

Since modifying the State Constitution must be approved by a popular vote in addition to approval by the State Legislature, the placement of the TIF into the Constitution would be creating additional safeguards for this type of funding. Removal of the TIF from the Constitution would require the same approval by a popular vote.

ACA 9 is being proposed as a companion measure with both AB 227 (Longville) and SB829 (Karnette). SB 829 (Karnette) would make the allocation permanent and would modify the allocations to more equitably fund public transit.

The placement of the TIF into the Constitution would ensure a stable and long term source of transportation funding. Since the proposal includes language that specifies the Constitution would not prohibit the amendment of the allocation formula, the general funding stream is stabilized and the flexibility to modify the formulas needed is still available.

Staff, therefore, recommends that the MTA Board of Directors adopt a support position on ACA 9.