September 30, 2028.

### **Section 124. Extension of Transfers of Certain Taxes.**

This section extends the transfers of revenue from the user fees into the HTF through September 30, 2028.

### **Section 125. Extension of Highway Trust Fund Expenditure Authority.**

This section extends the expenditure authority of the Highway Trust Fund through September 30, 2021.

## **Title II – Investment in Infrastructure**

### **Subtitle A – Transportation Infrastructure.**

#### **Section 201. Infrastructure Improvements.**

This section authorizes the National Infrastructure Investments Program to make investments in transportation infrastructure. It directs the Secretary of Transportation to award grants on a competitive basis to eligible applicants. Thirty percent of annual grant awards must go to projects located in rural areas.

This section also establishes a set-aside for incentive grants. Incentive grants would be given to eligible applicants that have leased an infrastructure asset to the private sector and have certified that the proceeds from the lease will be used to make other infrastructure improvements. The incentive grants can only be used to make improvements to transportation infrastructure.

Finally, this section establishes a set-aside and a transparent process for a future Congress to authorize nationally significant transportation projects. This process is similar to the process Congress used to authorize new projects in recent Water Resources Development Acts.





### **Section 202. Extension of Federal Surface Transportation Programs.**

This section provides an additional year of certainty to non-federal partners by extending the funding, policies, and programs of the FAST Act through fiscal year 2021.

### **Section 203. Repeal of Rescission.**

This section repeals the approximately \$7.6 billion rescission of federal highway funding in the FAST Act. This section prevents state departments of transportation from potentially having to shelve needed investments in our Nation's surface transportation system.

### **Section 204. Additional Authorizations.**

This section provides additional funding, subject to the availability of appropriations, for certain highway, public transportation, and rail programs for fiscal years 2019, 2020, and 2021.

### **Section 205. Nationally Significant Freight and Highways Projects.**

This section establishes a set-aside and a transparent process within the FAST Act's National Significant Freight and Highways Projects Program for a future Congress to authorize nationally significant highway, bridge, and freight projects.

## **Subtitle B – Water Resources.**

### **Section 211. WIFIA Reauthorization.**

This section reauthorizes the Water Infrastructure Finance and Innovation Act (WIFIA) program. This section allows the Army Corps of Engineers (Corps) to enter into an agreement with the Environmental Protection Agency (EPA) to service loans for the Corps WIFIA program. Additionally, this section would ease administrative burdens on State Infrastructure Financing Authorities when applying for WIFIA loans, and makes other improvements to the program.

### **Section 212. Technical Assistance for Rural and Small Treatment Works.**

This section amends Section 104 of the Federal Water Pollution Control Act (also known as the Clean Water Act or CWA) to allow the EPA to make grants to nonprofit organizations to provide technical assistance relating to financing wastewater infrastructure in rural, small, and tribal municipalities. This section would allow the EPA to better provide assistance to underserved communities to access affordable financing options for constructing and operating wastewater treatment systems to in order to maintain compliance with the Clean Water Act.

### **Section 213. State Management Assistance.**

This section reauthorizes an EPA grant program under Section 106 of the CWA that assists States, interstate agencies, and tribes in administering programs for the prevention, reduction, and elimination of pollution in the Nation's waterways. These grants support cooperative federalism by providing funding to build and sustain effective water quality programs that ensure the health of our Nation's water bodies.

### **Section 214. Watershed Pilot Projects.**

This section formally authorizes EPA's on-going efforts under Section 122 of the CWA to support states, tribes, and local communities in developing watershed-based plans to achieve water quality standards. Through this program, EPA would provide technical assistance and grants to



municipalities to carry out pilot projects to best manage wet weather discharges on a watershed basis.

**Section 215. Nonpoint Source Management Programs.**

This section reauthorizes EPA's CWA Section 319 Nonpoint Source Management Program to provide technical and financial assistance to states, territories, and tribes to implement a variety of nonpoint source projects. Nonpoint source pollution – principally nitrogen, phosphorus, and sediments - continues to be an impediment to improving water quality. Reauthorization of this important program continues the important Federal role in protecting the Nation's water through innovative approaches and effective partnerships with state and local partners.

