TRANSPORTATION, COMMUNICATIONS, AND PUBLIC WORKS POLICY COMMITTEE
Friday, March 29, 2019 | 10:00 a.m. – 3:00 p.m.
Hilton Orange County/Costa Mesa, Catalina I Room, 3050 Bristol Street, Costa Mesa

AGENDA

SPECIAL ORDER: State Budget and Issues Briefing for all policy committee members
10:00 – 10:45 a.m., Catalina II Room
Upon adjournment, individual policy committee meetings will begin

I. Welcome and Introductions

II. Public Comment

III. 2019 Proposed Work Program (Attachment A) Action

IV. FCC Order & City Litigation Update Informational
- Speaker: Tripp May, Shareholder, Telecom Law Firm, PC

V. Legislative Agenda (Attachment B) Action
- Speaker: Rony Berdugo, Legislative Representative, League of California Cities®
  5. SB 127 (Wiener). Transportation Funding. Active Transportation. Complete Streets.

VI. Legislative Update (Handout) Informational
- Speaker: Rony Berdugo, Legislative Representative, League of California Cities®

Next Meeting: Friday, June 14, Sacramento Convention Center, Sacramento

Brown Act Reminder: The League of California Cities’ Board of Directors has a policy of complying with the spirit of open meeting laws. Generally, off-agenda items may be taken up only if:
1) Two-thirds of the policy committee members find a need for immediate action exists and the need to take action came to the attention of the policy committee after the agenda was prepared (Note: If fewer than two-thirds of policy committee members are present, taking up an off-agenda item requires a unanimous vote); or
2) A majority of the policy committee finds an emergency (for example: work stoppage or disaster) exists.

A majority of a city council may not, consistent with the Brown Act, discuss specific substantive issues among themselves at League meetings. Any such discussion is subject to the Brown Act and must occur in a meeting that complies with its requirements.

NOTE: Policy committee members should be aware that lunch is usually served at these meetings. The state’s Fair Political Practices Commission takes the position that the value of the lunch should be reported on city officials’ statement of economic interests form. Because of the service you provide at these meetings, the League takes the position that the value of the lunch should be reported as income (in return for your service to the committee) as opposed to a gift (note that this is not income for state or federal income tax purposes—just Political Reform Act reporting purposes). The League has been persistent, but unsuccessful, in attempting to change the FPPC’s mind about this interpretation. As such, we feel we need to let you know about the issue so you can determine your course of action.

If you would prefer not to have to report the value of the lunches as income, we will let you know the amount so you may reimburse the League. The lunches tend to run in the $30 to $45 range. To review a copy of the FPPC’s most recent letter on this issue, please go to www.caawties.org/FPPCletter on the League’s Website.
2019 Final TCPW Work Program

The Committee requested League staff to further develop the 2019 Work Program in conjunction with the chair based on committee discussion. The following will serve as the 2019 Work Program as items for the committee to focus on for the year (i.e. inviting guest speakers, reviewing legislation, considering policy positions, etc):

- Transit & Mobility Options – Scooters, Bikes, & Safety
- Small Cell Preemption Updates – Litigation, Regulation, & Legislation Updates (note: I’ve already invited the attorney who’s heading up this effort for California to our March 29 meeting)
- Exploring the Road User Charge/Vehicle Miles Traveled Charge & how that will fund local streets and roads
- Monitor Community Choice Aggregation policies and proposals
Transportation, Communications, and Public Works Policy Committee
Legislative Agenda – Action Items | Friday, March 29, 2019

Staff: Rony Berdugo, Legislative Representative (916) 658-8283

1. **AB 40 (Ting), Zero-Emission Vehicles, Comprehensive Strategy.**

**Bill Summary:**
This bill would require the California Air Resources Board (CARB) to develop a comprehensive strategy no later than January 1, 2021 to ensure that the sales of new motor vehicles and new light-duty trucks in the state have transitioned fully to zero-emission vehicles by 2040.

**Bill Description:**
Existing Law:
1. Designates CARB as the primary state agency responsible for controlling vehicular air pollution, including the development and adoption of regulations that achieve the maximum feasible reduction of greenhouse gas (GHG) emissions from cars and trucks.

This bill:
1. Requires CARB to develop a comprehensive strategy no later than January 1, 2021 to ensure that the sales of new motor vehicles and new light-duty trucks in the state have transitioned fully to zero-emission vehicles by 2040.
2. Requires CARB’s strategy to do all of the following:
   a. Assess credit (carbon tax credit) laws and regulatory structure adjustments needed to meet future motor vehicle volumes to make the all EV shift by 2040.
   b. Identify regulations that could improve market acceptance, spur technology advancements, and reduce technology costs.
   c. Identify research needs to address any data gaps.
   d. Identify areas where coordination with other state agencies and districts is needed to implement the strategy.
   e. Consult with academic, industry, the zero-emission vehicle community, motor vehicle marketing, and motor vehicle technology adoption experts on the following topics:
      i. Identification of opportunities and challenges for adopting zero-emission vehicles.
      ii. Recommendations to increase dealership engagement and improve the retail experience.
      iii. Identification of regulatory actions other state agencies might take to encourage greater consumer access to zero-emission vehicles.
3. Requires CARB to provide a forum for public engagement, holding at least one public workshop during the development of the strategy.
4. Defines “zero-emission vehicles” as vehicles that produce zero exhaust emissions of any criteria pollutant, or greenhouse gas, excluding emissions from air conditioning systems, under any possible operating modes or conditions.
**Background:**
The bill includes findings and declarations that provide the following background:

- Transportation accounts for the largest share (40%) of the state’s GHGs.
- Transportation causes over 50% of air pollution that cause smog and health impacts.
- People living near freeways and busy corridors are at high-risk for exposure to health threatening air pollution.
- Air pollution experts identify moving to zero-emission vehicles as key to improving air quality.
- The state can reduce air and climate pollution by adopting zero-emission vehicles statewide.
- Climate change is an increasing concern for the environment and public health.
- Controlling and reducing GHGs are critical to slow effects of climate change, sea level rise, extreme weather events, and/or food security.
- Technology to reduce GHGs will stimulate the state’s economy and provide clean energy jobs.

**Fiscal Impact:**
The fiscal impact to cities is a concern if there is no funding alternative to the gas tax, including recent increases attributable to SB 1 (Beall, Chapter 5, Statutes of 2017). Prior to SB 1, the state’s share of funding for local streets and roads accounted for approximately 43% of the total, while the local share accounted for approximately 49% of the total. Thanks to SB 1, the state’s share of funding for local streets and roads will be approximately 60% of the total, shrinking the local share to approximately 33%, while the federal share shrinks from 8% to 7%.

The vast majority of funding for local streets and roads from the state is attributable to the gas tax. Absent any alternative to the gas tax, a transition to full zero-emission vehicles by 2040, including the ramp up between now and then, could have a major impact on the ability for cities and counties to pay for their local street and road infrastructure, depending on how quickly such targets are met.

Prior to SB 1’s passage, the League of California Cities and its transportation funding partners have recognized that the increasing fuel efficiency of vehicles, and aggressive GHG reduction measures have already contributed to dwindling resources for transportation infrastructure. California has also recognized this issue and has already started exploring an alternative to the gas tax, mainly through a vehicle miles traveled pilot program, known as the Road User Charge (RUC), being carried out by the California Transportation Commission (CTC)’s RUC Technical Advisory Committee (TAC).

**Existing League Policy:**

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The League supports constitutional protections for transportation funding to be dedicated for transportation purposes only and opposes any efforts to reduce or eliminate transportation funding for local government.

The League supports protecting the additional funding for local transportation and other critical unmet infrastructure needs. One of the League’s priorities is to protect the consistent and continuous appropriation of new monies from various sources directly to cities and counties for the preservation, maintenance and rehabilitation of the local street and road system. New and additional revenues should continue to meet the following policies:

- **System Preservation and Maintenance.** Given the substantial needs for all modes of transportation, a significant portion of new revenues should continue to focus on system preservation. Once the system has been brought to a state of good repair, revenues for maintenance of the system would be reduced to a level that enables sufficient recurring maintenance.

- **Commitment to Efficiency.** Priority should continue to be used to improve current systems. Recipients of revenues should incorporate operational improvements and new technology in projects.

- **All Users Based System.** New revenues should continue to be borne by all users of the system from the traditional personal vehicle that relies solely on gasoline, hybrid or electric technology, to commercial vehicles moving goods in the state, and even transit, bicyclists, and pedestrians who also benefit from the use of an integrated transportation network.

- **Alternative Funding Mechanisms.** Given that new technologies continue to improve the efficiency of many types of transportation methods, transportation stakeholders must be open to new alternative funding mechanisms. Further, the goal of reducing greenhouse gases is also expected to affect vehicle miles traveled, thus further reduce gasoline consumption and revenue from the existing gas tax. The existing user based fee, such as the base $0.30 cent gas tax is a declining revenue source. Collectively, we must have the political will to push for sustainable transportation revenues.

- **Unified Statewide Solution.** For statewide revenues, all transportation stakeholders must stand united in the protection of new revenues. Any new statewide revenues should address the needs of the entire statewide transportation network, focused in areas where there is defensible and documented need.

- **Equity.** New revenues should continue to be distributed in an equitable manner, benefiting both the north and south and urban, suburban, and rural areas as well as being equally split between state and local projects.

- **Flexibility.** Needs vary from region to region and city to city. New revenues and revenue authority should continue to provide the flexibility for the appropriate level of government to meet the goals of the constituents.

- **Accountability.** All tax dollars must be spent properly, and recipients of new revenues must be held accountable to the taxpayers, whether at the state or local level.

The League supports a permanent shift of the sales tax on gasoline for transportation purposes and an allocation formula equivalent to 40/40/20 split of 40 percent to cities and counties, 40 percent to STIP and 20 percent to transit.
The League supports enhanced autonomy for local transportation decision-making and pursues transportation policy changes that move more dollars and decisions to local policy leaders. The League supports spending transportation moneys for transportation purposes. The League will seek the maximum share of available funding for local transportation programs. The League supports implementation of federal transportation funding re-authorization legislation in a manner that supports these principles.

The League opposes all efforts that allow vehicles and vehicle operators on the road that will jeopardize the integrity of the public infrastructure or the health and safety of the motoring public. The League supports all efforts to retain maximum control of the local street and road system.

Air Pollution:
The League will monitor developments and the ramifications of efforts to regulate air quality and related congestion strategies as it is related to transportation.

Environmental Quality/Air Quality:
The League believes cities should have the authority to establish local air quality standards and programs that are stricter than state and federal standards. The League opposes efforts to restrict such authority.

Environmental Quality/Climate Change:
Through the Global Warming Solutions Act of 2006 (Nuñez, Chapter 488, Statutes of 2006) California has embarked on a plan that requires the reduction of greenhouse gas emissions to 1990 levels by 2020. Although uncertainty remains about the pace, distribution and magnitude of the effects of climate change, the League recognizes the need for immediate actions to mitigate the sources of greenhouse gas emissions and has adopted the following principles:

- **Action Plans for Mitigating Greenhouse Gas Emissions.** Encourage local governments to complete an inventory of greenhouse gas emissions, set appropriate reduction targets, and create greenhouse gas emission reduction action plans.

- **Green Technology Investment Assistance.** Support tax credits, grants, loans and other incentives to assist the public, businesses, and local agencies that invest in energy efficient equipment and technology, and fuel efficient, low emission vehicles.

- **Reduction of Vehicle Emissions in Public Agency Fleets.** Support the reduction of vehicle emissions through increased fuel efficiency, use of appropriate alternative fueled vehicles, and/or low emission vehicles in public agency fleets. Encourage the use of appropriate alternative fueled vehicles, and/or low emission vehicles in private fleets."

Comments:
- The League has standing policy to support policies that promote the deployment and adoption of low and zero-emission vehicle technologies for the purposes of reducing GHGs while monitoring the developments and ramifications of such strategies.
• Furthermore, the League acknowledges that the gas tax will continue to be a dwindling revenue source for local streets and roads as cars become more fuel-efficient and that we must be open to alternative funding mechanisms.
• Finally, the League maintains that we must protect existing funding for local transportation, including the consistent and continuous appropriation of new monies from various sources directly to cities and counties for the preservation, maintenance, and rehabilitation of the local street and road system for new and additional revenues.
• These existing League policies would be supportive of efforts to transition to zero-emission vehicles, while maintaining and/or increasing the level of funding for local streets and roads in a way that is borne by all users of the road.

