

# Memorandum

**To:** CHAIR AND COMMISSIONERS

**Date:** May 4, 2010

**From:** BIMLA G. RHINEHART  
Executive Director

**File No:** Reference No. 4.1  
**ACTION**

**Ref:** State and Federal Legislation

Commission staff continues to monitor proposed legislation based on the over-arching criterion approved by the Commission on December 9, 2009. An update on these bills is provided in the Attachment A to this staff report. Any staff recommendations on specific legislation for action by the Commission are presented below.

## Update on Action Items from the April 7, 2010 Meeting

### Related to Rail

#### **SB 409 (Ducheny) Passenger Rail Program: Strategic Planning**

Action Item: Staff was directed to report back to the Commission at its May 2010 meeting on the efforts in clarifying the Commission's role.

Status: Staff met with the author's staff and suggested language for consideration including:

- that the Strategic Rail Connectivity Plan (Plan) be incorporated into the state rail plan required by the federal Passenger Rail Improvement and Investment Act of 2008 to ensure that projects listed are eligible for federal funding;
- a process for approving the Plan, as well as the process for dealing with projects that are not consistent with the Plan;
- a process for approving the annual funding plan; and
- a process for ensuring that funds appropriated and allocated to the Authority are consistent with the annual funding plan.

Staff will provide an update on the status of this bill at the May Commission meeting.

### Related to Direct Impact to Commission

#### **SB 1348 (Steinberg) California Transportation Commission: Guidelines**

Action Item: Staff was directed to work with the author's staff to clarify the intent of the bill.

Bill Status: The bill was amended on April 14, 2010 as follows: The bill would establish specified procedures that the Commission would be required to utilize when it adopts guidelines pursuant to a statutory authorization or mandate that exempts the Commission from the requirements of the Administrative Procedure Act.

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Status: Commission staff has been working with the author's staff on the bill's intent and language. As of the writing of this staff report, it is expected that an amendment to the bill will be heard by the Senate Appropriations Committee on May 17, 2010. Staff will provide an update on the status of this bill at the May Commission meeting.

### **Related to Airports**

#### **SB 1141 (Negrete McLeod) Airports; Airport Land Use Commission**

Action Item: Staff was directed to prepare a letter of support, for the Chair's signature, in regard to the establishment of an Airport Land Use Commission Establishment Fund (Fund) contained in the bill to encourage a countywide approach to airport land use planning on a statewide basis.

Status: A letter has been transmitted to the author stating the Commission's support of the bill.

### **Amendments to Bills**

Staff has identified two bills that have gone through major amendments since the April meeting report on legislation.

### **Related to Rail**

#### **AB 2121 (Harkey) High-Speed Rail**

This bill originally would have reduced the amount of general obligation debt authorized pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to the amount contracted as of a specified date.

On April 28 this bill was amended in the Assembly to require the authority to annually adopt a 6-year high-speed train program, as specified, for submission to the Legislature and the Governor. The bill would also require the authority to annually prepare and submit to the Legislature and the Governor a report including, among other things, a description of the progress made on the program and a detailed financing plan to pay for construction of the high-speed train network.

Bill Status: In Assembly Committee on Appropriations

### **Related to Design-Build**

#### **AB 2098 (Miller) Public Contracts: Design-Build Contracts**

This bill originally was related to the second round of federal transportation economic stimulus and would have enacted provisions to govern the expenditure of the second round of federal transportation economic stimulus funds that may be awarded to the state in 2010 pursuant to an unspecified federal act, and restricts allocation of the state portion of funds to projects in areas defined as economically distressed.

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On March 23 this bill was amended, at the request of the author, to relate to design-build contracts and would provide that a project of a local transportation entity approved by the Commission under provisions for the design-build method of procurement if the project is consistent with the Policy Guidance for Project Authorization under the Design-Build Demonstration Program adopted by the Commission in September 2009, and would be applied retroactively. On April 21 the bill was further amended to add an urgency clause.