**Section 216. State Water Pollution Control Revolving Funds.**

This section amends Title VI of the CWA to reauthorize the Clean Water State Revolving Funds (CWSRF) program and increase financial assistance for communities of fewer than 10,000 individuals. Additionally, this section requires the EPA to establish simplified procedures for communities to obtain assistance through the CWSRF program.

**Section 217. Harbor Maintenance Trust Fund Discretionary Spending Limit Adjustment.**

This section establishes a specific budgetary mechanism to allow revenue deposited in the Harbor Maintenance Trust Fund to be appropriated and expended to address the maintenance dredging needs of U.S. commercial harbors.

**Subtitle C – Economic Development.**

**Section 221. Economic Development Administration Reauthorization.**

This section reauthorizes the Economic Development Administration through 2023.

**Title III – Innovative Project Finance**

**Section 301. Authorization for Credit Risk Premium Payments for Railroad Rehabilitation and Improvement Financing.**

This section authorizes funds for fiscal years 2019 through 2021 for the direct cost of loans and loan guarantees for Railroad Rehabilitation and Improvement Financing (RRIF) program. These authorizations for coverage of the credit risk premiums will help leverage private-sector dollars and expertise in rail infrastructure projects.

**Section 302. Public Buildings Public-Private Partnership Pilot Program.**

This section directs the General Services Administration (GSA) to carry out a pilot program to complete 3 to 5 building projects as public private partnerships consistent with Office of Management and Budget scoring rules and requires the GSA to conduct a review and evaluation of projects executed under the pilot program. This pilot project will help the GSA determine how best to leverage private-sector dollars and expertise to construct and rehabilitate federal buildings.



### **Section 303. Federal Capital Revolving Fund.**

This section creates a new \$10 billion federal capital revolving fund managed by the GSA to help finance the costs of constructing and rehabilitating federal buildings. The fund will provide financing for large federal capital projects by allowing federal agencies to borrow from the fund for such projects and pay back the fund over time.

### **Section 304. Reenactment of Coast Guard Housing Authorities.**

This section will reduce a decade's old backlog of shoreside infrastructure projects and improve the quality of life for Coast Guard servicemembers by providing the Service the authority to enter into public private partnerships to rehabilitate old and construct new military family housing for servicemembers and their dependents.

## **Title IV – Accelerating Project Delivery**

### **Section 401. One Federal Decision.**

This section directs the National Surface Transportation and Innovative Finance Bureau (Bureau), which was established by the FAST Act, to be the entity within the Department of Transportation (Department) that is responsible for carrying out various activities to accelerate project delivery. It also enables the Bureau to provide technical assistance on compliance with the National Environmental Policy Act to all non-federal sponsors of transportation projects. It directs the Bureau, in coordination with other modal administrations and federal agencies as applicable, to ensure that a record of decision is issued for a transportation project within two years. Finally, it requires the Bureau to maintain the permitting dashboard within the Department.

### **Section 402. Application of Categorical Exclusions for Transportation Projects.**

This section expedites the environmental review process by enabling a categorical exclusion for a project under one modal administration of the Department to be applied to a project under a different modal administration.

### **Section 403. Pilot Program on the Use of Innovative Practices for Environmental Reviews.**

This section establishes a pilot program to allow for the use of innovative approaches to environmental review process in order to accelerate project delivery while still maintaining environmental protections.

### **Section 404 – Section 401 Certification Reform.**

This section amends section 401 of the CWA to clarify that states may only consider water quality requirements which are consistent with the intent and goals of the CWA and with appropriate water quality requirements under state law when providing a 401 certification for a project.



**Government Relations and Public  
Affairs Committee**

**Meeting Date:** 8/27/2018

**Agenda Item No.:** 2018-August-7.

**Subject:** Nationwide Proposed Transportation Ballot Measures (Est. time: 10 minutes)

**Information**

**Prepared by:** Christina Lokke

**Approved by:** Erik Johnson

**Attachments:** No

**1. Issue:**

Summary of some proposed transportation ballot measures on the November 2018 ballot.

**2. Recommendation:**

None, this item is for information only.

**3. Background/Analysis:**

Many state, regional, and local governments across the country are proposing transportation related ballot measures to their voters this November. This item is an overview of some of those proposals.

**4. Discussion/Analysis:**

Below is a sample of various statewide and local transportation funding measures on, or potentially on, the November 2018 ballot.