Support-Opposition:
Support:
• None Listed

Opposition:
• None Listed

Staff Recommendation:
1. Adopt an Oppose Unless Amended position on AB 40 (Ting), seeking amendments that would make it clear that a partial and full transition to zero-emission vehicles will provide a level of funding for local streets and roads equal or greater than any of the fiscal years, inclusive of FY 2017-18 through FY 2039-40, for direct apportionments made to cities and counties from the Highway Users Tax Account and the Road Maintenance and Rehabilitation Account. Amendments would require CARB to consult with local government stakeholders (the League) to ensure that no cities experience HUTA and/or RMRA revenue losses as a result of transitioning to zero emission vehicles and require that any such strategy includes funding for every city’s local streets and roads.
2. Before submitting an Oppose Unless Amended position, direct League staff to request the author make such changes and only take such a position, if the request is partially or fully rejected.

2. **AB 847 (Grayson). Transportation Finance. Priorities. Housing.**

Bill Summary:
This bill, as proposed to be amended, would create a competitive grant funding program for offsetting up to 100% of a city and/or county’s transportation related impact fees for “qualifying housing development projects” using miscellaneous revenue that currently pay down the Transportation Debt Service Fund.
Bill Description:
This bill would:

1. Create a competitive grant funding program for offsetting up to 100% of a city and/or county’s transportation related impact fees for “qualifying housing development projects.”
2. Create the grant program using miscellaneous revenues generated from the sale of documents, charges for miscellaneous services to the public, condemnation deposits fund investments, rental of state property, or any other miscellaneous uses of property or money that generates approximately $85 million annually according to latest estimates.
3. Requires the legislature to appropriate these funds to the California Transportation Commission (CTC) and puts the CTC in charge for administering this program and developing its guidelines.
4. Define a “qualifying housing development project” as one that meets all of the following:
   a. The project is residential or mixed-use
   b. The project is consistent with the MPOs SCS.
   c. At least 20% of the units are affordable housing units.
5. Allow cities/counties to apply for grant funding jointly with developers.
6. Give priority to transit-oriented development projects.
7. Statutorily require the funds to be used only for transportation purposes/costs.

Background:
For the last several years, the League has focused on addressing California’s multi-faceted housing crisis, including addressing homelessness, affordable housing, and workforce/housing affordability. In fact, the League has made addressing these issues the top strategic goal for 2019. Simultaneously, the Legislature has also made addressing the state’s housing crisis a top priority for the state, evidenced by hundreds of bills introduced over the last several years to address the topic. Unfortunately for cities, much of the blame has been misplaced squarely on cities and counties as one of the main reasons the state is experiencing this crisis.

Therefore, much of the legislation introduced over the years, including this year, has focused on preempting the authority of local governments in how they plan, zone, and review housing construction within their jurisdictions. In the last few years, over 55 new laws have been enacted that restrict a city’s oversight responsibility for housing production. Only a few of the chaptered bills have begun the implementation process, but yet more legislation has been introduced before any sort of evaluation regarding the impact of recently enacted legislation on housing production.

Nonetheless, the Legislature and the Administration have made a series of proposals to address California’s housing crisis, not only limiting city authority, but also punishing cities when ambitious goals for housing production are not built. Current proposals in the Legislature and from the Administration would specifically aim to withhold and divert transportation funding...
from the recently enacted SB 1 (Beall, Chapter 5, Statutes of 2017) when these goals are not met just a few years from now. In conversations with the Legislature and Administration, the League has made it clear that the organization is fundamentally opposed to linking the two separate policy objectives, housing production and transportation funding, together.

The League has pointed out that the funding needs for our local streets and roads, even with SB 1, still exceeds more than $50 billion over the next 10 years and that road conditions will merely stabilize statewide at a score of 65 on the pavement condition index (PCI) statewide, on a PCI scale of 0 (failed) to 100 (excellent). These proposals have been met with initial resistance in the legislature and with alternative proposals to link the two policy objectives together, such as AB 847 (Grayson) as described in this analysis that attempt to provide more of an incentive rather than a punishment for meeting these goals.

**Fiscal Impact:**
The fiscal impact to cities is revenue neutral to the extent the awards really are geared toward offsetting transportation-related impact fees that normally would be paid by developers, and not the city. There would be a cost to the city in competing for these funds on their own, but the bill does allow for applications to be submitted jointly which could mean developers might pick up or share in the costs of applying.

**Existing League Policy:**
“The League supports constitutional protections for transportation funding to be dedicated for transportation purposes only and opposes any efforts to reduce or eliminate transportation funding for local government.

The League supports protecting the additional funding for local transportation and other critical unmet infrastructure needs. One of the League’s priorities is to protect the consistent and continuous appropriation of new monies from various sources directly to cities and counties for the preservation, maintenance and rehabilitation of the local street and road system. New and additional revenues should continue to meet the following policies:

- **System Preservation and Maintenance.** Given the substantial needs for all modes of transportation, a significant portion of new revenues should continue to focus on system preservation. Once the system has been brought to a state of good repair, revenues for maintenance of the system would be reduced to a level that enables sufficient recurring maintenance.
- **Commitment to Efficiency.** Priority should continue to be used to improve current systems. Recipients of revenues should incorporate operational improvements and new technology in projects.
- **All Users Based System.** New revenues should continue to be borne by all users of the system from the traditional personal vehicle that relies solely on gasoline, hybrid or electric technology, to commercial vehicles moving goods in the state, and even transit, bicyclists, and pedestrians who also benefit from the use of an integrated transportation network.
- **Alternative Funding Mechanisms.** Given that new technologies continue to improve the efficiency of many types of transportation methods, transportation stakeholders must be
open to new alternative funding mechanisms. Further, the goal of reducing greenhouse
gases is also expected to affect vehicle miles traveled, thus further reduce gasoline
consumption and revenue from the existing gas tax. The existing user based fee, such as the
base $0.30 cent gas tax is a declining revenue source. Collectively, we must have the political
will to push for sustainable transportation revenues.

- **Unified Statewide Solution.** For statewide revenues, all transportation stakeholders must
stand united in the protection of new revenues. Any new statewide revenues should address
the needs of the entire statewide transportation network, focused in areas where there is
defensible and documented need.
- **Equity.** New revenues should continue to be distributed in an equitable manner, benefiting
both the north and south and urban, suburban, and rural areas as well as being equally split
between state and local projects.
- **Flexibility.** Needs vary from region to region and city to city. New revenues and revenue
authority should continue to provide the flexibility for the appropriate level of government to
meet the goals of the constituents.
- **Accountability.** All tax dollars must be spent properly, and recipients of new revenues must
be held accountable to the taxpayers, whether at the state or local level.

The League supports enhanced autonomy for local transportation decision-making and pursues
transportation policy changes that move more dollars and decisions to local policy leaders. The
League supports spending transportation moneys for transportation purposes. The League will
seek the maximum share of available funding for local transportation programs.

**Comments:**
- League policy has consistently supported transportation funding only for transportation
purposes.
- While this bill provides funding for transportation-related impact fees, the policy really
is linked to the production of housing development, including affordable housing.
- Considering that the funding would be coming from miscellaneous revenue, not from
transportation derived revenues such as the gas tax or transportation improvement fee,
this policy does challenge the notion of whether this is truly a transportation revenue.
  - It is true that these funds have been used to pay down the Transportation Debt
    Service Fund for years, however.
- Ultimately, the committee has to consider if this proposal that mainly provides cash
assistance to housing developers is worth the League modifying its traditional stance to
help offset development costs for the private sector.
- The committee should also consider the possibility that a program, such as the one
being established by this bill, could serve as a precedent for diverting other funding
pots, potentially even transportation funding pots, towards this purpose.

**Support-Opposition:**

**Support:**
None on file.
Oppose:
None on file.

Staff Recommendation:
1. Recommend the Board to direct League staff to monitor the legislation and work with all affected stakeholders, including the League’s housing lobbyist, to gauge if Support for AB 847 is the appropriate compromise to take in ongoing negotiations regarding proposals attempting to link transportation funding and housing production proposals.
2. Direct League staff to withhold taking a position until the Board considers the bill and this recommendation.

Committee Recommendation:

Board Action:


Bill Summary:
This bill would allow bicyclists to go straight instead of turning at a right-turn only lane, if the markings in the pavement provide indication for bicyclists to go straight.

Bill Description:
This bill:
- Would allow bicyclists to go straight instead of being forced to turn right where a car normally would when approaching a right-turn only lane, such as onto a freeway onramp.

Background:
According to the author, “(when) traveling in a bike lane, the approach to an intersection is hazardous for cyclists. In order to promote cyclist safety, some municipalities, as recommended by the National Association of City Transportation Officials (NACTO), use a shared bicycle lane located on the left side of a right hand turn lane. The shared lane is designed to maintain direction and a safe space for cyclists where the bicycle lane would otherwise end prior to an intersection. However, current law states that all vehicles, cyclists included, must obey the right hand turn lane, even though the bike lane markings direct cyclists to travel straight. The inconsistencies within existing vehicle code create a conundrum for cyclists and deter municipalities from creating shared lanes.”
The author writes, “(bike) lane markings direct cyclists on a safe path through intersections, roads, and ramps. The markings provide a boundary between the intended space of travel and the road. A bike lane embedded within a turn lane places a bike lane within the inside section of a motor vehicle turn lane […] Bicycle markings with dashed lines can outline the space for cyclists within the shared lane or indicate the proposed path for cyclists. The combined lane is called a mixing zone and is intended to minimize conflicts with turning vehicles at intersections as an alternative to exclusive bike signal phase. The lane guides cyclists to ride in part of the turning lane, which tends to have lower traffic speed than the through lane, permitting higher speed traffic to pass unimpeded. Currently, the vehicle code does not align with design treatment used in shared lanes in California. Establishing concurrence in the vehicle code and bike lane indicators used on the street is important to reinforce safety measures on the road.

Under existing law, bicyclists must typically ride on local streets and roads and typically as far to the right as possible for traffic safety purposes. Right-turn only signals provided primarily for vehicles are not typically designed for bicyclists that need to go straight, but are already forced as far right to the road as possible. This bill would be addressing this issue by allowing bicyclists to go straight, if pavement markings indicate that as a legal maneuver.

The author contends that “AB 1266 promotes bike safety by allowing cyclists, when indicated, to proceed straight through a turn lane when the bike lane is embedded in that vehicular turn lane. This legislation will clarify that governing agencies can install shared lane markings within a turn lane in order to promote safety and transparency for both cyclists and motorists on the road.”

**Fiscal Impact:**
The fiscal impact to cities is unknown. City attorneys may want to consider if any liability regarding pavement markings for this change in law may exist.

**Existing League Policy:**
None.

**Comments:**
- Given that bicyclists would only be allowed to go straight if pavement markings indicate that such a maneuver is safe, this would seem to address an inconsistency in how bicycles typically operate on local streets and roads.
- It is unclear what the need is for the bill or if there is any documented evidence to suggest a change is needed.

**Support-Opposition:**
**Support:**
None on file.

**Oppose:**
None on file.
**Staff Recommendation:**

1. Adopt a Support position for AB 1266 (R. Rivas).
2. Suggest any technical amendments for the author that could address public works issues, safety issues, and/or legal liability issues for cities.

**Committee Recommendation:**

**Board Action:**

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**Bill Summary:**
This bill would require that 100% of all retail sales of electricity to state and local government buildings must come from renewable energy and zero-carbon resources by December 31, 2030.

**Bill Description:**

**Existing Law:**
- Requires renewable energy and zero-carbon resources supply 100% of all retail sales of electricity to California end use customers and 100% of electricity procured by the state by December 31, 2045.

**This bill:**
- Would instead move up this requirement to December 31, 2030 for retail sale of electricity to state buildings.
- Newly apply these provisions to local government buildings.

**Background:**
Awaiting fact sheet from the author’s office for additional background.

**Fiscal Impact:**
The fiscal impact to cities is unknown. Interestingly, the bill removes the requirement for the state to “procure” 100% of its electricity from renewable energy and zero-carbon resources by 2045, and instead places the requirement on the retail sellers of electricity. Incorporation of renewable energy and zero-carbon resources in the retail sale of electricity has created an upward trend in the cost of electricity for end consumers. Coupled with increased costs from climate change, energy costs for all customers, including local governments have gone up year over year.

**Existing League Policy:**
Climate Change

The League recognizes that climate change is both immediate and long term, with the potential for profound environmental, social and economic impacts to the planet and to California.

Through the Global Warming Solutions Act of 2006 (AB 32 (Nuñez), Chapter 488, Statutes of 2006) California has embarked on a plan that requires the reduction of greenhouse gas emissions to 1990 levels by 2020. Although uncertainty remains about the pace, distribution and magnitude of the effects of climate change, the League recognizes the need for immediate actions to mitigate the sources of greenhouse gas emissions and has adopted the following principles:

- **Action Plans for Mitigating Greenhouse Gas Emissions.** Encourage local governments to complete an inventory of greenhouse gas emissions, set appropriate reduction targets, and create greenhouse gas emission reduction action plans.