Bill Status: In the Assembly Committee on Transportation

## CALIFORNIA TRANSPORTATION COMMISSION

Status of Legislation  
Commission Meeting  
April 19-20, 2010

**RELATED TO BOND FUNDS**

Bill #	Author	Bill Title	Subject	Status/Current Location	CTC Position
SB 901	ASHBURN	Transportation: Bond Funded Projects: No Prejudice	Amends existing law that authorizes a regional or local agency that is a lead agency for certain transportation projects or project components for which bond funding has been programmed or approved by the administrative agency to apply for a letter of no prejudice that makes the regional or local agency eligible to be reimbursed from bonds funds for project expenditures. Authorizes those regional and local agencies to apply for such letter for funding of grade separation and railroad crossing projects.	<p><b><u>Current Location</u></b> Senate Committee on Transportation and Housing</p> <p>[4/5/10 - Scheduled hearing cancelled at request of author]</p>	Staff Monitor

**RELATED TO FEDERAL STIMULUS**

Bill #	Author	Bill Title	Subject	Status/Current Location	CTC Position
AB 2703	SOLORIO	Federal transportation economic stimulus funds: 2nd round	States the intent of the Legislature to enact legislation to ensure that federal transportation funds received in 2010 are expeditiously awarded to maximize job retention in state and to ensure robust oversight of those funds. <i>This bill would declare that it is to take effect immediately as an urgency statute.</i>	<p>4/27/10 - In Assembly. Read second time and <i>amended</i>. Re-referred to Committee on Appropriations.</p> <p><b><u>Current Location</u></b> Assembly Committee on Appropriations</p>	Staff Monitor
SB 1371	LOWENTHAL and CORREA	Federal transportation economic stimulus funds	Requires the Department of Transportation to work with local transportation agencies to develop a list of potential projects that may be awarded within a 90-day period of the award to the state of 2nd round federal transportation economic stimulus funds. Requires the department to submit a monthly status report to the Legislature with respect to certain milestones for expenditure of these funds.	<p>5/3/10 - In Senate Committee on Appropriations to Senate second reading without further hearing</p> <p><b><u>Current Location</u></b> Senate</p>	Staff Monitor

**RELATED TO DIRECT IMPACT TO COMMISSION**

Bill #	Author	Bill Title	Subject	Status/Current Location	CTC Position
SB 1348	STEINBERG	California Transportation Commission	<p><del>Relates to transportation capital improvement projects by the State Transportation Commission. Provides that guidelines adopted by the Commission shall have no force or effect unless adopted as regulations pursuant to the Administrative Procedure Act.</del></p> <p><i>This bill would establish specified procedures that the commission would be required to utilize when it adopts guidelines pursuant to a statutory authorization or mandate that exempts the commission from the requirements of the Administrative Procedure Act.</i></p>	<p>4/21/10 – In Senate Committee on Transportation and Housing on consent calendar with author’s amendments.</p> <p><b><u>Current Location</u></b> Senate Committee on Appropriations <b>HEARING</b> – May 17, 2010</p>	Staff Monitor

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**RELATED TO DESIGN-BUILD**

<b>Bill #</b>	<b>Author</b>	<b>Bill Title</b>	<b>Subject</b>	<b>Status/Current Location</b>	<b>CTC Position</b>
AB 2098	MILLER	Federal Transportation Economic Stimulus: 2nd Round Public Contracts: Design-Build Contracts	<p><del>Enacts provisions to govern the expenditure of the 2nd round of federal transportation economic stimulus funds that may be awarded to the state in 2010 pursuant to an unspecified federal act. Restricts allocation of the state portion of funds to projects in areas defined as economically distressed.</del></p> <p><i>This bill would provide that a project of a local transportation entity may be approved by the commission under these provisions for the design-build method of procurement if the project is consistent with the Policy Guidance for Project Authorizations under the Design-Build Demonstration Program adopted by the commission as Resolution G-09-09 on September 9, 2009. The bill would state that this modification shall be applied retroactively beginning with the date that Chapter 2 of the Statutes of 2009, 2nd Extraordinary Session, became operative. This bill would declare that it is to take effect immediately as an urgency statute.</i></p>	<p>4/21/10 - In Assembly. Read second time and <i>amended to add urgency clause</i>. Re-referred to Committee on Transportation.</p> <p>3/23/10 - In Assembly. Read second time and <i>amended</i>. Re-referred to Committee on Transportation.</p> <p><b><u>Current Location</u></b>          Assembly Committee on Transportation</p>	Staff Monitor

