



Approve State Transit Assistance Fund Allocation for Fiscal Year 2023-2024

Consent

**Prepared by:** Caroline Payne

**Attachments:** Yes

**Approved by:** James Corless

**Referring Committee:** Policy & Innovation

**1. Issue:**

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

**2. Recommendation:**

The Policy and Innovation Committee recommends that the board approve Fiscal Year (FY) 2023-2024 allocation of State Transit Assistance fund for Sacramento, Sutter, Yolo, and Yuba Counties.

**3. Background/Analysis:**

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, as there is often 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. These revised revenues are presented to the board for adoption and then made available for distribution.

As a Regional Transportation Planning Agency (RTPA) for the counties of Sacramento, Sutter, Yolo and Yuba, SACOG is responsible for the allocation of State Transit Assistance fund. El Dorado County Transportation Commission and Placer County Transportation Planning Agency administer STA funding for their respective counties.

**4. Discussion/Analysis:**

On January 31, 2023, the State Controller's Office (SCO) released the Department of Finance's 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. The estimated amount of STA revenue for Sacramento, Sutter, Yolo, and Yuba counties for FY 2023-2024 is \$23,616,121 of Section 99313 and \$8,103,276 of Section 99314 for a total of \$31,719,397 (attachment A). The FY 2023-2024 revenues decreased by \$802,300 from the revised FY 2022-2023 funding levels.

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

There is no fiscal impact to SACOG's operating budget. The funds are allocated by formula to local agencies and staff time for administering the program is reflected in the agency's overall work program.