**State of Colorado**

Colorado voters could see two competing transportation funding measures on the ballot this fall. Two different groups submitted separate measures to the Secretary of State, who has until September 5, to review submitted signatures and certify qualifying measures for the ballot. Both measures raise funds to pay for transportation projects, but each take a different approach. The state Department of Transportation says it will cost \$9 billion over the next decade to catch up on maintenance and repairs on the state's roads and bridges. Earlier this year, the Colorado State Legislature passed Senate Bill 1, a last-minute compromise to allocate \$645 million in one-time transportation funding for the next two fiscal years. The money will go towards roads and bridges (70 percent), local governments (15 percent) and multi-modal projects (15 percent). If voters do not approve a long-term funding measure this fall, SB 1 places a \$2.3 billion bond measure on the 2019 ballot.

Initiative 153: Sales Tax Increase

Increases transportation funding by raising sales taxes by 0.62 percent for 20 years to pay

for up to \$6 billion in bonds to fund state transportation projects. Allocates the funding to: state transportation projects and debt service (45 percent), local governments (40 percent), and multi-modal transportation projects, such as mass transit, rail, and bicycle lanes (15 percent).

#### Initiative 167: Bonds for Transportation Projects

Requires the Department of Transportation to issue revenue anticipation notes in a maximum amount of \$3.5 billion to pay for specific transportation projects. Requires the Legislature to first make debt-service payments before allocating General Fund revenue to other state programs. Bond revenue could only be spent on road and bridge expansion, maintenance, construction and repair for 66 specific projects. Local governments would not receive funding and no money would go towards multi-modal projects.

#### **State of Missouri – Proposition D**

Provides a 10-cent fuel tax increase, phased-in over four years. Also taxes alternative fuels at an equivalent rate to the rate on the motor fuel tax, beginning January 1, 2026. This increase is expected to generate at least \$288 million annually for the state to fund Missouri State law enforcement and \$123 million annually for local governments for road construction and maintenance. This measure was placed on the statewide ballot by the General Assembly. There is pending litigation to remove the measure from the ballot. Challengers contend that the process to place the measure on the ballot violated state constitutional processes by violating the "single subject" rule.

#### **Scottsdale, Arizona, Ballot Question 1**

Increases the city's sales tax by one-tenth of one percent (0.10%) for 10 years to provide funds for transportation projects. It is projected to raise \$100 million and would provide Scottsdale with the local funding needed to access an additional \$140 million from Proposition 400, a previously passed Maricopa County-wide half-cent sales tax for transportation. The regional funds are released to cities that match a portion of projects' costs.

#### **Flagstaff, Arizona**

The Flagstaff City Council voted to place three transportation related measures on the November ballot.

#### Proposition 419 - Continuation of a Sales Tax for Roadway, Pedestrian, Bicycle and Safety Improvements

Continuation of the levy of three existing sales taxes expiring in 2020 as a single sales tax rate of 0.426 percent to be in effect for a period of 21 years beginning July 1, 2020, to be used for the following purposes:

- Design, construction, reconstruction, improvement, and maintenance of roadways
- Construction, reconstruction, and maintenance of walkways, bike paths, and pedestrian and bicycle crossings
- Technology and signing
- Acquisition of necessary real estate and related interests
- All incidental costs including relocation costs
- Debt service

#### Proposition 420 - Sales Tax for Lone Tree Railroad Overpass from Butler Avenue to Route 66

Levies a sales tax at a rate of 0.23 percent for 20 years to pay for the Lone Tree Railroad Overpass.

Proposition 421 - Sales Tax for Increasing Transit Services

Levies a sales tax at a rate of 0.15 percent for 11 years to pay for an increase in public transportation including constructing, acquiring, operating, and maintaining equipment and facilities for more frequent transit service within the City of Flagstaff.

**Broward County, FL**

Increases the county's sales tax from six to seven percent to pay for transportation projects. The increase is expected to raise \$16 billion to go towards projects that reduce traffic congestion, improve roads and bridges, enhance traffic signal synchronization, develop safe sidewalks and bicycle pathways, expand and operate bus and special needs transportation, implement rail along approved corridors, and implement emerging transportation technologies. County Commissioners discussed potential projects, including establishing a light-rail commuter service and creating more rapid and express bus routes.

