



**Government Relations & Public Affairs Committee**

**Item #16-6-11  
Receive & File**

May 27, 2016

**State Advocacy Update**

May 27 was the last day for bills to pass the Appropriations Committee, so the list of bills with the potential for passage by the time the Legislature adjourns in August is narrowing. Attachment A includes a list of the bills that SACOG is monitoring. Attention in the next few weeks shifts to adoption of the budget. See the previous item on this committee's agenda for information about the affordable housing funding and policy proposals moving forward as part of the budget.

Transportation funding solutions still benefit from some flexibility due to the ongoing special session, which is not subject to normal procedural rules. Additionally, the Assembly and Senate Budget Committees voted in May to remove the Governor's transportation funding proposal from budget negotiations. This redirects attention to the special session as the forum to address this issue. However, the special session still faces the August 31 deadline of normal legislation. With an upcoming summer recess in July, and primary and general elections competing for legislators' attention, the potential for success in the special session is not clear.

On May 19, the same day that SACOG joined the Fix Our Roads Coalition and the coalition held a rally at the State Capitol, the coalition released a Roadmap to Consensus, its proposal to bring all of the parties together to solve our transportation funding crisis (Attachment B). The plan combines ideas from Republican reform proposals, the Governor's Budget Plan, and from legislation introduced by Senator Beall and Assembly Member Frazier that fit within the Fix Our Roads Coalition principles. The coalition continues to urge the Legislature and the Administration to move forward with a consensus package and hope this document will provide a basis for a compromise.

**Attachments**

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Bill	Author	Title	Location	Summary
AB 1591	Frazier (D)	Transportation Funding	Assembly Transportation Committee	Relates to transportation funding to include the Road Maintenance and Rehabilitation Program and its related fund which would include revenues from a motor vehicle fuel tax increase and a new vehicle registration fee for zero-emission vehicles, related county use of revenues from an approved transactions and use tax, revenue from a diesel fuel tax increase to the Trade Corridors Improvement Fund, truck parking improvements, greenhouse gas reduction, highway operation and improvements funding.
AB 1746	Stone (D)	Transit Buses	Senate Transportation and Housing Committee	Authorizes the operation of transit buses on the shoulder of a segment of a state highway designated under the program within the areas served by the transit services of specified entities, subject to the same conditions and requirements previously authorized. Requires a program participant to submit a report to the Legislature that includes specified information about the program, and to post the report on its Internet Web site to enable the public to access the report.
AB 1768	Gallagher (R)	Bonds: Transportation	Assembly Transportation Committee	Provides that no further bonds shall be sold for high-speed rail purposes pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, except as specifically provided with respect to an existing appropriation for high-speed rail purposes for early improvement projects in the Phase 1 blended system. Requires the funds from the remaining from the sale of bonds to fund project in the State Highway Operation and Protection Program.
AB 1886	McCarty (D)	Environmental Quality Act: Transit Priority Projects	SENATE	Amends the Environmental Quality Act that specifies that a project is considered to be within a specified distance of a major transit stop or high quality transit corridor if all parcels within the project have no more than a specified percentage of their area farther than a specified distance from the stop or corridor. Increases, for a transit priority project to meet the requirements for limited Act review, the percentage of that area.
AB 2034	Salas (D)	Department of Transportation: Environmental Review	Senate Transportation and Housing Committee	Amends existing law that requires the U.S. Secretary of Transportation to carry out a surface transportation project delivery program, under which the participating states assume certain responsibilities for environmental review and clearance of transportation projects to delete the repeal date and thereby extend these provisions indefinitely.
AB 2087	Levine (D)	Regional Conservation Frameworks	Assembly Second Reading File	Authorizes the Department of Fish and Wildlife in the Natural Resources Agency, or any other public agency, to propose a regional conservation framework. Authorizes a conservation action and a habitat enhancement to fulfill compensatory mitigation requirements set forth in an incidental take permit issued pursuant to the California Endangered Species Act or compensatory mitigation requirements. Provides for mitigation credits.
AB 2090	Alejo (D)	Low Carbon Transit Operations Program	Assembly Second Reading File	Authorizes moneys appropriated to the Low Carbon Transit Operations Program to be expended to support the operation of existing bus or rail service if the governing board of the requesting transit agency declares a fiscal emergency and other criteria are met.
AB 2094	Obernolte (R)	Greenhouse Gas Reduction Fund: State and Local Funds	Assembly Transportation Committee	Transfers an specified amount of money from the Greenhouse Gas Reduction Fund to the Retail sales Tax Fund annually. States that the transferred revenues shall be considered part of the revenues allocated to local transportation funds from the Retail Sales Tax Fund. Provides that, in each year of the above-stated transfer, a specified amount of money would be appropriated from the Retail Sales Tax Fund for allocation to State highway and local street and road purposes.
AB 2100	Calderon I (D)	The 21st Century Infrastructure Act of 2016	Assembly Natural Resources Committee	Requires the Public Utilities Commission, the State Energy Resources Conservation and Development Commission, the Independent System Operator, and the State Air Resources Board to review and evaluate their policies and plans for expansion of 21st Century infrastructure and to take other related actions.
AB 2126	Mullin (D)	Public Contracts: Construction Manager/General Contract	Senate Transportation and Housing Committee	Authorizes the Department of Transportation to use the Construction Manager/General Contractor method on a specified number of projects and requires a specified number of such projects to use Department employees or consultants under contract with the Department to perform all project design and engineering services.
AB 2170	Frazier (D)	Trade Corridors Improvement Fund: Federal Funds	Assembly Third Reading File	Requires revenues apportioned to the state from the National Highway Freight Program established by the federal Fixing America's Surface Transportation Act to be allocated for trade corridor improvement projects approved pursuant to these provisions. Deletes consideration of the Air Resources Board's Sustainable Freight Strategy and the statewide port master plan. Includes consideration of the applicable port master plan when determining eligible projects for funding, and railroad and airport improvements.