- **Energy and Water Conservation and Efficiency.** Encourage energy efficiency, water efficiency, and sustainable building practices in new and existing public, residential and commercial buildings and facilities. This may include using the U.S. Green Building Council’s LEED program or similar systems.

- **Increase the Use of Clean Alternative Energy.** Promote the use and purchase of clean alternative energy through the development of renewable energy resources, recovery of landfill methane for energy production and waste-to-energy technologies.

- **Climate Change Impacts.** Encourage all levels of government to share information to prepare for climate change impacts.

- **Recycles Content and Green Purchasing Policies.** Encourage the adoption and implementation of recycled content and green procurement policies, if fitness and quality are equal, including the adoption of an Environmental Management System and authorization of local agencies to consider criteria other than only cost in awarding contracts for services.

**Comments:**

- California is already a global leader in efforts to reduce GHGs, with some of the most ambitious reductions targets.
- This bill would expedite an already ambitious target for retail sales of electricity for state buildings by 15 years.
- Additionally, this bill would include retail sales of electricity to local government buildings at the same accelerated pace applied to the state.
- Public, and especially private, electric utility providers are experiencing increased cost pressures for a variety of reasons, including the incorporation of renewable energy
sources into their sales portfolio, inflation, and dealing with the effects of climate change – primarily wildfire disaster, recovery, and now stronger efforts on prevention.

- Ultimately, local governments are energy consumers and the costs of incorporating renewable energy, wildfire disaster, etc. are passed through to cities as ratepayers.
- The committee may want to consider the potential fiscal impact to cities as customers of electricity and the ambitious timeline for the retail sale of electricity to be 100% renewable/zero-carbon by 2030 (a little over 10 years from now) to local governments is both feasible and realistic.

**Support-Opposition:**

**Support:**
None on file.

**Oppose:**
None on file.

**Staff Recommendation:**

1. Adopt an Oppose Unless Amended position so that the retail sales requirement for 100% of the electric supply to come from renewable energy/zero-carbon sources aligns with the requirement for all end users, which is set at December 31, 2045.

**Committee Recommendation:**

**Board Action:**

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5. **SB 127 (Wiener). Transportation Funding. Active Transportation. Complete Streets.**

**Bill Summary:**
This bill would, beginning January 1, 2021, require the California Department of Transportation (Caltrans) to include new pedestrian and bicycle facilities or improve existing facilities as part of any capital improvement project on a state highway or a local street crossing a state highway funded through the State Highway Operations and Protection Program (SHOPP). Additionally, the bill would require at least three percent (3%) of the SHOPPs Road Maintenance and Rehabilitation Account (RMRA) funds to pay for bicycle and pedestrian facilities. The bill would also require State Highway Account (SHA) funds to be programmed, budgeted, and spent to maximize the use of federal funds for accessibility for all transportation users and for safety improvements to prioritize reducing fatalities and severe injuries for vulnerable road users instead of vehicle miles traveled.
Furthermore, the bill would establish a Division of Active Transportation within Caltrans to focus on active transportation program matters and progress on meeting the departments’ active transportation goals, and require the California Transportation Commission (CTC) to give high priority to increasing safety for bicyclists and pedestrians and their related facilities. The CTC would be required to solicit community input and implement complete streets that prioritize safety and accessibility for pedestrians, bicyclists, and transit users on all SHOPP projects starting in 2020. The CTCs existing asset management plan would need to adopt performance measures that include conditions of bicycle and pedestrian facilities, accessibility and safety for pedestrians, bicyclists, and transit users, and vehicle miles traveled on the state highway system.

**Bill Description:**
This bill would:

1. Create a Division of Active Transportation within Caltrans.
2. Require an undersecretary from within Caltrans to focus on active transportation efforts and progress on meeting Caltrans’ active transportation goals and objectives.
3. Require at least 3% of SHOPP RMRA funds to pay for bicycle and pedestrian facilities.
4. Require SHA funds to be programmed, budgeted, and spent to maximize use of federal funds for safety improvements that prioritize reducing fatalities and severe injury for all transportation users (including pedestrians & bicyclists), instead of prioritizing vehicle miles traveled.
5. Require the CTC to give high priority in the SHOPP for bicycle and pedestrian safety and facilities.
6. Require the CTCs asset management plan to adopt performance measures that include conditions of bicycle and pedestrian facilities, accessibility and safety for pedestrians, bicyclists, and transit users, and vehicle miles traveled on the state highway system.
7. Beginning, January 1, 2021, require Caltrans to include new pedestrian and bicycle facilities or improve existing facilities as part of any capital improvement project on a state highway or a local street crossing a state highway when funded by the SHOPP. Bicycle and pedestrian facility projects in the SHOPP would need:
   a. Signals for pedestrians and bicyclists to safely cross the street or highway, be well-lit and physically separated from motor vehicles in urbanized areas, transit priority areas, and on streets and highways with average daily traffic of 10,000 or more vehicles and a speed limit of over 25 miles per hour.
   b. To be provided on all streets or highways in areas outside of what is described above when feasible, and include consideration for the reduction of traffic lanes and traffic calming improvements.
   c. Caltrans to establish a project development team for each project that includes local transportation agency, local bicycle and pedestrian advisory committee, community-based organization, residents of low-income disadvantaged communities, and other local stakeholder representatives that are impacted by the project to provide project input.
8. Require Caltrans district directors to provide data supported documentation subject to at least one public hearing open to the impacted community if it wants an exemption.
from these requirements in any SHOPP capital improvement project that demonstrates any of the following:

a. Absence of future need by the particular user group determined by current and future land use, current and projected user volumes, population density, and crash data.

b. The adverse impacts of accommodating the needs of the particular user group significantly outweigh the benefits.

9. Define “capital improvement project” as any reconstruction, rehabilitation, or operational improvement project.

10. Define “priority access areas” are areas within a half mile of a public school, community college, university, hospital, healthcare center, senior center, employment center, park, or grocery store.

11. Define “transit priority area” as an area within a half mile of an existing major transit stop, or planned transit stop.

**Background:**
According to the author, “SB 127 will prioritize the creation of complete streets, including safer and better designed sidewalks, bikeways, and crosswalks on state-owned and operated roads that run through cities, towns, and neighborhoods.”

Caltrans owns and maintains 50,000 lane-miles of state roads through the State Highway Operation and Protection Program (SHOPP), which invests at least $4.2 billion annually in repairs and updates. State-owned roadways include city and neighborhood surface streets and small-town main streets that carry local traffic as well as people on foot, bike, and transit. State-owned roads can sometimes be a community’s only Main Street.

Caltrans adopted a complete streets policy in 2008, which provides that the agency will ‘consider’ safer road design for people walking and bicycling in all projects. More recently, in 2015, the agency adopted goals to triple bicycling and double walking statewide by the year 2020.

The author believes that “SB 127 helps Caltrans implement the department’s already adopted Strategic Management Plan goals by ensuring that state highways that are actually surface streets - e.g., 19th Avenue and Van Ness Avenue in San Francisco - are safer and more accessible for everyone, including children, seniors, families, and people with disabilities, and that they accommodate all transportation modes, including walking, biking, and public transit.”

The author contends that “(for) too long, Caltrans has talked about complete streets as a policy, but hasn’t actually delivered these improvements in its projects. SB 127 ensures that as we rehabilitate state highways that run through the centers of our towns and cities, we prioritize active transportation uses like walking, bicycling, and riding public transportation. Streets designed for all residents create safer, healthier, and more inclusive communities. Ensuring everyone has access to safe streets also encourages alternate modes of transportation, which can help reduce vehicle miles traveled, and help us fight climate change.”
The League of California Cities and many of its member agencies are generally supportive of incorporating complete streets, including bicycle and pedestrian facilities, into local transportation projects. In fact, cities and counties have been incorporating such projects into our basic road infrastructure for decades and have increasingly spent money on these purposes when done in conjunction with regular road work. Furthermore, the League supported SB 1 which not only doubled city transportation budgets, but also doubled the state’s contribution to the existing Active Transportation Program (ATP) that can only be spent on these types of projects. Interestingly enough, the sponsors of this bill, the California Bicycle Coalition, actually opposed SB 1 despite seeing their key funding programmed doubled at the state level because of concerns they had with other provisions in the bill.

As it stands now, the ATP is one of the most over-subscribed programs, meaning cities and counties are applying for these funds at a rate that exceeds what is actually available in the funding program. The ATP is currently closed out and will reopen its three year cycle next year for applications, which the CTC anticipates will continue to be over-subscribed. Just like the ATP, SB 1 also increased the SHOPP by $1.5 billion annually to address the $59 billion backlog in deferred maintenance to the state highway system. Even with SB 1, the backlog in deferred maintenance for the state highway system still, conservatively, exceeds $40 billion over the next 10 years. Requiring at least 3% of the SHOPPs SB 1 funds would be the equivalent of $45 million for active transportation projects in addition to what SB 1 already provided the program every year, and that much less for traditional SHOPP projects.

Fiscal Impact:
The fiscal impact to cities is unknown.

Existing League Policy:
The League supports protecting the additional funding for local transportation and other critical unmet infrastructure needs. One of the League’s priorities is to protect the consistent and continuous appropriation of new monies from various sources directly to cities and counties for the preservation, maintenance and rehabilitation of the local street and road system. New and additional revenues should continue to meet the following policies:

- **System Preservation and Maintenance.** Given the substantial needs for all modes of transportation, a significant portion of new revenues should continue to focus on system preservation. Once the system has been brought to a state of good repair, revenues for maintenance of the system would be reduced to a level that enables sufficient recurring maintenance.
- **Commitment to Efficiency.** Priority should continue to be used to improve current systems. Recipients of revenues should incorporate operational improvements and new technology in projects.
- **Flexibility.** Needs vary from region to region and city to city. New revenues and revenue authority should continue to provide the flexibility for the appropriate level of government to meet the goals of the constituents.

**Comments:**
• Complete streets that include bicycle and pedestrian facilities are project types that are often already incorporated into local streets and roads projects funded by the Highway Users Tax Account (HUTA), the RMRA (SB 1), grant funds, and city general funds.
• It is unclear to what extent bicycle and pedestrian facilities have been incorporated in the SHOPP, which is a program aimed primarily at preserving, maintaining, rehabilitating, and reconstructing the state highway system.
• As the author points out, previous legislation does require Caltrans to consider incorporating complete streets elements into their projects, but it is not a requirement.
• Previous legislation has sought to require certain percentages of the funding for local streets and roads be used for non-traditional maintenance projects, such as safe routes to schools where the League has opposed such measures because of existing policy that supports flexibility for the needs that vary from region to region and city to city.
• While this bill may not tie up local streets and roads funding for these purposes today, if such a program achieved the goal of building more bicycle and pedestrian facilities, the Legislature may consider making this a statewide mandate on local government.

Support-Opposition:
Support:
California Bicycle Coalition (Cosponsor)
Safe Routes to School National Partnership (Cosponsor)
California Walks (Cosponsor)
American Heart Association/American Stroke Association (Cosponsor)

Oppose:
None on file.

Staff Recommendation:
1. Consider if the benefits of shifting funding away from the SHOPP to prioritize active transportation projects, regardless of the level of utilization of such projects, potentially outweighs the benefits of traditional SHOPP projects that preserve, maintain, and rehabilitate the state highway system.
2. Consider the potential precedent this policy shift might establish for local governments and their share of transportation funding.

Committee Recommendation:

Board Action:

6. **SB 336 (Dodd). Transportation. Fully-Automated Transit Vehicles.**
Bill Summary:
This bill would require fully automated transit vehicles to be staffed by at least one of the transit operators employees while the vehicle is in service.

Bill Description:
Existing Law:
1. Allows for regulations to test autonomous vehicles with a driver, without a driver, and for full deployment.
2. 62 companies are authorized to test autonomous vehicles with a driver in California
3. 1 company (Waymo, a Google company) is authorized to test autonomous vehicles without a driver in California.
4. Regulations for autonomous vehicle deployment were adopted on April 2, 2018, but no permits have been issued for any companies to deploy such technology to date (Waymo seems to be in the lead).

This bill:
1. Requires fully automated transit vehicles to be staff by at least one of the transit operators’ employees while the vehicle is in service.
2. Requires the employee to be trained in passenger safety, passenger communication, assisting the disabled and elderly, and emergency response and preparedness.
3. Does not apply to a fixed guideway vehicle operating on a closed loop and moving passengers within an airport or other similar facility.