**Bainbridge Island, Washington – Proposition 1**

Increases property taxes by an amount estimated to generate \$15 million over 7 years to be used for non-motorized transportation projects. The estimated increase to the property tax rate is \$0.28 per \$1,000 of assessed value. Potential projects include shoulder improvements on major island roads, safe routes to school projects and other off-road trail/pathway projects, targeted pedestrian improvements, and specific regional trail expansion.

**5. Fiscal Impact/Grant Information:**

This item has no direct fiscal impact.

**6. This staff report aligns with the following SACOG Work Plan Goals:**

2. Benchmark Ourselves Against Peer Regions, 9. Better Connect and Communicate with Members and Regional Electeds



**Government Relations and Public  
Affairs Committee**

**Meeting Date:** 8/27/2018

**Agenda Item No.:** 2018-August-8.

**Subject:** Required Communication with Auditors-Statement on Auditing Standards No. 114 (Est. time: 5 minutes)

**Information**

**Prepared by:** Loretta Su

**Approved by:** Erik Johnson

**Attachments:** Yes

**1. Issue:**

In accordance with the Statement on Auditing Standards (SAS) No. 114, SACOG's auditors are required to communicate certain matters to those charged with governance of the agency.

**2. Recommendation:**

None, this is for information only.

**3. Background/Analysis:**

SAS No. 114 provides a framework for effective communication between auditors and clients in relation to the audit of financial statements.

The auditor is required to communicate with those charged with governance those matters related to the financial statement audit that are, in the auditors' professional judgment, significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Generally, the matters to be communicated include information regarding the auditors' responsibility under GAAS (Generally Accepted Auditing Standards), the planned scope and timing of the audit, planning and interim activities, year-end fieldwork and audit approach, and new audit and accounting standards effective for the fiscal year ended June 30, 2018.

**4. Discussion/Analysis:**

Our auditors encourage effective two-way communications through face-to-face meetings. These communications can be made to an audit committee or a similar committee designated by the Board to address audit-related matters. In the case of SACOG, the Government Relations & Public Affairs Committee is charged with overseeing administration and financial budget matters, including the audit, and thus is the appropriate Committee to communicate with the auditors.

Therefore, in accordance with SAS No. 114, SACOG's auditors, Vavrinek, Trine, Day &

Company, LLP, will provide a presentation to the committee.

**5. Fiscal Impact/Grant Information:**

There is no fiscal impact.

**6. This staff report aligns with the following SACOG Work Plan Goals:**

10. Strengthen Internal Functions and Protocols

**ATTACHMENTS:**

Description

Attachment A





**VAVRINEK, TRINE, DAY & CO., LLP**  
 Certified Public Accountants

**VALUE THE** *difference*

August 13, 2018

To the Board of Directors  
 Sacramento Area Council of Governments  
 Sacramento, California

We are engaged to audit the financial statements of the governmental activities and each major fund of the Sacramento Area Council of Governments (SACOG) for the year ended June 30, 2018. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards* and the Uniform Guidance

As stated in our engagement letter dated August 13, 2018, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider SACOG's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether SACOG's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we will examine, on a test basis, evidence about SACOG's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on SACOG's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on SACOG's compliance with those requirements.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to (1) Management's Discussion and Analysis, (2) Schedule of SACOG's Proportionate Share of the Net Pension Liability, (3) Schedule of Employer Contributions (Pension), (4) Schedule of Changes in Net OPEB Liability and Related Ratios, (5) Schedule of Employer Contributions (OPEB), and (6) Budgetary Comparison Information, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the (1) Schedule of expenditures of federal awards, (2) Schedule of Revenues and Expenditures – Board of Directors and Advocacy – Budget and Actual, and (3) Schedule of Indirect Service Costs which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have not been engaged to report on the (1) the Introductory Section or (2) the Statistical Section, which accompany the financial statements but are not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor’s report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information will not be audited and we will not express an opinion or provide any assurance on it.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We will make reference to other auditor’s audits of the STA and LTF special revenue funds in our report on the financial statements.

If you are aware of matters that have a material bearing on the financial statements taken as a whole (such as those described above in items 1-4), please contact me at (916) 570-1880 or by email at dshowalter@vtdcpa.com. We expect to begin our audit in August 2018 and issue our report by December 31, 2018. David Showalter, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of SACOG Board of Directors and management of SACOG and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



David E. Showalter, Partner  
Vavrinek, Trine, Day & Co., LLP