**RELATED TO RAIL**

<b>Bill #</b>	<b>Author</b>	<b>Bill Title</b>	<b>Subject</b>	<b>Status/Current Location</b>	<b>CTC Position</b>
AB 289	GALGANI	High Speed Rail	<p><del>This bill would require the High-speed Rail Authority, to the extent possible, to use the proceeds of bonds from the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to match federal funds made available from the American Recovery and Reinvestment Act of 2009</del> appropriate \$2.25 billion to the authority from federal ARRA funds awarded to the state for high-speed rail purposes and would identify the corridors eligible for those funds. The bill would require the authority to take those actions necessary to ensure that the federal funds are used and expended in a manner that meets all applicable federal guidelines, make the most efficient use of available state bond funds, and are expended and used consistent with current state law. The bill would require the authority to report to the Director of Finance and the Legislature relative to the expenditure plan for ARRA funds. The bill would require the authority to include in its business plan an estimate of jobs created in each corridor. The bill would state the intent of the Legislature to establish an inspector general to oversee the fiscal functions of the authority.</p>	<p>4/21/10 - In Senate. Read second time and <i>amended</i>. Re-referred to Committee on Transportation and Housing.</p> <p><b><u>Current Location</u></b>          Senate Committee on Transportation and Housing</p>	Staff Monitor

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**RELATED TO RAIL (CONTINUED)**

Bill #	Author	Bill Title	Subject	Status/Current Location	CTC Position
AB 1375	GALGIANI	High-speed Rail	<p>This bill would revise and recast these provisions by repealing and reenacting the California High-Speed Train Act. The bill would continue the High-Speed Rail Authority in existence to <del>make policy decisions relative to implementation of high speed rail consistent with Proposition 1A</del> <i>establish compensation of certain employees of the department, advise the Secretary of Business, Transportation and Housing and the Director of the Department of Railroads concerning high-speed rail matters, and annually adopt a 6-year high-speed train program for submission to the Governor and the Legislature.</i> The bill would create the Department of <del>High Speed Trains</del> <i>Railroads</i> within the Business, Transportation and Housing Agency, which would <del>implement those policies. The bill would transfer certain of</del> <i>succeed to most of the existing powers and responsibilities of the authority to the department and would specify additional powers and duties of the authority and department relative to implementation of the high speed rail project, including the annual submission of a 6 year high speed train capital improvement program and progress report to the Legislature and would be responsible for implementing the high-speed train project.</i> The director of the department would be appointed by the Governor, who would serve at the pleasure of the <del>authority</del> <i>Governor</i>, and the Governor would be authorized to appoint up to 10 executive employees of the department who would be exempt from civil service and serve at the pleasure of the director. The bill would provide for acquisition and disposition by the department of rights-of-way for the high-speed rail project. <i>The bill would transfer the existing employees of the authority, other than the executive director, to the department.</i> The bill would enact other related provisions.</p>	<p>4/21/10 – In Senate. Read second time and amended. Re-referred to Committee on Transportation and Housing.</p> <p><b><u>Current Location</u></b>          Senate Committee on Transportation and Housing</p>	Staff Monitor
AB 1747	GALGIANI	High-Speed Rail Authority	<p>Authorizes the High Speed Rail Authority to consider, to the extent permitted by federal and state law, the creation of jobs in California when awarding major contracts <del>or</del> <i>including</i> purchasing high-speed trains.</p>	<p>4/22/10 – In Assembly. Read second time. To third reading.</p> <p><b><u>Current Location</u></b>          Assembly</p>	Staff Monitor
AB 2121	HARKEY	High Speed Rail	<p><del>Reduces the amount of general obligation debt authorized pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to the amount contracted as of a specified date.</del>  <i>This bill would require the authority to annually adopt a 6-year high-speed train program, as specified, for submission to the Legislature and the Governor, and require the authority to annually prepare and submit to the Legislature and the Governor a report including, among other things, a description of the progress made on the program and a detailed financing plan to pay for construction of the high-speed train network.</i></p>	<p>4/28/10 - In Assembly. Read second time and <i>amended</i>. Referred to Committee on Appropriations.</p> <p><b><u>Current Location</u></b>          Assembly Committee on Appropriations</p>	Staff Monitor

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**RELATED TO RAIL (CONTINUED)**

