

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 25-26, 2023

From: MITCH WEISS, Executive Director

Reference Number: 4.1, Action – ***YELLOW REPLACEMENT ITEM***

Prepared By: Justin Behrens  
Assistant Deputy Director

Published Date: January 20, 2023

Subject: State and Federal Legislative Matters

***UPDATE: This book item has been updated to include a recommendation that the Commission approve a support letter for Assembly Bill 251 (Ward).***

## **Recommendation:**

Staff recommends the California Transportation Commission (Commission) accept this report on state and federal legislation and approve the support letter for Assembly Bill 251 (Ward) included as Attachment C.

## **Issue:**

Attachment A includes a list of bills monitored by staff, pursuant to the Commission's bill monitoring policy. This policy directs staff to identify transportation-related bills having a statewide impact and that involve funding, greenhouse gas emissions reductions, land use and planning, the environmental process, or project delivery. It also directs staff to monitor all bills that directly affect the Commission. As of January 18, Commission staff have identified 11 bills for monitoring in the regular session, but many more bills are expected to be introduced in the coming weeks.

Commission staff recommends the Commission approve the support letter for Assembly Bill 251, included as Attachment C. This bill would implement a recommendation from the Commission's 2022 Annual Report to the Legislature by requiring the Commission to convene a task force to study the concept of a weight-based fee for passenger vehicles. Commission staff is not recommending any additional positions on bills at this time.

The Governor submitted the 2023-24 proposed state budget to the Legislature on January 10. Details of the proposed budget are described below.

**Background:****State Legislation**

The Legislature reconvened on January 4 for the first year of the 2023-2024 legislative session. Members have until February 17 to introduce new legislation. Policy committees will begin hearing newly introduced bills soon after this deadline.

On January 18, Assemblymember Ward introduced Assembly Bill 251, which implements the Commission's legislative recommendation to study the imposition of a passenger vehicle weight fee. This recommendation was included in the Commission's 2022 Annual Report to the Legislature. As proposed, the bill would require the Commission to convene a task force to study the relationship between vehicle weight and injuries to vulnerable road users and the potential costs and benefits of imposing a weight fee on passenger vehicles. The Commission would be required to report its findings to the Legislature by January 1, 2026. The full text of Assembly Bill 251 is included as Attachment B.

On November 30, 2022, the Governor convened a special session of the Legislature to consider legislation to deter gasoline price gouging and authorize greater regulatory oversight of the gasoline market. Bills introduced in the special session that are substantially similar to bills in the regular session are noted in Attachment A.

**State Budget**

On January 10, 2023, the Governor submitted the 2023-24 proposed budget to the Legislature. The proposed budget includes \$297 billion in spending and an overall budget shortfall of \$22.5 billion in the 2023-24 fiscal year. The proposed budget includes \$2.7 billion in General Fund reductions from the \$13.8 billion 2022-23 budget for specified transportation projects and programs. Some of these General Fund reductions are proposed to be offset by other fund sources, including the State Highway Account. Proposed transfers from the State Highway Account would ultimately reduce funding available for the State Highway Operations and Protection Program. Noteworthy adjustments proposed in the 2023-24 budget include the following:

- **Active Transportation Program.** The proposed budget includes a reduction of \$500 million from the General Fund, with \$300 million of the reduction restored from the State Highway Account, resulting in a net reduction of \$200 million from the \$1.05 billion approved in the 2022-23 budget. The Administration proposes to advance \$200 million held in reserve for future Active Transportation Program cycles to allow for full funding of the program of projects adopted by the Commission in December 2022.
- **Climate Adaptation Program.** The proposed budget replaces \$200 million from the General Fund with \$200 million from the State Highway Account, leaving the overall funding level unaffected.
- **Transit and Intercity Rail Capital Program.** The proposed budget includes a reduction of planned funding in 2023 and 2024 from \$2 billion each year to \$1 billion in 2023-24 and \$500 million in each of 2024-25 and 2025-26. These adjustments are intended to reduce the funding for the formulaic portion of the program and are not intended to impact project-specific awards. The budget proposes to restore these reductions if sufficient General Fund resources are available in January 2024.

- **Safety Grade Separations.** The proposed budget delays \$350 million of funding planned to be available in fiscal year 2023-34 until fiscal year 2025-26.

The 2023-24 proposed budget also includes two proposals submitted by the Commission:

- **Advisory Committee Compensation.** Throughout its work on equity over the past year, the Commission heard clearly from stakeholders and members of its Equity Advisory Roundtable about the need to adequately compensate individuals for serving on transportation advisory committees. This is necessary to recognize the value of their time commitment and to alleviate financial barriers for qualified and willing individuals to serve on a committee.