Background:
According to the author, “(the) futuristic vision of fully-automated transit is already a reality in cities across the U.S. Las Vegas introduced a fleet of fully automated shuttles, and Tampa plans to unveil an automated shuttle as well. The Contra Costa Transportation Authority began testing autonomous transit vehicles on public roads in 2018.”

The author writes, “(fully-automated) vehicles create opportunities to improve transit, but they pose risks as well, including public safety concerns, worker displacement and social safety net issues.

More often than not, transit employees serve as the de facto social worker on their public transit vehicles. Disabled and elderly passengers riding public transportation or paratransit rely on transit employees to help them on board and off board, a service they expect and need. Tourists, limited English speakers, the homeless and other vulnerable populations depend on transit employees for directions, translation and interaction—a social good that would be lost with automation. Many school children commute to school using public transportation. Without a driver on board, these children will ride to school without adult, or any human, supervision.

Autonomous public transit vehicles will also be more susceptible to threats such as hacking attacks or terrorism, sharing the road with nonautomated vehicles, and technological
malfunctions; all of which may require an extra set of trained eyes and ears to protect ridership. Passengers are more susceptible to random or planned acts of violence, sexual harassment and assault, as well a host of other safety concerns when alone on a vehicle.

In addition, over a million drivers transport passengers for a living. Public transit jobs are stable jobs with good wages and benefits that sustain the middle class. Fully-automated public transit would displace hundreds of thousands of workers without a retraining or job creation plan. Not only does this impact workers and their families, but it will impact the state’s budget and strain social safety net programs.”

These are issues and challenges that autonomous vehicles pose in multiple industries. From delivery drivers to truck drivers and all other transportation related services, such as taxis and transportation network companies that the author seems to target.

**Fiscal Impact:**
The fiscal impact to cities is unknown.

**Existing League Policy:**
None.

**Comments:**
- The League has supported legislation that authorizes pilot testing programs for autonomous vehicles in Contra Costa and in Livermore without a driver in the vehicle.
- Rationale for supporting such legislation has including a need to learn more about the technology, the level of safety, lack thereof, or improvement thereof, over traditional non-autonomous vehicles.
- Congress has considered various legislative proposals that would largely preempt state and local regulatory authority over autonomous vehicles. While the regulation of vehicles has not typically occurred at the local level, there remain unanswered questions about how the various types of autonomous vehicle technology will interact with local transportation infrastructure, and more importantly, what happens when the technology and the infrastructure don’t communicate well enough to prevent death or serious injury.
- Cities have also called for increased data sharing so that autonomous vehicles improve the current transportation experience, including congestion, time spent trying to find parking, public safety, reducing vehicle miles traveled, and also to help pay for their use of existing infrastructure.
- Issues cities may want to consider is how autonomous vehicles might affect existing local economies and investments some cities have made to attract transportation heavy employers such as Amazon, UPS, FedEx, Walmart, Costco and other companies that contribute jobs and economic activity more acutely in their respective cities.
- There may be instances where a local transit agency or city that is providing transit services would like for autonomous vehicles to provide services without a transit
employee in the vehicle if that might encourage residents to utilize the services over using their own vehicle and the benefits of privacy that option offers.

**Support-Opposition:**

**Support:**
California Teamsters (Cosponsor)
Amalgated Transit Union (Cosponsor)
California Labor Federation (Cosponsor)

**Oppose:**
None on file.

**Staff Recommendation:**
1. Adopt a Support position.
2. Don’t take any action.

**Committee Recommendation:**

**Board Action:**
An act to add Section 43018.6 to the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 40, as introduced, Ting. Zero-emission vehicles: comprehensive strategy.

Existing law imposes various limitations on emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution. Existing law required the state board to develop and adopt regulations that achieve the maximum feasible reduction of greenhouse gases emitted by passenger vehicles, light-duty trucks, and any other vehicles determined by the state board to be vehicles whose primary use is noncommercial personal transportation in the state.

This bill, no later than January 1, 2021, would require the state board to develop a comprehensive strategy to ensure that the sales of new motor vehicles and new light-duty trucks in the state have transitioned fully to zero-emission vehicles, as defined, by 2040, as specified.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:
(a) The largest source of the state’s greenhouse gas emissions come from the transportation sector, primarily from passenger vehicles, accounting for nearly 40 percent of emissions.
(b) Over one-half of criteria air pollution, which causes smog and direct health impacts, comes from transportation.
(c) People who live near freeways and busy roadways are at high risk for exposure to health-threatening air pollutants from passenger vehicles traveling those corridors.
(d) Since the 1990s, air pollution experts have identified moving to zero-emission vehicles as a key to delivering clean air to residents.
(e) The state can effectively reduce both health-threatening criteria air pollution and climate pollution by adopting zero-emission vehicles statewide.
(f) Climate change is a matter of increasing concern for public health and the environment in the state.
(g) The control and reduction of greenhouse gas emissions are critical to slow the effects of climate change, such as sea-level rise, extreme weather events, or food insecurity.
(h) Technological solutions to reduce greenhouse gas emissions will stimulate the state’s economy and provide good clean energy job opportunities.

SEC. 2. Section 43018.6 is added to the Health and Safety Code, to read:
43018.6. (a) For purposes of this section, “zero-emission vehicles” means a vehicle that produces zero exhaust emissions of any criteria air pollutant, precursor pollutant, or greenhouse gas, excluding emissions from air conditioning systems, under any possible operating modes or conditions.
(b) No later than January 1, 2021, the state board shall develop a comprehensive strategy to ensure that the sales of new motor vehicles and new light-duty trucks in the state have transitioned fully to zero-emission vehicles by 2040. In developing the strategy, the state board shall do all of the following:
(1) Assess the credit provisions and regulatory structure adjustments needed to meet the future motor vehicle volumes in
order to shift the state’s new motor vehicle market to zero-emission vehicles by 2040.
(2) Identify regulation that could improve market acceptance, spur technology advancements, and reduce technology costs.
(3) Identify research needs to address any data gaps.
(4) Identify areas where coordination with other state agencies and districts is needed to implement measures identified as part of the comprehensive strategy.
(c) As part of the comprehensive strategy developed pursuant to subdivision (b), the state board shall consult with experts in academia, industry, and the community on zero-emission vehicles, motor vehicle marketing, and motor vehicle technology adoption. The topics shall include, but not be limited to, all of the following:
(1) Identification of opportunities and challenges for adopting zero-emission vehicles.
(2) Recommendations to increase dealership engagement and improve the retail experience.
(3) Identification of regulatory actions other state agencies might take to encourage greater consumer access to zero-emission vehicles.
(d) To provide a forum for public engagement, the state board shall hold at least one public workshop during the development of the comprehensive strategy required pursuant to subdivision (b).
PROPOSED AMENDMENTS

PROPOSED AMENDMENTS TO ASSEMBLY BILL NO. 847
CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 847

Introduced by Assembly Member Grayson

February 20, 2019

An act to amend Section 16965 of, and to add Section 65400.5 to, the Government Code, to amend Sections 183.1, 2033, and 2382 of the Streets and Highways Code, and to amend Section 9400.4 of the Vehicle Code, relating to transportation.

LEGISLATIVE COUNSEL’S DIGEST

AB 847, as introduced, Grayson. Transportation finance: priorities: housing: housing: transportation-related impact fee grant program.

(1) The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. The Planning and Zoning Law requires a planning agency, after a legislative body has adopted all or part of a general plan, to provide an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development on the status of the general plan and progress in meeting the community’s share of regional housing needs. Existing law requires a planning agency to include in its annual report specified information, known as a production report, regarding units of net new housing, including rental housing and for-sale housing that have been issued a completed entitlement, building permit, or certificate of occupancy.

This bill would require the Department of Housing and Community Development, on or before June 30, 2020, and on or before June 30 every year thereafter, to review each production report submitted by a
city or county in accordance with the provisions described above to determine if that city or county has met its very low-, low-, and moderate-income housing goals, as defined, for that reporting period. The bill would require the department, if it determines that a city or county has met one of those housing goals, to submit a certification of that result to the Controller by no later than June 30 of that year.

(2) Article

Article XIX of the California Constitution restricts the expenditure of revenues from taxes imposed by the state on fuels used in motor vehicles upon public streets and highways to street and highway and certain mass transit purposes. Existing law requires certain miscellaneous revenues deposited in the State Highway Account that are not restricted as to expenditure by Article XIX of the California Constitution to be transferred to the Transportation Debt Service Fund in the State Transportation Fund, as specified, and requires the Controller to transfer from the Transportation Debt Service Fund to the General Fund an amount of those revenues necessary to offset the current year debt service payments made from the General Fund on general obligation transportation bonds issued pursuant to Proposition 116, as approved by the voters at the June 5, 1990, statewide general election.

Existing law creates the Road Maintenance and Rehabilitation Program and, after certain allocations for the program are made, requires the remaining funds available for the program to be allocated 50% for maintenance of the state highway system or to the state highway operation and protection program and 50% for apportionment to cities and counties by the Controller pursuant to a specified formula, which is referred to as the local streets and roads program. Before receiving an apportionment of funds under the local streets and roads program from the Controller in a fiscal year, existing law requires an eligible city or county to submit to the California Transportation Commission a list of projects proposed to be funded with these funds. Existing law requires the commission to report to the Controller the cities and counties that have submitted a list of projects and requires the Controller, upon receipt of the report, to apportion funds to eligible cities and counties included in the report, as specified.

This bill would delete the transfer of certain miscellaneous revenues deposited in the State Highway Account to the Transportation Debt Service Fund, thereby eliminating the offsetting transfer to the General Fund for debt service on general obligation transportation bonds issued pursuant to Proposition 116, as approved by the voters at the June 5,
1990, statewide general election. The bill would instead require the miscellaneous revenues, upon appropriation by the Legislature, to be apportioned by the Controller California Transportation Commission through a competitive grant program to cities and counties pursuant to a specified formula if those cities and counties are eligible to receive an apportionment pursuant to the local streets and roads program, and if those cities and counties have been certified by the Department of Housing and Community Development to have met their very low income housing goals or low-income housing goals; to offset up to 100% of any transportation-related impact fees exacted upon a qualifying housing development project, as defined, by the local jurisdiction, and would require the grant moneys to only be used for transportation purposes.

(3) Under existing law, the California Transportation Commission allocates various state and federal transportation funds through specified state programs to local and regional transportation agencies to implement projects consistent with the requirements of those programs. These programs include the Active Transportation Program and a program established as part of the Road Maintenance and Rehabilitation Program to fund transportation improvements in counties that have sought and received voter approval of taxes or that have imposed fees, which taxes or fees are dedicated solely to transportation improvements. Existing law requires the commission to adopt guidelines for the allocation of funds for these programs.

This bill would require the guidelines for both of those specified programs to give a 10% bonus in certain instances to the selection priority of a project located in a city or county certified by the Department of Housing and Community Development to have met its moderate-income housing goals.


The people of the State of California do enact as follows:

SECTION 1. Section 16965 of the Government Code is amended to read:

16965. (a) (1) The Transportation Debt Service Fund is hereby created in the State Treasury. Moneys in the fund shall be dedicated to all of the following purposes:
PROPOSED AMENDMENTS

AB 847

— 4 —

Page 3

6  (A) Payment of debt service with respect to designated bonds, as defined in subdivision (c) of Section 16773, and as further provided in paragraph (3) and subdivision (b).

9  (B) To reimburse the General Fund for debt service with respect to bonds.

10 (C) To redeem or retire bonds, pursuant to Section 16774, maturing in a subsequent fiscal year.

Page 4

1 (2) The bonds eligible under subparagraph (B) or (C) of paragraph (1) include bonds issued pursuant to the Clean Air and Transportation Improvement Act of 1990 (Part 11.5 (commencing with Section 99600) of Division 10 of the Public Utilities Code), the Passenger Rail and Clean Air Bond Act of 1990 (Chapter 17 (commencing with Section 2701) of Division 3 of the Streets and Highways Code), the Seismic Retrofit Bond Act of 1996 (Chapter 12.48 (commencing with Section 8879) of Division 1 of Title 2), and the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Chapter 20 (commencing with Section 2704) of Division 3 of the Streets and Highways Code), and nondesignated bonds under Proposition 1B, as defined in subdivision (c) of Section 16773.