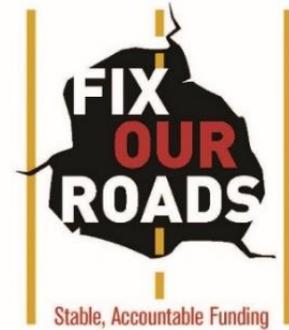
AB 2222	Holden (D)	Greenhouse Gas Reduction Fund: Transit Pass Program	Assembly Second Reading File	Appropriates funds from the Greenhouse Gas Reduction Fund for the Transit Pass Program. Requires transit pass programs of public agencies that provide free or reduced-fare transit passes to public school students and community college, the State University and University of California students to meet certain requirements. Requires performance measurements. Authorizes funds from the Affordable Housing and Sustainable Communities Program and the Low Carbon Transit Operations Program to augment the program.
AB 2289	Frazier (D)	Capital Improvement Projects	Senate Transportation and Housing Committee	Adds to the capital projects relative to the operation of those state highways and bridges. Prepares a state highway operation and protection program.
AB 2332	Garcia E (D)	Transportation Funding: Complete Streets	Assembly Transportation Committee	Requires the Transportation Commission to increase the annual number of complete street projects undertaken by the State Department of Transportation and increase accessibility for low-income and disadvantaged communities by increasing multimodal transportation proximity to employment, jobs, housing, and recreation areas. Provides goals to be accomplished to increase travel by non-automobile modes of travel. Relates to increased safety projects and funding therefor.
AB 2355	Dababneh (D)	Intercity Rail Services: Mitigation	Assembly Transportation Committee	Requires the Department of Transportation to develop a program for the reasonable mitigation of noise and vibration levels in residential neighborhoods along railroad lines where the department contracts for state-funded intercity rail passenger service, and to determine what constitutes a reasonable level of mitigation.
AB 2356	Gomez (D)	Zoning: Housing Element: Low Income Housing	Assembly Rules Committee	Authorizes a city or county to include in its housing assessment and inventory the identification of housing for defined extremely low income households. Provides required actions of a local entity if it elects to include this identification in its assessment and inventory. Provides that the development of zones and objective management under these provisions would not be discretionary acts within the meaning of the California Environmental Quality Act.
AB 2398	Chau (D)	Transportation: State Highways	Assembly Transportation Committee	Requires the Transportation Commission to report to the Speaker of the Assembly, the President Pro Tempore of the Senate, and the chairs of specified committees the number of selections, adoptions, and local determinations for state highways undertaken and the amount of money allocated for the construction, improvement, or maintenance of the highways.
AB 2411	Frazier (D)	Transportation Revenues	Assembly Second Reading File	Deletes the transfer of miscellaneous revenues to the Transportation Debt Service Fund. Requires the miscellaneous revenues to be retained in the State Highway Account and to be used solely for transportation expenditures consistent with the restrictions for expenditures consistent with the restrictions for expenditure of fuel tax revenues.
AB 2413	Thurmond (D)	Sea Level Rise Preparation	Assembly Natural Resources Committee	Requires the Natural Resources Agency to complete a study outlining the potential impact of sea level rise on low-income and at-risk communities and public projects and infrastructure. Requires the agency based on study, to make recommendations on preparing for sea level rise.
AB 2426	Low (D)	Workplace Charging Station Grant Program	Assembly Transportation Committee	Requires the State Air Resources Board to establish and implement the Workplace Charging Stations Grant Program to award grants for the installation of electric vehicle charging stations in commercial parking facilities for employees and visitors. Requires eligible applicants awarded grants to report usage statistics.
AB 2432	Brown (D)	State and Local Truck Routes and Services	Assembly Transportation Committee	Relates to the Department of Transportation. Requires the Department to prepare an inventory of all state and locally designated truck routes and services, publish a statewide Truck Route Network Internet Web site, and prepare a plan and schedule for addressing all inefficiencies and truck transportation network gaps, including an estimate of the annual cost and the total cost of carrying out the plan.
AB 2492	Alejo (D)	Community Revitalization	Assembly Third Reading File	Amends existing law which authorizes certain local agencies to form a community revitalization and investment authority for purposes related to infrastructure, affordable housing, and economic revitalization. Authorizes a certain calculation to be made with a combination of census tracts and census block groups. Authorizes an authority to receive funds allocated to it pursuant to a resolution adopted by a city or county and to transfer such funds from certain tax and assessment revenues.
AB 2500	Daly (D)	Land Use: Regional Housing Need	Assembly Housing and Community Development Committee	Requires the Department of Housing and Community Development to determine the regional housing need prior to the scheduled revision of a housing element required by law. Requires the adoption of a final regional housing need prior to the scheduled revision for the region.