<b>Bill #</b>	<b>Author</b>	<b>Bill Title</b>	<b>Subject</b>	<b>Status/Current Location</b>	<b>CTC Position</b>
SB 409	DUCHENY	Passenger rail programs; strategic planning	This bill would place the High Speed Rail Authority within Business, Transportation and Housing Agency. The bill would require the 5 members of the Authority appointed by the Governor be appointed w/advice and consent of the Senate. Would require the Authority to annually submit a funding plan to the CTC for approval, identifying the need for investment during the FY and the amts of bond sales necessary to accommodate those investments.	2/11/10 – To Assembly Committee on Transportation. 1/28/10 - In Assembly. Read first time. Held at Desk.  <b><u>Current Location</u></b> Assembly Committee on Transportation	Staff Monitor
SB 455	LOWENTHAL	High-Speed Rail	Relates to a High-speed rail authority membership. <i>Require the members of the authority at a scheduled board meeting, to cause to be prepared an overall project schedule with project delivery milestones on a quarterly basis, and to approve a quarterly contract status report beginning at the first board meeting after 3/1/10.</i> Require members of the authority to approve all contract amendments at a scheduled board meeting. Requires the authority to ensure that projects undertaken including projects for acquisition of right-of-way, are consistent with specified criteria. Relates to real property obtained for high-speed rail purposes by the authority	<b><u>Current Location</u></b> Assembly Inactive File	Staff Monitor
SB 965	DESAULIER	Public Utilities: Transportation: Federal Funds	Authorizes the High-Speed Rail Authority to expend federal funds made available by the federal ARRA for high-speed rail purposes. Requires the authority to take various actions in that regard. Requires the authority to submit to the Legislature an expenditure plan for the federal funds. Exempts the Transbay Terminal project in San Francisco from the provisions if ARRA funds are made available to the authority for that project.	4/29/10 – In Senate. Read third time. Passed Senate  <b><u>Current Location</u></b> Assembly	Staff Monitor

**RELATED TO AIRPORTS**

<b>Bill #</b>	<b>Author</b>	<b>Bill Title</b>	<b>Subject</b>	<b>Status/Current Location</b>	<b>CTC Position</b>
SB 1141	NEGRETE MCLEOD	Airports: Airport Land Use Commission	Eliminates the authority of the Board of Supervisors of a county in which an airport is located. Adopts a resolution declaring that the county is exempt from establishing an airport land use commission. Requires that if the board of supervisors and city select committee determine that proper land use can be accomplished through the actions of an appropriately designated body, that body be a county wide board.	5/3/10 – In Senate Committee on Appropriations. To Suspense File.  <b><u>Current Location</u></b> Senate Committee on Appropriations	Support

## CALIFORNIA TRANSPORTATION COMMISSION

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**RELATED TO PROPOSITION 116**

Bill #	Author	Bill Title	Subject	Status/Current Location	CTC Position
AB 2520	SOLORIO	Transportation: general obligation bonds	Enacts similar provisions to the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 applicable to regional or local agencies relative to projects to be funded by Clean Air and Transportation Improvement Act of 1990 - letter of no prejudice.	2/19/10 – Introduced  <b>Current Location</b> Assembly Committee on Transportation	Staff Monitor

**OTHER**

Bill #	Author	Bill Title	Subject	Status/Current Location	CTC Position
AB 1760	BLUMENFIELD	Design-Sequencing Contracts	Amends existing law that authorizes the Department of Transportation to conduct a pilot project to let design-sequencing contracts for design and construction of not more than 12 transportation projects. Reenacts similar provisions, applicable to up to 10 transportation projects. Requires a report to the Legislature describing and evaluating the outcome of the contracts undertaken pursuant to these provisions. <i>The bill would require the department to prepare a status report to the Legislature each year during which design-sequencing contracts are underway, as specified.</i>	4/28/10 - In Assembly. To Consent Calendar. 4/19/10 – In Assembly Committee on Transportation and amended.  <b>Current Location</b> Assembly	Staff Monitor
AB 2316	ENG	<del>Alternative Transportation Improvement Program</del> <i>State Highway Route 710: alternative transportation improvement program.</i>	<del>Authorizes the cities or county in which planned state transportation facilities were to be located on State Highway Route 710 in Los Angeles County, to develop and file with the Transportation Commission for its approval, a local alternative transportation improvement program that addresses transportation problems and opportunities.</del> <i>This bill would require proceeds from the sale of the excess properties within a specified portion of the State Highway Route 710 corridor, less any reimbursements due to the federal government and all costs incurred in the sale of those properties, to be allocated by the commission to fund a transportation improvement program approved by the Los Angeles County Metropolitan Transportation Authority. These funds would not be subject to allocation pursuant to the north-south split and county shares formulas.</i>	4/5/10 - In Assembly. Amended.  <b>Current Location</b> Assembly	Staff Monitor
AB 2663	LOWENTHAL	Local Government: Federal Fiscal Year	Makes several legislative findings and declarations relating to cities, counties, and cities and counties that observe the federal fiscal year calendar. Provides that if the Legislature transfers, borrows from, or suspends allocated revenues from the Transportation Investment Fund, the respective transaction would be suspended during the months of July, August and September.	4/28/10 - In Assembly Committee on Appropriations. To Suspense File.  <b>Current Location</b> Assembly Committee on Appropriations	Staff Monitor