14 (3) (A) The Transportation Bond Direct Payment Account is hereby created in the State Treasury, as a subaccount within the Transportation Debt Service Fund, for the purpose of directly paying the debt service, as defined in paragraph (4), of designated bonds of Proposition 1B, as defined in subdivision (c) of Section 16773. Notwithstanding Section 13340, moneys in the Transportation Bond Direct Payment Account are continuously appropriated for payment of debt service with respect to designated bonds as provided in subdivision (c) of Section 16773. So long as any designated bonds remain outstanding, the moneys in the Transportation Bond Direct Payment Account may not be used for any other purpose, and may not be borrowed by or available for transfer to the General Fund pursuant to Section 16310 or any similar law, or to the General Cash Revolving Fund pursuant to Section 16381 or any similar law.

29 (B) Once the Treasurer makes a certification that payment of debt service with respect to all designated bonds has been paid or provided for, any remaining moneys in the Transportation Bond Direct Payment Account shall be transferred back to the Transportation Debt Service Fund.
(C) The moneys in the Transportation Bond Direct Payment Account shall be invested in the Surplus Money Investment Fund, and all investment earnings shall accrue to the account.
(D) The Controller may establish subaccounts within the Transportation Bond Direct Payment Account as may be required by the resolution, indenture, or other documents governing any designated bonds.

(4) For purposes of this subdivision and subdivision (b), and subdivision (c) of Section 16773, “debt service” means payment of all of the following costs and expenses with respect to any designated bond:
(A) The principal of and interest on the bonds.
(B) Amounts payable as the result of tender on any bonds, as described in clause (iv) of subparagraph (B) of paragraph (1) of subdivision (d) of Section 16731.
(C) Amounts payable under any contractual obligation of the state to repay advances and pay interest thereon under a credit enhancement or liquidity agreement as described in clause (v) of subparagraph (B) of paragraph (1) of subdivision (d) of Section 16731.
(D) Any amount owed by the state to a counterparty after any offset for payments owed to the state on any hedging contract as described in subparagraph (A) of paragraph (2) of subdivision (d) of Section 16731.
(b) From the moneys transferred to the fund pursuant to paragraph (2) or (3) of subdivision (c) of Section 9400.4 of the Vehicle Code, there shall first be deposited into the Transportation Bond Direct Payment Account in each month sufficient funds to equal the amount designated in a certificate submitted by the Treasurer to the Controller and the Director of Finance at the start of each fiscal year, and as may be modified by the Treasurer thereafter upon issuance of any new issue of designated bonds or upon change in circumstances that requires such a modification. This certificate shall be calculated by the Treasurer to identify, for each month, the amount necessary to fund all of the debt service with respect to all designated bonds. This calculation shall be done in a manner provided in the resolution, indenture, or other documents governing the designated bonds. If transfers to the Transportation Bond Direct Payment Account in any month are less than the amounts required in the Treasurer’s certificate, the
shortfall shall carry over to be part of the required payment in the
succeeding month or months.
(c) The state hereby covenants with the holders from time to
time of any designated bonds that it will not alter, amend, or restrict
the provisions of subdivision (c) of Section 16773 of the
Government Code, or Sections 9400, 9400.1, 9400.4, and 42205
of the Vehicle Code, which provide directly or indirectly for the
transfer of weight fees to the Transportation Debt Service Fund
or the Transportation Bond Direct Payment Account, or
subdivisions (a) and (b) of this section, or reduce the rate of
imposition of vehicle weight fees under Sections 9400 and 9400.1
of the Vehicle Code as they existed on the date of the first issuance
of any designated bonds, if that alteration, amendment, restriction,
or reduction would result in projected weight fees for the next
fiscal year determined by the Director of Finance being less than
two times the maximum annual debt service with respect to all
outstanding designated bonds, as such calculation is determined
pursuant to the resolution, indenture, or other documents governing
the designated bonds. The state may include this covenant in the
resolution, indenure, or other documents governing the designated
bonds.
(d) Once the required monthly deposit, including makeup of
any shortfalls from any prior month, has been made pursuant to
subdivision (b), from moneys transferred to the fund pursuant to
paragraph (2) or (3) of subdivision (c) of Section 9400.4 of the
Vehicle Code, or pursuant to Section 16965.1, the Controller shall
transfer as an expenditure reduction to the General Fund any
amount necessary to offset the cost of current year debt service
payments made from the General Fund with respect to any bonds
issued pursuant to Proposition 192 (1996) and three-quarters of
the amount of current year debt service payments made from the
General Fund with respect to any nondenominated bonds, as defined
in subdivision (c) of Section 16773, issued pursuant to Proposition
1B (2006). In the alternative, these funds may also be used to
redeem or retire the applicable bonds, pursuant to Section 16774,
maturing in a subsequent fiscal year as directed by the Director of
Finance.
paragraph (2) or (3) of subdivision (c) of Section 9400.4 of the Vehicle Code, or pursuant to Section 16965.1, the Controller shall transfer as an expenditure reduction to the General Fund any amount necessary to offset the eligible cost of current year debt service payments made from the General Fund with respect to any bonds issued pursuant to Proposition 108 (1990) and Proposition 1A (2008), and one-quarter of the amount of current year debt service payments made from the General Fund with respect to any non-designated bonds, as defined in subdivision (c) of Section 16773, issued pursuant to Proposition 1B (2006). The Department of Finance shall notify the Controller by July 30 of every year of the percentage of debt service that is expected to be paid in that fiscal year with respect to bond-funded projects that qualify as eligible guideway projects consistent with the requirements applicable to the expenditure of revenues under Article XIX of the California Constitution, and the Controller shall make payments only for those eligible projects. In the alternative, these funds may also be used to redeem or retire the applicable bonds, pursuant to Section 16774, maturing in a subsequent fiscal year as directed by the Director of Finance.

(f) On or before the second business day following the date on which transfers are made to the Transportation Debt Service Fund, and after the required monthly deposits for that month, including makeup of any shortfalls from any prior month, have been made to the Transportation Bond Direct Payment Account, the Controller shall transfer the funds designated for reimbursement of bond debt service with respect to non-designated bonds, as defined in subdivision (c) of Section 16773, and other bonds identified in subdivisions (d) and (e) in that month from the fund to the General Fund pursuant to this section.

SEC. 2. Section 65400.5 is added to the Government Code, to read:

65400.5. (a) For purposes of this section:

(1) "Department" means the Department of Housing and Community Development:

(2) "Production report" means the information reported by a city or county pursuant to subparagraph (H) of paragraph (2) of
subdivision (a) of Section 65400 as a part of the annual report described in Section 65400:
(b) The department shall, on or before June 30, 2020, and on or before June 30 every year thereafter, review each production report submitted by a city or county to determine if the city or county has met its very low, low-, or moderate-income housing goals for that reporting period. For purposes of this section, "very low, low-, or moderate-income housing goals" means the production report reflects that the number of net new units of housing, including both rental housing and for-sale housing, that have been issued a completed entitlement, a building permit, or a certificate of occupancy issued by a city or county for that reporting period is 85 percent or more of the city or county's share of regional housing needs for each of the following income categories:
(1) Very low;
(2) Low;
(3) Moderate.
(c) If the department determines that a city or county has met a housing goal described in subdivision (b) for that reporting period, the department shall, no later than June 30 of that year, submit a certification of that result to the Controller. The department shall specify in that certification which income category the city or county met its goals for. A certification is valid for the next fiscal year.
SEC. 3.
SEC. 2. Section 183.1 of the Streets and Highways Code is amended to read:
183.1. (a) Except as otherwise provided in Section 54237.7 of the Government Code, money deposited into the account that is not subject to Article XIX of the California Constitution, including, but not limited to, money that is derived from the sale of documents, charges for miscellaneous services to the public, condemnation deposits fund investments, rental of state property, or any other miscellaneous uses of property or money, shall, upon appropriation by the Legislature, be apportioned by the Controller commission through a competitive grant program to cities and counties as described in subdivision (b), if those cities and counties are also eligible to receive an apportionment pursuant to Section 2034, counties, which may apply jointly with developers, to offset up to 100 percent of any transportation-related impact fees exacted
PROPOSED AMENDMENTS

upon a qualifying housing development project by the local jurisdiction.

(b) Moneys apportioned pursuant to this section shall be apportioned to the following cities and counties:

(b) A qualifying housing development project shall meet all of the following requirements:

(1) The project will provide residential or mixed-use housing,

(2) The project is consistent with the applicable sustainable communities strategy prepared by a metropolitan planning organization pursuant to Section 65080 of the Government Code.

(3) At least 20 percent of the project’s units will be available at an affordable housing cost.

(c) In apportioning moneys pursuant to the competitive grant program, the commission shall give preference to a transit-oriented development project.

(d) Moneys apportioned pursuant to this section shall only be used for transportation purposes.

(1) Fifty percent of these moneys shall be divided evenly among the cities and counties that are certified pursuant to Section 65400.5 of the Government Code to have met their very low-income housing goals:

(2) Fifty percent of these moneys shall be divided evenly among the cities and counties that are certified pursuant to Section 65400.5 of the Government Code to have met their low-income housing goals:

SEC. 4. Section 2033 of the Streets and Highways Code is amended to read:

2033. (a) On or before January 1, 2018, the commission, in cooperation with the department, transportation planning agencies, county transportation commissions, and other local agencies, shall develop guidelines for the allocation of funds pursuant to subdivision (a) of Section 2032:

(b) The guidelines shall be the complete and full statement of the policy, standards, and criteria that the commission intends to use to determine how these funds will be allocated:

(c) The commission may amend the adopted guidelines after conducting at least one public hearing:

(d) The guidelines may include streamlining of project delivery by authorizing local or regional transportation agencies to seek commission approval of a letter of no prejudice that allows the
PROPOSED AMENDMENTS

AB 847

Page 9

agency to expend its own funds in advance of an allocation of funds by the commission, and to be reimbursed at a later time for eligible expenditures. A letter of no prejudice shall only be available to local or regional transportation agencies for moneys that have been identified for future allocation to the applicant agency. Moneys designated pursuant to subdivision (a) of Section 2032 shall only be reimbursed when there is funding available in an amount sufficient to make the reimbursement.

(c) For purposes of a competitive grant component of the allocation of funds pursuant to subdivision (a) of Section 2032, the guidelines shall give a 10 percent bonus to the selection priority of a project located in a city or county certified pursuant to Section 65400.5 of the Government Code to have met its moderate-income housing goals.

SEC. 5. Section 2382 of the Streets and Highways Code is amended to read:

2382. (a) The California Transportation Commission shall develop guidelines and project selection criteria for the Active Transportation Program in consultation with the Active Transportation Program Workgroup, which shall be formed for purposes of providing guidance on matters including, but not limited to, development of and subsequent revisions to program guidelines, schedules and procedures, project selection criteria, performance measures, and program evaluation. The workgroup shall include, but not be limited to, representatives of government agencies and active transportation stakeholder organizations with expertise in pedestrian and bicycle issues, including Safe Routes to School programs.

(b) The guidelines shall be the complete and full statement of the policies and criteria that the commission intends to use in selecting projects to be included in the program. The guidelines shall address subjects that include, but are not limited to, project eligibility, application timelines, application rating and ranking criteria, project monitoring, reporting, and transparency, and project performance measurement.

(c) The guidelines shall include a process to ensure that no less than 25 percent of overall program funds benefit disadvantaged communities during each program cycle. The guidelines shall establish a program definition for disadvantaged communities that may include, but need not be limited to, the definition in Section
of the Health and Safety Code and the definition of
low-income schools in paragraph (7) of subdivision (b) of former
Section 2333.5, as that section read on January 1, 2013. A project
eligible under this subdivision shall clearly demonstrate a benefit
to a disadvantaged community or be directly located in a
disadvantaged community.

(d) The guidelines shall allow streamlining of project delivery
by authorizing an implementing agency to seek commission
approval of a letter of no prejudice that will allow the agency to
expend its own funds for a project programmed in a future year
of the adopted program of projects, in advance of allocation of
funds to the project by the commission, and to be reimbursed at a
later time for eligible expenditures.

(c) The California Transportation Commission shall adopt the
guidelines and selection criteria for, and define the types of projects
eligible to be funded through, the program following at least two
public hearings. Projects funded in this program shall be limited
to active transportation projects. The guidelines shall ensure that
eligible projects meet one or more of the goals set forth in Section
2380 and may give increased weight to projects meeting multiple
goals.

(f) In developing the guidelines with regard to project eligibility,
the commission shall include, but need not be limited to, the
following project types:

1. Development of new bikeways and walkways, or
improvements to existing bikeways and walkways, that improve
mobility, access, or safety for nonmotorized users;

2. Secure bicycle parking at employment centers, park and ride
lots, rail and transit stations, and ferry docks and landings;

3. Bicycle-carrying facilities on public transit, including rail
and ferries;

4. Installation of traffic control devices to improve the safety
of pedestrians and bicyclists;

5. Elimination of hazardous conditions on existing bikeways
and walkways;

6. Maintenance of bikeways and walkways;

7. Recreational trails and trailheads, park projects that facilitate
trail linkages or connectivity to nonmotorized corridors, and
conversion of abandoned railroad corridors to trails.
(8) Safe Routes to School projects that improve the safety of children walking and bicycling to school, in accordance with Section 1404 of Public Law 109-59.

