Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 22, 2012

Reference No.: 4.1
Action

From: BIMLA G. RHINEHART
Executive Director

Subject: **STATE AND FEDERAL LEGISLATION**

ISSUE:

The Legislature began its summer recess on July 6, 2012 and reconvened on August 6, 2012. This second year, of the two-year legislative session, will conclude on August 31, 2010. Bills passed by both houses will be forwarded to the Governor for signature. The Governor has until September 30, 2012 to sign or veto these bills.

The attachment to this staff report provides the status of bills that staff is monitoring.

ACTIONS TAKEN SINCE THE JUNE 2012 COMMISSION MEETING:

While the Legislature was on summer recess, the Governor signed two bills:

Related to Direct Impact to the Commission

AB 1458 (Buchanan) Amended June 28, 2012 – State Transportation Commission
Retains the Commission's status as an independent entity to perform its powers, duties and functions, with the enactment of the Governor's Reorganization Plan No. 2 (GRP 2) of 2012.

SB 1039 (Steinberg) July 2, 2012 – State government: Business, Consumer Services, and Housing Agency
Requires that the Department of Housing and Community Development, the Department of Transportation, and the Commission coordinate state housing and transportation policies and programs beginning July 1, 2013. Provides that certain provisions of this bill shall prevail over specified provisions of the GRP 2.

The following bills were amended prior to summer recess:

Related to Direct Impact to the Commission

SB 878 (DeSaulnier) Amended June 26, 2012 – State Transportation Commission
Requires the Commission to undertake a study to assess the appropriateness of establishing an Office of Inspector General to ensure the State Department of Transportation and transportation agencies with projects funded from state funds in the state transportation improvement program are operating in a specified manner. Requires the Commission to consult with other agencies and to submit a related report on the advisability of the creation of such office.

Last Action: June 26, 2012 – Amended in Assembly Committee on Transportation. Re-referred to Assembly Committee on Appropriations
Current Location: Assembly Committee on Appropriations

SB 1117 (DeSaulnier) Amended July 5, 2012 - Statewide Passenger Rail Transportation Plan
The bill originally would require Commission to prepare a statewide passenger rail transportation plan relative to conventional and high-speed intercity passenger rail, commuter rail, and urban rail transit containing various elements. The amended bill requires the Commission to include in its guidelines for regional transportation plans policy direction regarding the integration of all passenger rail services into a coordinated system with emphasis on intermodal facilities and cost-effective rail services. Requires the requirements for the multi-year state rail plan to require the plan to be consistent with a specified federal act when meeting specified requirements. Relates to blended transportation systems and a related plan.

Last Action: June 26 – Amended in Assembly Committee on Transportation.
July 5 – In Assembly and read second time and amended. Re-referred to Committee
Current Location: Assembly Committee on Appropriations

RECOMMENDATION:

The Commission is requested to provide direction to staff on legislation of interest to it.

BACKGROUND:

The Commission approved criteria to guide Commission staff in monitoring legislation and selecting bills that should be brought forward for Commission consideration. An over-arching criterion is that a bill must directly affect transportation on a statewide basis. Bills meeting one or more of the criteria, provided below, will be brought forward to the Commission for consideration.

- Funding/Financing - funding or a funding mechanism for transportation (capital and operations)
- Environmental Mitigation - implementation of green house gas emissions reduction and transportation (e.g., AB 32), and/or involve the environmental process and transportation (e.g., CEQA)
- Planning - implementation of transportation and land use and planning (e.g., SB 375)
- Project Delivery - changes to the way transportation projects are delivered

Additional criteria for bringing a bill forward include:

- Direct Impact to Commission - changes in Commission responsibility, policy impact or operations
- Commissioner Request - recommended by a Commissioner for consideration by the Commission at its next regularly scheduled meeting

The Commission adopted policy to consider legislation in relation to its overall policy by topic area, prior to taking a position on legislation addressing that topic; and remain selective in its use of watch, support or opposition on a bill. The rationale for a policy by topic area is it permits the Commission to address a suite of legislative proposals dealing with the same topic by commenting to the author(s) without necessarily taking a position. Rather than taking specific positions on bills in their initial state, the Commission can advise the Legislature on a bill's policy and/or technical aspects, as well as how it helps or hinders transportation. The intent of the Commission's comments is to alert the author of the bill's impact on a policy and/or technical aspect related to transportation planning, programming, financing, mitigation, or project delivery.

