



Policy & Innovation Committee

Meeting Date: September 9, 2024

Agenda Item No. 3

Approve Revised State Transit Assistance Fund Allocation for Fiscal Year 2024-2025

Consent

Author: Caroline Payne

Attachments: Yes

Referring Committee: Not Applicable

Issue:

Each year in August, the California State Controller publishes revised estimates of sales revenues for the State Transit Assistance (STA) fund. SACOG staff uses the revised revenue estimates to calculate proposed funding allocations to each city, county, and transit agency, which are then approved by the SACOG Board of Directors.

Request:

Approve

Recommendation for Board:

That the board approve Fiscal Year (FY) 2024-2025 revised State Transit Assistance fund allocation for Sacramento, Sutter, Yolo, and Yuba Counties.

Recommendation for Committee:

That the Policy and Innovation Committee recommend that the Board approve Fiscal Year (FY) 2024-2025 revised State Transit Assistance fund allocation for Sacramento, Sutter, Yolo, and Yuba Counties.

Background:

The State Transit Assistance (STA) program is provided by the State from the statewide sales tax on motor vehicle fuel (gasoline) and use fuel (diesel). The state allocates 50 percent of STA funds based upon the region's share of the state population, and 50 percent based upon transit operator revenues for the prior fiscal year as a share of statewide transit operator revenues.

The STA funds are subject to variations in the price and usage of diesel fuel statewide. Transit operators are encouraged to use these funds for one-time capital expenditures due to variation in the level of funding and the ability of operators to use the funds for operating purposes.

In August each year, the State Controller's office publishes revised revenues as allowed in the TDA statutes. SACOG staff reviews the revised revenues and calculates funds available to each agency. The revised revenues are presented to the board for adoption and then made available for distribution. STA revenues are allocated to the region via Section 99313 and Section 99314 of the PUC. Section 99313 funds are allocated based on

population while Section 99314 funds are allocated based on fare and other revenues reported by transit agencies to the State Controller's Office.

SACOG administers allocation of State Transit Assistance fund for the counties of Sacramento, Sutter, Yolo, and Yuba. El Dorado County Transportation Commission and Placer County Transportation Planning Agency administer STA funding for their respective counties.

Discussion/Analysis:

On August 1, 2024, the State Controller's Office (SCO) released the Department of Finance's revised estimated amount of State Transit Assistance (STA) as per the California Public Utilities Code (PUC). STA revenues are allocated to the region via Section 99313 and Section 99314 of the PUC. Section 99313 funds are allocated based on population while Section 99314 funds are allocated based on fare and other revenues reported by transit agencies to the State Controller's Office.

On January 31, 2024, the State Controller's Office (SCO) released the Department of Finance's estimated State Transit Assistance (STA) revenue for Sacramento, Sutter, Yolo, and Yuba counties. FY 2024-2025 revenue was projected at \$23,616,860 of Section 99313 and \$8,070,079 of Section 99314 for a total of \$ 31,686,939.

The revised estimated STA revenue for four counties is \$23,382,844 of Section 99313 and \$7,990,352 of Section 99314 for a total of \$31,373,195 as shown in attachment A. The revised revenues decreased by about \$313,700; one percent from the January's estimated funding levels.

Fiscal Impact/Grant Information:

Included in OWP/Budget

List of Attachments:

(1) FY24-25 STA Revised Allocations table