Currently, the Commission lacks the statutory authority to provide a per diem to members of its two advisory committees: the interagency Equity Advisory Committee and the Road Charge Technical Advisory Committee. By contrast, other state boards and commissions with which the Commission regularly interacts -- including the California Air Resources Board, the California Energy Commission, and the California Public Utilities Commission -- have statutory authority to offer a per diem to advisory committee members. Absent statutory authorization, the Commission has had to explore other options to compensate advisory committee members, such as grants from foundation funding, that are not sustainable on an ongoing basis.

The Commission's proposal, which is included in the Governor's budget, would authorize a \$100 per diem to advisory committee members for each day spent in the discharge of authorized advisory duties and also provide reimbursement for traveling and other expenses incurred in the performance of such duties. The associated cost is \$200,000 on an ongoing basis. This proposal was included as a recommendation in the Commission's 2022 Annual Report to the Legislature.

- **Senate Bill 1121 Implementation.** This bill was authored by Senator Gonzalez and signed by the Governor in October 2022. The legislation requires the Commission, by January 1, 2025, and every five years thereafter, to prepare a needs assessment of the cost to operate, maintain, and provide for the necessary future growth of the state and local transportation system for the next 10 years, including a forecast of expected federal, state, and local revenues to pay for the costs identified in the needs assessment, any shortfall in revenue to cover the costs, and recommendations on how any shortfall should be addressed. The Commission requested \$224,000 for one full-time, limited-term position for three years and \$300,000 for a one-time consultant to prepare the Assessment. This funding is included in the Governor's budget.

Attachments:

- Attachment A: Legislation Monitored by Commission Staff
- Attachment B: Assembly Bill 251 Bill Text
- Attachment C: Assembly Bill 251 Support Letter

**Legislation Monitored by Commission Staff**  
**Introduced Bills (2023-24 Regular Session)**  
(As of January 18, 2023)

<b>Bill</b>	<b>Author</b>	<b>Subject</b>	<b>Description</b>
AB 6	Friedman	Transportation planning.	States the intent of the Legislature to enact legislation requiring regional transportation agencies to prioritize and fund transportation projects, including those funded by a local sales tax measure, that significantly contribute towards the goals outlined in a region's Sustainable Communities Strategy and the state's climate goals.
AB 7	Friedman	Transportation: funding: capacity projects.	States the intent of the Legislature to enact legislation eliminating single occupancy vehicle freeway capacity projects, and allowing capacity projects only for bus rapid transit, rail, active transportation purposes, projects that significantly add safety, and projects that significantly reduce congestion, without interfering with existing maintenance and rehabilitation needs.
AB 16	Dixon	Motor Vehicle Fuel Tax Law: adjustment suspension.	Authorizes the Governor to suspend an annual inflation adjustment to the motor vehicle fuel tax if, by January 10 of that year, the Governor notifies the Legislature and the Department of Finance submits a proposal that would maintain the same level of funding for transportation purposes as would have been generated had the scheduled adjustment not been suspended.
AB 53	Fong, Vince	Motor Vehicle Fuel Tax Law: suspension of tax.	Suspends the motor vehicle fuel tax for one year and requires all savings be passed on to the end consumer. (This bill was also introduced as AB 2 in the 1st. Extraordinary Session)
AB 69	Waldron	Transportation: traffic signal synchronization: roadway improvement projects.	Authorizes moneys from the Greenhouse Gas Reduction Fund to be allocated for traffic signal synchronization projects, as specified.
AB 250	Rodriguez	State highways: State Route 83: reduction.	Authorizes the Commission to relinquish a portion of State Route 83 to the City of Chino, as specified.
AB 251	Ward	California Transportation Commission: vehicle weight safety study.	Requires the Commission to convene a task force to study the relationship between vehicle weight and injuries to vulnerable road users and to study the costs and benefits of imposing a passenger vehicle weight fee.
ACA 1	Aguiar-Curry	Local government financing: affordable housing and public infrastructure: voter approval.	Sets voter approval requirements at 55% to impose, extend, or increase taxes or incur bond debt to fund public infrastructure, as specified.
SB 5	Nguyen, Janet	Motor Vehicle Fuel Tax Law: limitation on adjustment.	Limits the annual inflation adjustment to the motor vehicle fuel tax to a maximum of 2% for adjustments made on or after July 1, 2023.

