



Board Report

File #: 2020-0087, File Type: Federal Legislation / State Legislation (Position)

Agenda Number: 28.

**REVISED**  
**EXECUTIVE MANAGEMENT COMMITTEE**  
**FEBRUARY 20, 2020**

**SUBJECT: STATE LEGISLATION**

**ACTION: ADOPT STAFF RECOMMENDED POSITIONS**

**RECOMMENDATION**

ADOPT staff recommended positions:

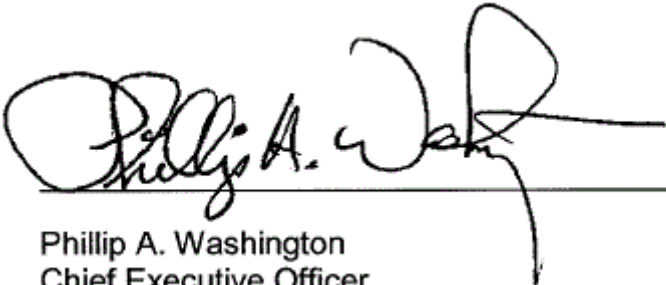
- A. Assembly Bill 2012 (Chu) - Free senior transit passes: eligibility for state funding. **WORK WITH AUTHOR**
- B. Assembly Bill 2474 2176 (Holden) - Free student transit passes: eligibility for state funding. **WORK WITH AUTHOR**

**ATTACHMENT**

Attachment A - AB 2012 (Chu) / AB 2176 (Holden) Legislative Analysis

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Phillip A. Washington  
Chief Executive Officer

**BILL:** ASSEMBLY BILL 2012  
AS INTRODUCED JANUARY 28, 2020

ASSEMBLY BILL 2176  
AS INTRODUCED FEBRUARY 11, 2020

**AUTHOR:** ASSEMBLYMEMBER KANSEN CHU (D-SAN JOSE)  
ASSEMBLYMEMBER CHRIS HOLDEN (D-PASADENA)

**SUBJECT:** FREE SENIOR/STUDENT TRANSIT PASSES: ELIGIBILITY FOR  
STATE FUNDING.

**STATUS:** PENDING COMMITTEE REFERRAL

**ACTION:** WORK WITH AUTHOR

**RECOMMENDATION**

Staff recommends that the Board of Directors adopt a WORK WITH AUTHOR position on Assembly Bill 2012 (Chu) and Assembly Bill 2176 2174 (Holden) as introduced.

**ISSUE**

This bill was introduced on January 28, 2020 to add provisions related to transportation funding to the Public Utilities Code.

Specifically the bills would:

- Require transit agencies to offer free senior transit passes to persons over 65 years of age or to students attending the California Community Colleges, the California State University, or the University of California in order to be eligible for state funding under the Mills-Deddeh Transit Development Act, the State Transit Assistance Program, or the Low Carbon Transit Operations Program.
- Require a free senior transit pass or a student transit pass to count as a full price fare for purposes of calculating the ratio of fare revenues to operating costs.

**DISCUSSION**

AB 2012, as introduced, would require that transit agencies provide free fares to seniors over the age of 65 in order to receive funding from the State Transit Assistance Program Transportation Development Act and the Low Carbon Transit Operations Program to a requirement. AB 2176 2174, as introduced, would similarly require that transit agencies provide free fares to students attending California Community Colleges, the California State University, or the University of California. The Metro Board of Directors also recently adopted a work with author position on a similar measure, AB

1350 (Gonzalez) that would require agencies to provide free fares to individuals 18 years and younger.

The Board has previously supported efforts to assist students and seniors who ride our system through our reduced fare programs and in support of legislation that would provide funding to expand those programs. The Board's support has been directed towards creating incentives or increased funding to support existing programs. Additionally, the agency is working to respond to the Board adopted motion regarding students of the Los Angeles County. AB 2012 takes a different approach by creating a mandate focused on providing free transit fare for senior riders. AB 2176 ~~2174~~ expands the free fare program to include college students.

Staff would suggest that while we would support increasing assistance for those in need who ride our system there may be other ways to achieve this objective. We would like to work with the Assembly Members to explore a more appropriate way to identify additional state funding or other mechanisms that could be provided rather than pursuing this objective through a mandate.

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

For these reasons, staff recommends that the Board adopt a WORK WITH AUTHOR position on AB 2012 (Chu) and AB 2176 ~~2174~~ (Holden).

#### **DETERMINATION OF SAFETY IMPACT**

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

#### **FINANCIAL IMPACT**

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

#### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

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

#### **ALTERNATIVES CONSIDERED**

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

### **NEXT STEPS**

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