Further direction will be provided to staff, by the Chair, on bills that meet the aforementioned criteria.

Attachment

CALIFORNIA TRANSPORTATION COMMISSION
Status of State Legislation
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FUNDING/FINANCING

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
AB 1229	Feuer	Transportation: financing: federal highway grant anticipation notes	Provides the term eligible transportation project in existing law may include projects programmed by a regional transportation planning agency using specified federal funds. Authorizes a minimum percentage of bonding capacity of GARVEE bonds from being made available for these projects. Requires such agency to commit to repaying the state for debt service if that agency's share of federal regional surface transportation program funds or federal congestion mitigation and air qualify funds is insufficient.	***Last Action*** In Senate Committee on Appropriations Held in Committee August 25, 2011 ***Current Location*** Senate Committee on Appropriations	
AB 1770	Lowenthal B.	California Transportation Financing Authority	The bill provides that a rail project may consist of, or include, rolling stock for the purpose of the issuance of bonds to fund transportation projects. Requires a project to be supplemental to or improve existing facilities currently owned or operated by the project sponsor. (Urgency)	***Last Action*** From Senate Committee on Governance and Finance Do pass To Committee July 3, 2012 ***Current Location*** Senate Committee on Appropriations **Hearing Scheduled** August 6, 2012	
ACA 23	Perea	Local government transportation projects: special taxes: voter approval	This measure would provide that the imposition, extension, or increase of a special tax by a local government for the purpose of providing funding for local transportation projects requires the approval of 55% of its voters voting on the proposition. The measure would also make conforming and technical, nonsubstantive changes.	***Last Action*** From Assembly Committee on Local Government Be adopted To Committee June 27, 2012 ***Current Location*** Assembly Committee on Appropriations	**Letter of Support sent to Legislature May 29, 2012**
SB 633	Huff	Bond: Fine for Unauthorized Use	Amends the State General Obligation Bond Law. Provides that if the Department of Finance determines that funds from a bond act are expended for a purpose not authorized by the bond act, and the entity responsible for the funds does not take the corrective action prescribed by the department within a time to be determined by the department, then the Department of Finance may prohibit the entity that was responsible for the unauthorized use from allocating any additional funds from the bond act.	***Last Action*** In Assembly Committee on Business, Professions and Consumer Protection Failed passage Reconsideration granted June 19, 2012 ***Current Location*** Assembly Committee on Business, Professions and Consumer Protection	

CALIFORNIA TRANSPORTATION COMMISSION
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FUNDING/FINANCING (Continued)