<b>Bill</b>	<b>Author</b>	<b>Subject</b>	<b>Description</b>
SB 30	Umberg	Transportation: zero-emission vehicle signage.	States the intent of the Legislature to enact legislation requiring Caltrans to develop and design light-duty zero-emission vehicle charging station signage to be placed along state highways and a publicly accessible online platform that identifies the locations of electric vehicle chargers along state highway corridors.
SB 32	Jones	Motor vehicle fuel tax: greenhouse gas reduction programs: suspension.	Suspends the imposition of the motor vehicle fuel tax and the Low Carbon Fuel Standard regulations and exempts suppliers of transportation fuels from regulations for the use of market-based compliance mechanisms for one year, and requires all savings be passed on to the end consumer. (This bill was also introduced as SB 1 in the 1st Extraordinary Session)

Total Introduced Measures: 11

**ASSEMBLY BILL**

**No. 251**

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**Introduced by Assembly Member Ward**  
(Principal coauthor: Senator Wiener)

January 18, 2023

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An act to add and repeal Section 14527.3 of the Government Code, relating to the California Transportation Commission.

LEGISLATIVE COUNSEL'S DIGEST

AB 251, as introduced, Ward. California Transportation Commission: vehicle weight safety study.

Existing law establishes the California Transportation Commission (CTC) to advise and assist the Secretary of Transportation and the Legislature in formulating and evaluating state policies and plans for transportation programs in the state. Existing law tasks the CTC with various transportation-related studies and reports to the Legislature.

This bill would require the CTC to convene a task force to study the relationship between vehicle weight and injuries to vulnerable road users, such as pedestrians and cyclists, and to study the costs and benefits of imposing a passenger vehicle weight fee. The bill would require the CTC, by no later than January 1, 2026, to prepare and submit a report to the Legislature, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 14527.3 is added to the Government
- 2 Code, to read:

- 1 14527.3. (a) The commission shall convene a task force to  
2 study the potential costs and benefits of imposing a passenger  
3 vehicle weight fee.
- 4 (b) The task force shall consist of state agencies, including the  
5 Office of Traffic Safety and the Department of Motor Vehicles,  
6 local transportation agencies, safety advocates, and representatives  
7 from the automobile industry.
- 8 (c) The task force shall prepare a report summarizing its findings  
9 that includes the following topics:
- 10 (1) An analysis of the relationship between vehicle weight and  
11 vulnerable road user injuries and fatalities.
- 12 (2) A discussion of how a passenger vehicle weight fee may  
13 change driver behavior.
- 14 (3) A discussion of how any revenues generated by the  
15 imposition of a passenger vehicle weight fee could be spent to  
16 enhance safety for pedestrians, bicyclists, and other vulnerable  
17 road users.
- 18 (d) The commission may take into consideration the differential  
19 weights of comparable battery electric vehicles and internal  
20 combustion engine vehicles.
- 21 (e) The commission shall, by no later than January 1, 2026,  
22 prepare and submit a report to the Legislature detailing the findings  
23 of the study and including any legislative recommendations.
- 24 (f) The report required by this section shall be submitted in  
25 compliance with Section 9795.
- 26 (g) This section shall remain in effect only until January 1, 2027,  
27 and as of that date is repealed.

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STATE OF CALIFORNIA



ASSEMBLY MEMBER LAURA FRIEDMAN, EX OFFICIO  
SENATOR JOSH NEWMAN, EX-OFFICIO

MITCH WEISS, Executive Director

## **CALIFORNIA TRANSPORTATION COMMISSION**

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January 25, 2023

Honorable Christopher M. Ward  
78<sup>th</sup> Assembly District  
1029 O Street, Suite 8320  
Sacramento, CA 95814

RE: Support for Assembly Bill 251: California Transportation Commission: vehicle weight safety study.

Dear Assemblymember Ward:

I am pleased to inform you of the California Transportation Commission's support for Assembly Bill 251, as introduced on January 18, 2023. Assembly Bill 251 would implement one of the Commission's 2022 Annual Report recommendations to the Legislature by requiring the Commission to convene a task force to study aspects of a weight-based fee for passenger vehicles.

As injuries and fatalities of vulnerable road users continue to rise, California must consider every available tool to enhance the safety of all users of our transportation system. Many aspects of a weight-based fee for passenger vehicles require further examination to fully understand the potential benefits and trade-offs. Assembly Bill 251 would provide valuable insight and analysis to help determine if a such a fee is an appropriate measure for the Legislature to consider in the future.



Honorable Christopher M. Ward  
RE: Support for Assembly Bill 251 (Ward)  
January 25, 2023  
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Thank you for your leadership on this issue. If the Commission can be of additional assistance, please contact our Deputy Director for Legislation, Paul Golaszewski, at 916-654-7179 or [paul.golaszewski@catc.ca.gov](mailto:paul.golaszewski@catc.ca.gov).

Sincerely,

LEE ANN EAGER  
Chair

c: Toks Omishakin, Secretary, California State Transportation Agency  
Tony Tavares, Director, California Department of Transportation  
Commissioners, California Transportation Commission