(9) Safe routes to transit projects, which will encourage transit by improving biking and walking routes to mass transportation facilities and school bus stops.

(10) Educational programs to increase biking and walking, and other noninfrastructure investments that demonstrate effectiveness in increasing active transportation.

(g) In developing the guidelines with regard to project selection, the commission shall include, but need not be limited to, the following criteria:

(1) Demonstrated needs of the applicant:

(2) Potential for reducing pedestrian and bicyclist injuries and fatalities:

(3) Potential for encouraging increased walking and bicycling, especially among students:

(4) Identification of safety hazards for pedestrians and bicyclists:

(5) Identification of walking and bicycling routes to and from schools, transit facilities, and community centers:

(6) Identification of the local public participation process that culminated in the project proposal, which may include noticed public meetings and consultation with local stakeholders:

(7) Benefit to disadvantaged communities. In developing guidelines relative to this paragraph, the commission shall consider, but need not be limited to, the definition of disadvantaged communities as applied pursuant to subdivision (c):

(8) Cost-effectiveness, defined as maximizing the impact of the funds provided:

(9) The adoption by a city or county applicant of a bicycle transportation plan, pursuant to Section 891.2, a pedestrian plan, a safe routes to school plan, or an overall active transportation plan:

(10) Use of the California Conservation Corps or a qualified community conservation corps, as defined in Section 14507.5 of the Public Resources Code, as partners to undertake or construct applicable projects in accordance with Section 1524 of Public Law 112-141:

(11) Other factors, such as potential for reducing congestion, improving air quality, reducing greenhouse gas emissions, and
increasing— and— improving— connectivity— and— mobility— of
nonmotorized users;
(h) For the use of federal Transportation Alternative Program
funds, or other federal funds, commission guidelines shall meet
all applicable federal requirements:
(i) For the use of federal Highway Safety Improvement Program
funds for active transportation projects specific to reducing
fatalities and serious injuries, the criteria for the selection of
projects shall be based on a data-driven process that is aligned
with the state’s Strategic Highway Safety Plan:
(j) The guidelines may include incentives intended to maximize
the potential for attracting funds other than program funds for
eligible projects:
(k) In reviewing and selecting projects funded by federal funds
in the Recreational Trails Program, the commission shall
collaborate with the Department of Parks and Recreation to
evaluate proposed projects, and to ensure federal requirements are
met:
(l) To ensure that regional agencies charged with allocating
funds to projects pursuant to paragraph (1) of subdivision (a) of
Section 2381 have sufficient discretion to develop regional
guidelines, the commission may adopt separate guidelines for the
state and for the regional agencies relative to subdivision (g):
(m) The guidelines shall give a 10 percent bonus to the selection
priority of a project located in a city or county certified pursuant
to Section 65400.5 to have met its moderate-income housing goals.
SEC. 6.
+ SEC. 3. Section 9400.4 of the Vehicle Code is amended to
read:
9400.4. Weight fee revenue deposited into the State Highway
Account pursuant to subdivision (e) of Section 9400.1 and
subdivision (a) of Section 42205 net of amounts appropriated for
other purposes pursuant to subdivision (b) of Section 42205, and
weight fee revenues deposited directly into the Transportation
Debt Service Fund pursuant to subdivision (e) of Section 9400.1
and subdivision (a) of Section 42205, as applicable, shall be used
as follows:
(a) For the 2010–11 fiscal year, seven hundred fifty-six million
three hundred ninety-six thousand dollars ($756,396,000) is hereby
appropriated from weight fee revenues in the State Highway
PROPOSED AMENDMENTS

Page 14

1. (1) The Controller shall transfer all weight fee revenues deposited into the State Highway Account in any month to the Transportation Debt Service Fund for transfer to the General Fund as reimbursement for debt service costs until all of the debt service paid on transportation bonds for projects that the Director of Finance indicates qualify for reimbursement as provided for in Section 16965 of the Government Code have been reimbursed.

2. (2) After the Director of Finance has notified the Controller that all debt service costs for the 2010–11 fiscal year have been reimbursed, the Controller shall transfer any remaining monthly weight fee revenues in the State Highway Account to the General Fund as a loan until the full amount appropriated in this subdivision has been transferred to the General Fund. The Director of Finance may repay any remaining portion of the outstanding balance of this loan in any year in which the Director of Finance determines the funds are needed to reimburse the General Fund for current year transportation bond debt service or to redeem or retire those bonds, pursuant to Section 16774 of the Government Code, maturing in a subsequent fiscal year, provided that the loans shall be repaid no later than June 30, 2021. All funds loaned pursuant to this section, upon repayment to the State Highway Account, shall be immediately transferred by the Controller to the Transportation Debt Service Fund for use pursuant to Section 16965 of the Government Code.

3. (3) By June 15, 2011, the Director of Finance in consultation with the Treasurer shall notify the Controller regarding the final amount of debt service paid from the General Fund during the 2010–11 fiscal year pursuant to Section 16965 of the Government Code and shall direct the Controller to reverse and adjust any transfers made as debt service reimbursements or loans so that a maximum amount of transfers are made for debt service reimbursements and with any loan amounts limited to the difference between this amount and the total amount appropriated in this subdivision. The total amount of weight fee revenues transferred from the State Highway Account for the 2010–11 fiscal year shall not be greater than the total amount of weight fee revenues deposited into the State Highway Account for that year.
(4) With respect to transfers or portions of transfers that cannot be made in any given month if weight fee revenues are insufficient, the first weight fee revenues available in the following month or months shall be used to complete the transfers for the previous month or months before making additional transfers for later months.

(b) For the 2011–12 fiscal year, all revenue generated from weight fees in the State Highway Account, as determined by Sections 9400.1 and 42205, excluding an amount equal to the loan of forty-three million seven hundred thousand dollars ($43,700,000) authorized pursuant to Item 2660-013-0042 of Section 2.00 of the Budget Act of 2011, is hereby appropriated for transfer to the General Fund as debt service reimbursement and loans as follows:

(1) The Controller shall transfer all weight fee revenues deposited into the State Highway Account in any month to the Transportation Debt Service Fund for transfer to the General Fund as reimbursement for debt service costs until all of the debt service paid on transportation bonds for projects that the Director of Finance indicates qualify for reimbursement as provided for in Section 16965 of the Government Code have been reimbursed.

(2) After the Director of Finance has notified the Controller that all debt service costs for the 2011–12 fiscal year have been reimbursed, the Controller shall transfer any remaining weight fee revenues for that fiscal year in the State Highway Account to the General Fund as a loan until all weight fee revenues for that fiscal year appropriated in this subdivision have been transferred to the General Fund, excluding forty-two million dollars ($42,000,000), which shall be transferred to the General Fund as a loan on July 1, 2012. The Director of Finance may repay any portion of the balance of this loan in any year in which the Director of Finance determines the funds are needed to reimburse the General Fund for current year transportation bond debt service or to redeem or retire those bonds, pursuant to Section 16774 of the Government Code, maturing in a subsequent year, provided that the loans shall be repaid no later than June 30, 2021. All funds loaned pursuant to this section, upon repayment to the State Highway Account, shall be immediately transferred by the Controller to the Transportation Debt Service Fund for use pursuant to Section 16965 of the Government Code.
PROPOSED AMENDMENTS
AB 847

Page 15
(3) By June 15, 2012, the Director of Finance in consultation with the Treasurer shall notify the Controller regarding the final amount of debt service paid from the General Fund during the 2011–12 fiscal year pursuant to Section 16965 of the Government Code and shall direct the Controller to reverse and adjust any transfers made as debt service reimbursements or loans so that a maximum amount of transfers are made for debt service reimbursements and with any loan amounts limited to the difference between this amount and the total amount appropriated in this subdivision. The total amount of weight fee revenues transferred from the State Highway Account for the 2011–12 fiscal year shall not be greater than the total amount of weight fee revenues deposited into the State Highway Account in that year.

(4) With respect to transfers or portions of transfers that cannot be made in any given month if weight fee revenues are insufficient, the first weight fee revenues available in the following month or months shall be used to complete the transfers for the previous month or months before making additional transfers for later months.

(c) (1) (A) Until the month of first issuance of designated bonds as defined in subdivision (c) of Section 16773 of the Government Code, and at any time thereafter that a Treasurer’s certification pursuant to subparagraph (B) of paragraph (3) of subdivision (a) of Section 16965 of the Government Code applies, all weight fee revenues subject to this section in any month shall be transferred from the State Highway Account to the Transportation Debt Service Fund.

(B) Except as provided in paragraph (3), or when subparagraph (A) applies pursuant to a Treasurer’s certification, upon the first issuance of designated bonds, as defined in subdivision (c) of Section 16773 of the Government Code, starting in the month following that first issuance, all weight fee revenues received by the Controller from the first day through the 14th day of every month shall be transferred from the State Highway Account to the Transportation Debt Service Fund.

(C) All funds transferred pursuant to subparagraphs (A) and (B) are hereby appropriated for transfer to the General Fund by the Controller as reimbursement for debt service costs paid with respect to eligible bonds described in subparagraph (A) of paragraph (2) of subdivision (a) of Section 16965 of the Government Code, until
all debt service that the Director of Finance indicates qualifies for reimbursement as provided for in subdivision (d) or (e) of Section 16965 of the Government Code has been reimbursed, or to redeem or retire bonds, pursuant to Section 16774 of the Government Code, as referenced in subdivision (d) or (e) of Section 16965 of the Government Code, that are maturing in a subsequent year. After the Director of Finance has notified the Controller that all debt service costs for the fiscal year have been reimbursed, the Controller shall transfer any remaining revenue generated from weight fees subject to this section for that fiscal year in the State Highway Account to the General Fund as a loan. The Director of Finance may repay any portion of the balance of this loan in any year in which the Director of Finance determines that the funds are needed to reimburse the General Fund for current year transportation bond debt service or to redeem or retire those bonds pursuant to Section 16774 of the Government Code, maturing in a future fiscal year, provided that the loans shall be repaid no later than June 30, 2021. All funds loaned pursuant to this section, upon repayment to the State Highway Account, shall be immediately transferred by the Controller to the Transportation Debt Service Fund for use pursuant to Section 16965 of the Government Code. By June 15 of each year, the Director of Finance, in consultation with the Treasurer, shall notify the Controller regarding the final amount of debt service paid from the General Fund during that fiscal year pursuant to subdivision (d) or (e) of Section 16965 of the Government Code and shall direct the Controller to reverse or adjust any transfers made as debt service reimbursements or loans so that a maximum amount of transfers are made for debt service reimbursements and with any loan amounts limited to the difference between this amount and the total amount of revenue for that fiscal year generated from weight fees, as determined by Sections 9400.1 and 42205. The total amount of weight fee revenues transferred from the State Highway Account in any fiscal year shall not be greater than the total amount of weight fee revenues deposited into the State Highway Account in that year. (2) Starting in the month following the first issuance of any designated bonds, unless a Treasurer’s certification pursuant to subparagraph (B) of paragraph (3) of subdivision (a) of Section 16965 of the Government Code applies, all weight fee revenues subject to this section that are received by the Controller from the...
15th day of every month, or the first business day thereafter if not a business day, through the last day of the month shall be deposited directly in the Transportation Debt Service Fund and are hereby appropriated for transfer as follows:

(A) First, to the Transportation Bond Direct Payment Account as set forth in subdivision (b) of Section 16965 of the Government Code, to provide for payment of debt service with respect to designated bonds.

(B) Thereafter, as provided in subparagraph (C) of paragraph (1).

(3) Notwithstanding paragraphs (1) and (2), if by the last day of a month the transfer for that month relating to designated bonds required by the Treasurer's certificate described in subdivision (b) of Section 16965 of the Government Code has not been made due to insufficient weight fee revenue, weight fee revenue shall continue to be transferred pursuant to paragraph (2) beginning with the first day of the subsequent month and continuing every day until such time as sufficient revenue for full compliance with the certificate has been transferred.