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
SB 907	Evans	Master Plan for Infrastructure Financing and Development Commission	Would create the Master Plan for Infrastructure Financing and Development Commission, consisting of specified members, and would require the commission to prepare and submit a strategy and plan for infrastructure development in California that meets certain criteria to the Legislature and the Governor by December 1, 2013. This bill would provide that the commission would dissolve 30 days after submission of its final report. This bill would repeal these provisions upon the dissolution of the commission. Would provide that these provisions become operative only if the funds required to support the commission are appropriated and made available in the annual Budget Act.	***Last Action*** In Assembly Committee on Jobs, Economic Development and the Economy Second hearing canceled at the request of author July 3, 2012 ***Current Location*** Assembly Committee on Jobs, Economic Development and the Economy	**Letter sent to author June 1, 2011 "The Commission is prepared to offer one of its members (Chair or Vice Chair) or the Commission's Executive Director to serve on the Master Plan for Infrastructure Financing and Development Commission."**
SB 1102	DeSaulnier	State Transportation Improvement Program	Would require the Department of Transportation, *beginning not later than November 15, 2014,* as part of the annual project delivery report, to report on the difference between the original allocation made by the Commission and the actual construction capital and support costs at project close for all STIP projects completed during the previous fiscal year. Would revise provisions to require project costs to include right-of-way support costs. Would require the Commission to allocate funds for construction support costs for a project in the STIP at the time of allocation of funds for construction capital costs. Would require a supplemental project allocation request to be made for all interregional and regional projects that experience construction support costs equal to more than 120% of the amount originally allocated. Similar Bill: SB 1499 (Anderson, 2012) – See below	***Last Action*** From Assembly Committee on Transportation Do pass To Committee June 11, 2012 ***Current Location*** Assembly Committee on Appropriations	**Letter of Support send to Legislature April 4, 2012**

PROJECT DELIVERY

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
AB 294	Portantino	Transportation Projects: Procurement	Requires the Department of Transportation to use specified persons for highway projects. Authorizes the department to let contracts for the design and construction of not more than 5 transportation projects utilizing the design-sequencing method, and to use department employees or consultants under contract for these design services. Requires the department to compile data on the transportation projects awarded under these provisions and to include that information in a report to the Legislature.	***Last Action*** In Senate From third reading To inactive file September 2, 2011 ***Current Location*** Senate Third Reading	

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PROJECT DELIVERY (Continued)

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
AB 2498	Gordon	Department of Transportation: Construction Manager/ General Contractor project method	Would authorize Caltrans to engage in a Construction Manager/General Contractor project delivery method, as specified, for projects for the construction of a highway, bridge, or tunnel, would require the department to submit a report, as specified, no later than July 1 of each year during which any project using the Construction Manager/General Contractor method is underway and no later than July 1 of the year after any project using the Construction Manager/General Contractor method has been completed, and would require specified information to be verified under oath, thus imposing a state-mandated local program by expanding the scope of an existing crime.	***Last Action*** From Senate Committee on Transportation and Housing Do Pass To Committee June 26, 2012 ***Current Location*** Senate Committee on Appropriations **Hearing Scheduled** August 6, 2012	
SB 1549	Vargas	Transportation projects: alternative project delivery methods	This bill would allow the San Diego Association of Governments to utilize alternative project delivery methods, as defined, for public transit projects within its jurisdiction. The bill would also, upon completion of a project, require a progress report to be submitted by the San Diego Association of Governments to its governing board and would require the report to be made available on its Internet Web site. This bill would require specified information to be verified under oath, thus imposing a state-mandated local program by expanding the scope of an existing crime. The bill would provide that its provisions are severable. This bill would make legislative findings and declarations as to the necessity of a special statute for San Diego regional transportation entities.	***Last Action*** From Assembly Read second time and amended Re-referred to Committee July 5, 2012 ***Current Location*** Assembly Committee on Appropriations	

DIRECT IMPACT TO COMMISSION

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
AB 441	Monning	Transportation Planning	Would require the commission to attach a summary of the policies, practices, or projects that have been employed by metropolitan planning organizations that promote health and health equity to the commission's next revision of specified regional transportation planning guidelines.	***Last Action*** In Senate Read second time June 26, 2012 ***Current Location*** Senate Third Reading	**Letter expressing concerns with January 23 amendments sent to Legislature April 6, 2012 Concerns were addressed in June 4 amendment**

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DIRECT IMPACT TO COMMISSION (Continued)

