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June 15, 2021

Ms. Keely Martin Bosler, Director
Department of Finance
Room 1145, State Capitol
Sacramento, California 95814

Dear Ms. Bosler:

In a letter dated June 3, 2021, you notified the Joint Legislative Budget Committee (JLBC), pursuant to the provisions of Section 28.00 of the *2020-21 Budget Act*, of a request from the California Department of Transportation (CalTrans) to increase its federal fund expenditure authority by \$74,400,000 to allow for the distribution of Coronavirus Response and Relief Supplemental Appropriation Act funds to rural transit agencies. You also requested a waiver of the Legislature's 30-day review period.

As I have noted in other JLBC response letters, the Department of Finance has submitted a number of Section 28.00 requests with problematic elements. This letter lacked detail and could have been submitted much earlier since the federal funding was approved by Congress in December 2020 and CalTrans received the funding apportionment notice in January 2021 and notified DOF within 45 days. The administration now requests the JLBC expedite its review, reducing our ability to have a thorough discussion about how the grants will be awarded and whether or not the methodology will result in an equitable distribution of funds. In the near future, we expect an additional Section 28.00 request for the distribution of funds from the American Rescue Plan Act. In that request, we expect the administration to provide the JLBC, at minimum, sufficient information on how the funds will be awarded with sufficient time for legislative review.

Despite my concerns, allocating funds to rural transit agencies that have been negatively impacted by the pandemic is a priority; therefore, I concur with the request and waive the

remainder of the 30-day review period in order to expedite the allocation of these funds to local transit agencies.

Sincerely,

A handwritten signature in black ink that reads "Nancy Skinner". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Nancy Skinner
Chair

cc: Members of the Joint Legislative Budget Committee