(4) Except as otherwise provided in paragraph (1), (2), or (3), with respect to any transfers or portions of transfers that cannot be made in any given month if weight fee revenues are insufficient, the first weight fee revenues available in the following month or months shall be used to complete the transfers for the previous month or months before making additional transfers for later months.
ASSEMBLY BILL  No. 1266

Introduced by Assembly Member Robert Rivas

February 21, 2019

An act to amend Section 22101 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL’S DIGEST

AB 1266, as introduced, Robert Rivas. Traffic control devices: bicycles.
Existing law authorizes the Department of Transportation or local authorities to erect official traffic control devices within or adjacent to intersections of highways under their respective jurisdictions to regulate or prohibit turning movements at those intersections. When a turn is required, existing law requires the erection of a sign giving notice of that requirement, except as specified. Existing law prohibits a driver of a vehicle from disobeying the directions of a traffic control device erected pursuant to that provision.
This bill would permit drivers of bicycles to disobey the directions of a traffic control device requiring a turn when pavement markings indicate that bicycles may travel straight through a right-turn only lane.


The people of the State of California do enact as follows:

SECTION 1. Section 22101 of the Vehicle Code is amended to read:
22101. (a) The Department of Transportation or local authorities, in respect to highways under their respective jurisdictions, may cause official traffic control devices to be placed or erected within or adjacent to intersections to regulate or prohibit turning movements at such intersections.

(b) When turning movements are required at an intersection, notice of such requirement shall be given by erection of a sign, unless an additional clearly marked traffic lane is provided for the approach to the turning movement, in which event notice as applicable to such additional traffic lane shall be given by any official traffic control device.

(c) When right- or left-hand turns are prohibited at an intersection, notice of such prohibition shall be given by erection of a sign.

(d) When official traffic control devices are placed as required in subdivisions (b) or (c), it shall be unlawful for any driver of a vehicle to disobey the directions of such official traffic control devices, except that a driver of a bicycle may travel straight through a right-turn only lane when pavement markings indicate that the movement is permitted.
An act to amend Section 454.53 of the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL’S DIGEST

AB 1347, as introduced, Boerner Horvath. Electricity: renewable energy and zero-carbon resources: state and local government buildings.

Existing law establishes the policy of the state that eligible renewable energy resources and zero-carbon resources supply 100% of all retail sales of electricity to California end-use customers and 100% of electricity procured to serve all state agencies by December 31, 2045.

This bill would establish the policy of the state that eligible renewable energy resources and zero-carbon resources supply 100% of all retail sales of electricity to state and local government buildings by December 31, 2030, and to all California end-use customers by December 31, 2045.


The people of the State of California do enact as follows:

SECTION 1. Section 454.53 of the Public Utilities Code is amended to read:

454.53. (a) It is the policy of the state that eligible renewable energy resources and zero-carbon resources supply 100 percent of all retail sales of electricity to buildings of state or local
government, as defined in Section 5902 of the Government Code, by December 31, 2030, and to all California end-use customers and 100 percent of electricity procured to serve all state agencies by December 31, 2045. The achievement of this policy for California shall not increase carbon emissions elsewhere in the western grid and shall not allow resource shuffling. The commission and Energy Commission, in consultation with the State Air Resources Board, shall take steps to ensure that a transition to a zero-carbon electric system for the State of California does not cause or contribute to greenhouse gas emissions increases elsewhere in the western grid, and is undertaken in a manner consistent with clause 3 of Section 8 of Article I of the United States Constitution. The commission, the Energy Commission, the State Air Resources Board, and all other state agencies shall incorporate this policy into all relevant planning.

(b) The commission, Energy Commission, state board, State Air Resources Board, and all other state agencies shall ensure that actions taken in furtherance of subdivision (a) do all of the following:

1. Maintain and protect the safety, reliable operation, and balancing of the electric system.
2. Prevent unreasonable impacts to electricity, gas, and water customer rates and bills resulting from implementation of this section, taking into full consideration the economic and environmental costs and benefits of renewable energy and zero-carbon resources.
3. To the extent feasible and authorized under law, lead to the adoption of policies and taking of actions in other sectors to obtain greenhouse gas emission reductions that ensure equity between other sectors and the electricity sector.
4. Not affect in any manner the rules and requirements for the oversight of, and enforcement against, retail sellers and local publicly owned utilities pursuant to the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11) of Chapter 2.3) and Sections 454.51, 454.52, 9621, and 9622.

(c) Nothing in this section shall affect a retail seller’s obligation to comply with the federal Public Utility Regulatory Policies Act of 1978 (16 U.S.C. Sec. 2601 et seq.).
(d) The commission, Energy Commission, and state board State Air Resources Board shall do both of the following:

1. Utilize programs authorized under existing statutes to achieve the policy described in subdivision (a).
2. In consultation with all California balancing authorities, as defined in subdivision (d) of Section 399.12, as part of a public process, issue a joint report to the Legislature by January 1, 2021, and at least every four years thereafter. The joint report shall include all of the following:
   A. A review of the policy described in subdivision (a) focused on technologies, forecasts, then-existing transmission, and maintaining safety, environmental and public safety protection, affordability, and system and local reliability.
   B. An evaluation identifying the potential benefits and impacts on system and local reliability associated with achieving the policy described in subdivision (a).
   C. An evaluation identifying the nature of any anticipated financial costs and benefits to electric, gas, and water utilities, including customer rate impacts and benefits.
   D. The barriers to, and benefits of, achieving the policy described in subdivision (a).
   E. Alternative scenarios in which the policy described in subdivision (a) can be achieved and the estimated costs and benefits of each scenario.

(e) Nothing in this section authorizes This section does not authorize the commission to establish any requirements on a nonmobile self-cogeneration or cogeneration facility that served onsite load, or that served load pursuant to an over-the-fence arrangement if that arrangement existed on or before December 20, 1995.
An act to amend Sections 14526.4, 14526.5, and 14526.6 of, and to add Sections 14007.3 and 14526.8 to, the Government Code, and to amend Section 167 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL’S DIGEST

SB 127, as introduced, Wiener. Transportation funding: active transportation: complete streets.

(1) Existing law establishes the Active Transportation Program in the Department of Transportation for the purpose of encouraging increased use of active modes of transportation, such as biking and walking, and declares the intent of the Legislature that the program achieve specific goals, including, among other things, increasing the proportion of trips accomplished by biking and walking and the safety and mobility for nonmotorized users.

This bill would establish a Division of Active Transportation within the department and require that an undersecretary of the Transportation Agency be assigned to give attention to active transportation program matters to guide progress toward meeting the department’s active transportation program goals and objectives. The bill would require the California Transportation Commission to give high priority to increasing safety for pedestrians and bicyclists and to the implementation of bicycle and pedestrian facilities.

(2) Existing law provides that the Department of Transportation has full possession and control over the highways of the state and is responsible for preparing the State Highway Operation and Protection Program for the expenditure of transportation funds for major capital
improvements that are necessary to preserve and protect the state highway system.

Existing law also creates the California Transportation Commission, with specified powers and duties relative to the programming of transportation capital improvement projects and the allocation of state transportation funds for state transportation improvement projects. Existing law requires the department, in consultation with the commission, to prepare an asset management plan to guide selection of projects for the State Highway Operation and Protection Program consistent with any applicable state and federal requirements. Existing law requires the commission, in connection with the asset management plan, to adopt targets and performance measures reflecting state transportation goals and objectives.

This bill would require the asset management plan to prescribe a process for community input and complete streets implementation to prioritize safety and accessibility for pedestrians, bicyclists, and transit users on all State Highway Operation and Protection Program projects, as specified. The bill would require that projects starting in 2020 meet specified requirements set forth as part of the State Highway Operation and Protection Program.

The bill would require the commission, in connection with the asset management plan, to adopt performance measures that include conditions of bicycle and pedestrian facilities, accessibility and safety for pedestrians, bicyclists, and transit users, and vehicle miles traveled on the state highway system. The bill would require that the State Highway Operation and Protection Program projects include capital improvements relative to accessibility for pedestrians, bicyclists, and transit users. The bill would require that each project include in its budget the cost of pedestrian and bicycle facilities. The bill would require that the plain language performance report developed by the department, in consultation with the commission, include a description of pedestrian and bicycle facilities on each project, including the number, extent, and cost of the elements relative to the overall project.

The bill would require the department, by January 1, 2021, when undertaking any capital improvement project on a state highway or a local street crossing a state highway that is funded through the State Highway Operation and Protection Program, to include new pedestrian and bicycle facilities, or improve existing facilities, as part of the project, consistent with specified requirements. The bill would require the department to establish a project development team for each project,
as specified. The bill would require, until January 1, 2021, or by which
time the department can demonstrate that it has met these requirements,
the department to use 3% of State Highway Operation and Protection
Program funds from the Road Maintenance and Rehabilitation Account
for bicycle and pedestrian facilities.
This bill would also require that funds in the State Highway Account
in the State Transportation Fund be programmed, budgeted, as specified,
and expended to maximize the use of federal funds for accessibility
improvements for all users of the transportation system, as specified,
and that safety improvements prioritize reducing fatalities and severe
injuries for vulnerable road users, and not increase vehicle miles
traveled.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the
following:
(a) Walking and bicycling trips have doubled between 2000 and
2012 and constitute nearly 20 percent of all trips in California,
based on the National Household Travel Survey.
(b) People walking and bicycling are killed or seriously injured
in California at much higher rates than car drivers or passengers
based on the percentage of trips and relative miles traveled, due
to a lack of safe walking and bicycling infrastructure on major
roadways and highways in communities across the state.
(c) The Department of Transportation (Caltrans) adopted Deputy
Directive 64 in 2008 and updated it in 2014 to require the
department to consider complete streets in all phases of design,
delivery, construction, and rehabilitation on all projects.
(d) Caltrans adopted Strategic Management Plan 2015-2020,
which includes goals to triple bicycling and double walking by
2020, which cannot be achieved without significant improvements
to infrastructure and safety on major roadways and highways.
(e) The plan also includes goals to include “complete streets”
improvements on an increasing number of projects between 2015
and 2020.

SEC. 2. Section 14007.3 is added to the Government Code, to
read:
14007.3. (a) There is in the Department of Transportation the Division of Active Transportation, which is responsible for the development of projects and programs that increase bicycle and pedestrian safety and trips statewide, and the review of all state highway capital improvement projects for inclusion of bicycle and pedestrian facilities where feasible.

(b) An undersecretary of the agency shall be assigned to give attention to active transportation matters to guide progress toward meeting the department’s active transportation goals and objectives.

(c) The commission shall give high priority to increasing safety for pedestrians and bicyclists and to the implementation of bicycle and pedestrian facilities.

SEC. 3. Section 14526.4 of the Government Code is amended to read:

14526.4. (a) The department, in consultation with the commission, shall prepare a robust asset management plan to guide selection of projects for the State Highway Operation and Protection Program, required by Section 14526.5. The asset management plan shall be consistent with any applicable state and federal requirements, and shall prescribe a process for community input and “complete streets” implementation to prioritize safety and accessibility for pedestrians, bicyclists, and transit users on all projects in the program, where applicable, pursuant to Section 14526.7.

(b) The department may prepare the asset management plan in phases, with the first phase to be implemented with the 2016 state highway operation and protection program, and the complete asset management plan to be prepared no later than the 2020 State Highway Operation and Protection Program. Projects proposed starting in the 2020 State Highway Operation and Protection Program shall meet the requirements set forth in Sections 14526.5 and 14526.8.

(c) In connection with the asset management plan, the commission shall do both of the following:

(1) Adopt targets and performance measures reflecting state transportation goals and objectives. Performance measures shall include conditions of bicycle and pedestrian facilities, accessibility and safety for pedestrians, bicyclists, and transit users, and vehicle
miles traveled on the state highway system. Automobile delay shall not be used as a performance measure.

(2) Review and approve the asset management plan, including the final version of the first phase and the complete plan prepared by the department pursuant to subdivision (b).

(d) As used in this section, “asset management plan” means a document assessing the health and condition and performance of the state highway system with which the department is able to determine the most effective way to apply the state’s limited resources.

SEC. 4. Section 14526.5 of the Government Code is amended to read:

14526.5. (a) Based on the asset management plan prepared and approved pursuant to Section 14526.4, the department shall prepare a State Highway Operation and Protection Program for the expenditure of transportation funds for major capital improvements that are necessary to preserve and protect the state highway system. Projects included in the program shall be limited to improvements relative to the maintenance, safety, operation, and rehabilitation of state highways and bridges that do not add a new traffic lane to the system, including auxiliary lanes, merging lanes, and toll lanes.

(b) The program shall include projects that are expected to be advertised prior to July 1 of the year following submission of the program, but which have not yet been funded. The program shall include those projects for which construction is to begin within four fiscal years, starting July 1 of the year following the year the program is submitted.

(c) (1) The department, at a minimum, shall specify, for each project in the State Highway Operation and Protection Program, the capital and support budget, as applicable, including the cost of pedestrian and bicycle facilities, for each of the following project phases:

(A) Project approval and environmental documents, support only.