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
AB 845	Ma	Transportation: Bond Funds	Requires the guidelines adopted by the Commission to determine the funding share for each eligible commuter and urban rail recipient to use the distribution factors gathered from the 2007 Data Tables in the National Transit Database of the Federal Transit Administration. Requires the Commission to accept from each eligible recipient a priority list of projects up to the target amount expected to be available for the recipient and would require matching funds for bond fund allocation purposes.	***Last Action*** In Senate From third reading To inactive file August 22, 2011 ***Current Location*** Senate	
AB 1458	Buchanan	State Transportation Commission	Provides that the State Transportation Commission retain independent authority to perform its powers, duties, and functions.	***Signed by the Governor*** ***July 17, 2012*** ***Chapter 138*** ***Statutes of 2012***	
SB 103	Liu	State government: meetings	Authorizes a state body, to the extent practicable, to conduct teleconferencing meetings. Requires a state body to provide a supplemental live audio broadcast on the Internet Web site of its board meetings that are open to the public unless it is determined to be too costly. Prohibits teleconference meetings as a matter of convenience. Requires a body that operates an Internet Web site to provide a supplemental live audio or video broadcast on the Web site of board meetings open to the public.	***Last Action*** In Assembly Committee on Appropriations Held in Committee and under submission August 25, 2011 ***Current Location*** Assembly Committee on Appropriations	
SB 749	Steinberg	California Transportation Commission: guidelines	Establishes specified procedures that the Commission will be required to utilize when it adopts guidelines regarding transportation capital improvement projects. Provides exceptions. Exempts the adoption of those guidelines from the requirements of the Administrative Procedure Act. Similar Bills: SB 1348 (Steinberg, 2010) – Vetoed by Governor on September 30, 2010 SB 126 (Steinberg, 2011) – Amended to relate to agriculture labor relations	***Last Action*** From Assembly Referred to Committee April 23, 2012 ***Current Location*** Assembly Committee on Transportation	

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DIRECT IMPACT TO COMMISSION (Continued)

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
SB 878	DeSaulnier	State Transportation Commission	Requires the State Transportation Commission to undertake a study to assess the appropriateness of establishing an Office of Inspector General to ensure the State Department of Transportation and transportation agencies with projects funded from state funds in the state transportation improvement program are operating in a specified manner. Requires the commission to consult with other agencies and to submit a related report on the advisability of the creation of such office.	***Last Action*** From Assembly Committee on Transportation Do pass as amended Re-referred to Committee July 2, 2012 ***Current Location*** Assembly Committee on Appropriations	
SB 1039	Steinberg	State government: Business, Consumer Services, and Housing Agency	Requires the Department of Housing and Community Development, the Department of Transportation, and the California Transportation Commission to coordinate state housing and transportation policies and programs. Would provide that certain provisions of this bill shall prevail over specified provisions of the Governor's Reorganization Plan No. 2 of 2012, regardless of the dates on which this bill and the plan take effect. Would provide that its provisions shall become operative only if the Governor's Reorganization Plan No. 2 of 2012 becomes effective. Would provide that its provisions shall become operative on July 1, 2013.	***Signed by the Governor*** ***July 17, 2012*** ***Chapter 147*** ***Statutes of 2012***	
SB 1117	DeSaulnier	Statewide Passenger Rail Transportation Plan	~~Would require the Commission to prepare a statewide passenger rail transportation plan relative to conventional and high-speed intercity passenger rail, commuter rail, and urban rail transit containing various elements.~~ *Requires the State Transportation Commission to include in its guidelines for regional transportation plans policy direction regarding the integration of all passenger rail services into a coordinated system with emphasis on intermodal facilities and cost-effective rail services. Requires the requirements for the multi-year state rail plan to require the plan to be consistent with a specified federal act when meeting specified requirements. Relates to blended transportation systems and a related plan.*	***Last Action*** From Assembly Committee on Transportation Do pass as amended June 26, 2012 In Assembly Read second time and amended Re-referred to Committee July 5, 2012 ***Current Location*** Assembly Committee on Appropriations	