(B) Plans, specifications, and estimates, support only.

(C) Rights-of-way.

(D) Construction.
(2) The department shall specify, for each project in the State Highway Operation and Protection Program, a projected delivery date for each of the following components:

(A) Project approval and environmental document completion.
(B) Plans, specifications, and estimates completion.
(C) Right-of-way certification.
(D) Start of construction.

(d) The department shall submit its proposed program to the commission not later than January 31 of each even-numbered year. Prior to submitting its proposed program, the department shall make a draft of its proposed program available to transportation planning agencies for review and comment and shall include the comments in its submittal to the commission. The department shall provide the commission with detailed information for all programmed projects on cost, scope, schedule, and performance metrics as determined by the commission.

(e) The commission shall review the proposed program relative to its overall adequacy, consistency with the asset management plan prepared and approved pursuant to Section 14526.4 and funding priorities established in Section 167 of the Streets and Highways Code, the level of annual funding needed to implement the program, and the impact of those expenditures on the State Transportation Improvement Program. The commission shall adopt the program and submit it to the Legislature and the Governor not later than April 1 of each even-numbered year. The commission may decline to adopt the program if the commission determines that the program is not sufficiently consistent with the asset management plan prepared and approved pursuant to Section 14526.4.

(f) As part of the commission’s review of the program required pursuant to subdivision (a), the commission shall hold at least one hearing in northern California and one hearing in southern California regarding the proposed program.

(g) On or after July 1, 2017, In order to provide sufficient and transparent oversight of the department’s capital outlay support resources composed of both state staff and contractors, the commission shall be required to allocate the department’s capital outlay support resources by project phase, including preconstruction. Through this action, the commission will provide
public transparency for the department’s budget estimates, increasing assurance that the annual budget forecast is reasonable.

The commission shall develop guidelines, in consultation with the department, to implement this subdivision. Guidelines adopted by the commission to implement this subdivision shall be exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1).

(h) Beginning July 1, 2017, for a project that experiences increases in capital or support costs above the amounts in the commission’s allocation pursuant to subdivision (g), the commission shall establish a threshold for requiring a supplemental project allocation. The commission’s guidelines adopted pursuant to subdivision (g) shall also establish the threshold that the commission determines is necessary to ensure efficiency and may provide exceptions as necessary so that projects are not unnecessarily delayed.

(i) The department, for each project requiring a supplemental project allocation pursuant to subdivision (h), shall submit a request to the commission for its approval.

(j) Expenditures for these projects shall not be subject to Sections 188 and 188.8 of the Streets and Highways Code.

SEC. 5. Section 14526.6 of the Government Code is amended to read:

14526.6. (a) The department shall report to the commission quarterly, for projects which complete construction in the previous quarter, on the information outlined in subdivision (b) for all major state highway operation and protection program State Highway Operation and Protection Program projects, as defined by the commission pursuant to subdivision (f) of Section 167 of the Streets and Highways Code.

(b) The department shall report to the commission on the approved capital and support budgets compared to expenditures at contract construction acceptance for all projects included in subdivision (a).

(c) The department shall develop, in consultation with the commission, a plain language performance report to increase transparency and accountability of the state highway operation and protection program State Highway Operation and Protection Program. The plain language performance report shall include a description of pedestrian and bicycle facilities on each project.
including the number, extent, and cost of the elements relative to
the overall project.

SEC. 6. Section 14526.8 is added to the Government Code, to
read:

14526.8. (a) By January 1, 2021, except as provided in
subdivisions (b) and (c), the department, when undertaking any
capital improvement project on a state highway or a local street
crossing a state highway that is funded through the State Highway
Operation and Protection Program (SHOPP), shall include new
pedestrian and bicycle facilities, or improve existing facilities, as
part of the project, as follows:

(1) In urbanized areas, transit priority areas, or priority access
areas, and on streets and highways with average daily traffic of
10,000 vehicles or more and a speed limit over 25 miles per hour,
well-lit facilities for bicyclists and pedestrians shall be provided
that are physically separated from motor vehicles. Bicycle facilities
shall be designed based on Highway Design Manual guidance for
selection of bicycle facilities pursuant to Section 14033. In
addition, signals or other facilities shall be provided to enable
bicyclists and pedestrians to safely cross the street or highway.

(2) On streets or highways other than those described in
paragraph (1), facilities for pedestrians and bicyclists shall be
provided when feasible, and reduction of vehicle traffic lanes and
implementation of traffic calming improvements shall be
considered.

(3) The department shall establish a project development team
for each project, including representatives from the local
transportation agency, local bicycle and pedestrian advisory
committee, community-based organizations, residents of
low-income disadvantaged communities, and other local
stakeholders impacted by the project. The project development
team shall provide input to the department on identifying bicycle
and pedestrian facility and transit access needs on the project,
including improvements identified in a local bicycle, pedestrian,
active transportation, or safe routes to school plan adopted by the
local jurisdiction.

(b) This section does not apply to capital improvement projects
on street and highway facilities that are closed, by law, to use by
pedestrians, bicyclists, and other nonmotorized users.
(c) The department may exempt a capital improvement project from the requirements of this section through documentation in writing by the department’s district director and supported by data, after at least one public hearing in the jurisdiction most impacted by the project, to demonstrate any of the following:

(1) The cost of accommodating the needs of the particular user group for the transportation project would be excessively disproportionate to the current or future need or probable use of the facilities by the particular user group.

(2) There is a demonstrated absence of future need by the particular user group, as determined by factors, including current and future land use, current and projected user volumes, population density, and crash data.

(3) The adverse impacts of accommodating the needs of the particular user group significantly outweigh the benefits.

(d) Until January 1, 2021, or by which time the department can demonstrate that it has met the requirements of subdivision (a), 3 percent of SHOPP funds from the Road Maintenance and Rehabilitation Account shall be used only for bicycle and pedestrian facilities.

(e) (1) As used in this section, “capital improvement project” includes, but is not limited to, a reconstruction, rehabilitation, or operational improvement project.

(2) As used in this section “priority access area” means an area within one-half mile of a public school, community college, university, hospital or healthcare center, senior center, employment center, park, or grocery store.

(3) As used in this section, “transit priority area” means an area within one-half mile of an existing major transit stop, or a planned transit stop, if the planned stop is scheduled to be completed within the planning horizon included in the interregional transportation improvement program submitted pursuant to Section 14526 or a regional transportation improvement program adopted and submitted pursuant to Section 14527.

SEC. 7. Section 167 of the Streets and Highways Code is amended to read:

167. (a) Funds in the State Highway Account in the State Transportation Fund shall be programmed, budgeted subject to Section 163, and expended to maximize the use of federal funds and shall be based on the following sequence of priorities:
(1) Accessibility improvements for all users of the transportation system that improve the efficiency of moving people within existing roadways, reduce vehicle miles traveled, and promote public health.

(2) Operation, maintenance, and rehabilitation of the state highway system.

(3) Safety improvements where physical changes, other than adding additional lanes, would reduce fatalities and the number and severity of injuries. Safety improvements shall prioritize reducing fatalities and severe injuries for vulnerable road users, and shall not increase vehicle miles traveled.

(4) Transportation capital improvements that expand capacity or reduce congestion, or do both.

(5) Environmental enhancement and mitigation programs.

(b) With respect to the funds in the State Highway Account, in the Public Transportation Account, and in the Passenger Rail Bond Fund, the proposed budget shall be organized on a program basis. The proposed budget shall list the proposed expenditures for the transportation program under the following program elements:

(1) Administration.

(2) Program development.

(3) Maintenance.

(4) State highway operation and protection.

(5) Local assistance.

(6) Interregional improvements.

(7) Regional improvements.

(8) Environmental enhancement and mitigation programs.

(c) State operations expenditure amounts of the department for interregional and regional transportation improvement projects shall be listed as required by subdivision (b) of Section 14529 of the Government Code, but those amounts other than those for the acquisition of rights-of-way, construction, and construction support shall not be subject to allocation by the commission.

(d) To align the annual budget with the adopted state transportation improvement program, the department may submit to the Department of Finance revised capital outlay support and capital outlay budget estimates as part of its May Revision process.
Budget proposals related to these changes shall be provided to the Legislature no later than May 1.

(e) The budget shall not include specific appropriations for specific transportation improvement projects, and the Legislature shall not enact legislation containing specific individual transportation projects.

(f) The basis for defining major and minor capital outlay projects shall be established by the commission.

(g) The Legislative Analyst shall prepare an analysis of the proposed expenditures for each program element as a part of the budget analysis.

(h) The department shall submit to the Legislative Analyst, and the Senate Committee on Budget and Fiscal Review and the Assembly Committee on Budget, on an annual basis, supplemental information to substantiate the department’s proposed capital outlay support budget. The information shall be provided no later than May 1 of each year, and may be provided at an earlier date. The information shall include, but not be limited to, the following:

1. A list of projects for which the department will perform capital outlay support work in the budget year. For each project, the department shall include:
   A. The planned project support budget for support of environmental, design, right-of-way, and construction phases.
   B. The planned capital costs, including construction capital costs and right-of-way capital costs.
   C. The estimated or actual construction start date and completion date.
   D. The name and year of the state transportation program in which the project is programmed, if applicable.
   E. Total prior fiscal year expenditures for capital outlay support.
   F. The number of full-time equivalent positions requested to perform support of environmental, design, right-of-way, and construction work in the fiscal year of the budget request.
   G. Milestones of project work by phases that are planned to be completed in the fiscal year of the budget request.
   H. The ratio of support to capital costs based on current programming.
2. The capital-to-support ratio for all projects completed in the prior fiscal year in each program in each district.
(3) The current total number of authorized and vacant positions in the capital outlay support program in headquarters and in each district.

(4) A five-year projection of the department’s staffing needs to support the state’s transportation capital programs and any workload performed by the department related to federal or local funding for highway capital projects.

(5) The average cost of a personnel-year equivalent in each district based on the department’s existing contracts for capital outlay support work performed by a private company under contract with the department. For each average cost, the department shall provide a description of what factors are included in that cost.

(6) The average cost of a state staff personnel-year in the capital outlay support program in each district and in headquarters. The cost shall include the salary and wages, benefits, program overhead, administrative overhead, and other associated costs. The department shall provide a description of each component of the average cost.

(7) A summary of expected capital outlay support workload for the budget year that includes the following:

   (A) The total full-time equivalents requested for each type of the following activities: environmental, design, right-of-way, and construction.

   (B) The total full-time equivalents requested for each type of project, including, but not limited to, the state transportation improvement program, the State Highway Operation and Protection Program, bond programs, regional and local agency partnership workload, and any other program.

(8) The total number of projects with requested resources, as well as the number of projects in which the department is limited to an oversight role.

(9) The number of milestones scheduled, including environmental, design, right-of-way, and construction deliverables, as well as the number of projects expected to begin construction and reach completion.

(10) A summary for the most recently completed fiscal year for the following:
(A) Full-time equivalents and related funding expended, including support of environmental, design, right-of-way, and construction activities.

(B) Approved and filled positions as of the end of the fiscal year.
An act to add Section 99174 to the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL’S DIGEST

SB 336, as introduced, Dodd. Transportation: fully-automated transit vehicles.
Existing law establishes regulations for the operation of an autonomous vehicle on public roads for testing purposes by a driver who possesses the proper class of license for the type of vehicle being operated if the manufacturer meets prescribed requirements. Existing law imposes various requirements on transit operators.
This bill would require a transit operator, as defined, to ensure each of its fully-automated transit vehicles, as defined, is staffed by at least one of its employees, who has had specified training, while the vehicle is in service.


The people of the State of California do enact as follows:

1 SECTION 1. Section 99174 is added to the Public Utilities Code, to read:
2 99174. (a) For purposes of this section, the following definitions apply:
3 (1) “Fully-automated transit vehicle” means a vehicle designed to carry passengers and capable of operating without a human
operator physically onboard the vehicle and actively controlling
or monitoring the vehicle.

(2) “Public transit operator” means a public entity, including,
but not limited to, the state, any subdivision of the state, or a transit
district, special district, joint powers authority, city, county, or city
and county, that provides passenger transportation services.

(3) “Transit operator” means a public transit operator or a private
entity that receives public moneys to provide passenger
transportation services.

(b) (1) A transit operator shall ensure each of its fully-automated
transit vehicles is staffed by at least one of its employees while
the vehicle is in service.

(2) An employee staffing a fully-automated transit vehicle shall
have been trained in passenger safety, passenger communication,
assisting the disabled and elderly, and emergency response and
preparedness.

(c) This section shall not apply to a fixed guideway vehicle
operating on a closed loop and moving passengers within an airport
or other similar facility.