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OTHER

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
AB 1780	Bonilla	Department of Transportation: Project Study Reports	Would revise provisions to authorize the department to prepare project study reports or equivalent planning documents for any projects on the state highway system, limited by the resources available to the department. Require the department to pay for the costs of its review and approval of project study reports or equivalent planning documents that are prepared by other entities for projects that are in an adopted regional transportation plan, a voter-approved county sales tax measure expenditure plan, or other voter-approved transportation program. In other cases, the bill would require the cost of the department's review and approval to be paid by the entity preparing the project study report or equivalent planning document. Delete the provisions relating to the guidelines adopted by the Commission and would instead require open and continuous communications between the parties during the development of project study reports or equivalent planning documents.	***Last Action*** From Senate Committee on Transportation and Housing Do pass To Committee July 3, 2012 ***Current Location*** Senate Committee on Appropriations **Hearing Scheduled** August 6, 2012	

RELATED TO RAIL

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
AB 16	Perea (D)	High-Speed Rail Authority	Amends existing law that creates the High-Speed Rail Authority. Requires the authority to make every effort to purchase high-speed train rolling stock and related equipment that are manufactured in California, consistent with federal and state laws.	***Last Action*** In Senate To inactive file September 9, 2011 ***Current Location*** Senate	
AB 41	Hill	High-Speed Rail Authority: Conflicts of Interest: Disqualification	Amends existing provisions of the Political Reform Act of 1974. Adds members of the High-Speed Rail Authority to those specified officers who must publicly identify a financial interest giving rise to a conflict of interest, and recuse themselves accordingly. This bill would provide that each employee of a contractor or subcontractor of the High-Speed Rail Authority who serves in a peer review capacity to the authority shall be deemed to be a designated employee of the authority, thereby making those persons subject to the provisions of the authority's conflict-of-interest code and to the various other restrictions that apply to the designated employees of a state agency. (Urgency)	***Last Action*** In Senate Read second time May 1, 2012 ***Current Location*** Senate Third Reading	

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RELATED TO RAIL (Continued)

Bill #	Author	Bill Title	Subject	Status	CTC Adopted Position
AB 145	Galgiani and Lowenthal	High-Speed Rail	Repeals all of the State High-Speed Train Act and enacts a new act. Continues the High-Speed Rail Authority with limited responsibilities within the Business, Transportation, and Housing Agency. Requires specified personnel matters. Requires the authority to adopt policies directing the development and implementation of high-speed rail, prepare and adopt a business plan and high-speed train capital program, and select alignments for the routes of the trains system, award franchises, and provide for fares.	***Last Action*** In Senate Committee on Appropriations Held under submission August 25, 2011 ***Current Location*** Senate Committee on Appropriations	
AB 292	Galgiani	High Speed Rail: Agricultural Lands	Requires the High-Speed Rail Authority to appoint an agricultural advisory committee with a specified number of members recommended by the Secretary of Food and Agriculture. Requires the Authority to consult with the committee and to reflect the committee's comments on policies and related matters in any action item brought before the Board of the Authority. (Urgency)	***Last Action*** In Senate From inactive file Second Reading July 2, 2012 ***Current Location*** Senate Third Reading	
AB 1092	Lowenthal	High-Speed Rail	Requires the High-Speed Rail authority to report biannually to the Legislature beginning on a specified date on the status of the project, including overall progress, th0065 project budget, expenditures to date, a comparison of the current and project work schedule and the baseline schedule.	***Last Action*** In Senate Read first time To Committee June 2, 2011 ***Current Location*** Senate Committee on Rules	
SB 517	Lowenthal	High-Speed Rail Authority	Places the High-Speed Rail Authority within the Business, Transportation and Housing Agency. Requires the Secretary to propose an annual budget for the authority. Requires the members of the authority appointed by the Governor to be appointed with the advice and consent of the Senate. Vacates the membership of the authority. Provides for the appointment or reappointment of members on a specified date. Provides that the executive director is subject to appointment with the advice and consent of the Senate.	***Last Action*** In Assembly Committee on Appropriations Held in Committee and under submission August 25, 2011 ***Current Location*** Assembly Committee on Appropriations	