AB 2509	Ting (D)	Operation of Bicycles: Speed	Senate Transportation and Housing Committee	Expands the exceptions to riding as close as practicable to the right-hand curb or roadway edge to include, among others, when riding in class I, class IV bikeways.
AB 2522	Bloom (D)	Land Use: Attached Housing Developments	Assembly Housing and Community Development Committee	Requires an attached housing development to be a permitted use by right and subject to the existing conditions imposed on a use by right, if it satisfies specified conditions. Conditions the permitted use by right upon the development complying with written development standards to meeting the jurisdiction's share of the regional housing needs and providing housing for very low, low- or moderate-income households and replacement housing units.
AB 2542	Gatto (D)	Streets and Highways: Reversible Lanes	Senate Transportation and Housing Committee	Requires the Department of Transportation or a regional transportation planning agency, when submitting a capacity-increasing project or a major street or highway lane realignment project to the Transportation Commission for approval, to demonstrate that reversible lanes were considered for the project.
AB 2620	Dababneh (D)	Passenger Rail Projects: Funding	Senate Transportation and Housing Committee	Reallocates funds allocated under the Clean Air and Transportation Improvement Act of 1990 that are not expended or encumbered by a specified date, to any other existing passenger rail project with existing rail service. Requires the Transportation Commission to determine the projects pursuant to this reallocation.
AB 2693	Dababneh (D)	Financing Requirements: Property Improvements	SENATE	Prohibits a public agency from permitting a property owner who is a homeowner from entering into contractual assessments to finance certain energy-related improvements unless the owner has been provide a completed financing estimate document or substantially equivalent document and that the owner has specified cancellation rights, or from participating in a program that would put the owner's mortgage debt equal to or greater than the property's fair market value. Provides noncompliance voids the assessment.
AB 2722	Burke (D)	Transformative Climate Communities Program	Assembly Second Reading File	Creates the Transformative Climate Communities Program. Provide funds from the Greenhouse Gas Reduction Fund would be available to administer the program. Requires the Strategic Growth Council to award competitive grants to specified eligible entities for for the development and implementation of transformative climate community plans, and projects that implement plans, contribute to the reduction of emissions of greenhouse gases and demonstrate potential environmental benefits in disadvantaged communities.
AB 2783	Garcia E (D)	Affordable Housing and Sustainable Communities	SENATE	Requires the Strategic Growth Council to consider revisions to the guidelines and selection criteria with respect to affordable housing projects that qualify under the Affordable Housing and Sustainable Communities Program's rural innovation project area, and to provide a written explanation to the Assembly on Housing and Community Development, if the Council determines that it will not make the revisions.
AB 2796	Bloom (D)	Active Transportation Program	Assembly Third Reading File	Relates to the Active Transportation Program in the Department of Transportation. Relates to biking and walking. Requires a minimum of available funds in each distribution category to be awarded for planning and community engagement for active transportation in disadvantaged communities and for non-infrastructure purposes.
AB 2847	Patterson (R)	High-Speed Rail Authority: Reports	Senate Transportation and Housing Committee	Requires the high-speed rail business plan identify projected financing costs for each segment or combination of segments of the system, if financing is proposed by the High-Speed Rail Authority. Requires, in the business plan and in another report, the Authority to identify any significant changes in scope for segments of the system identified in the previous version of each report and to provide an explanation of adjustments in cost and schedule attributable to the changes.
SB 824	Beall (D)	Low Carbon Transit Operations Program	Senate Second Reading File - File No. 3	Authorizes a recipient transit agency that does not submit a project for funding under the Low Carbon Transit Operations Program in a particular fiscal year to retain its funding share for expenditure in a subsequent fiscal year. Requires the Department of Transportation to annually calculate a funding share for each eligible recipient transit agency. Allows a recipient transit agency to loan or transfer its funding share to another transit agency. Relates to reporting requirements for project funding.
SB 882	Hertzberg (D)	Crimes: Public Transportation: Minors	Senate Second Reading File - File No. 75	Amends law making it an infraction or a misdemeanor to evade the payment of a fare on a public transit system or misuse of a transfer, pass, ticket, or token with intent to evade payment of fare or to use a discount ticket without authorization. Prohibits a minor from being charged with an infraction or a misdemeanor for those acts.

SB 1141	Moorlach (R)	State Highways: Transfer to Local Agencies: Pilot	Senate Transportation and Housing Committee	Requires the Department of Transportation to participate in a multi-year, multi-county pilot program to operate, maintain, and make improvements to all state highways, including freeways, in an affected county. Requires moneys to be appropriated for these purposes as a block grant in the annual Budget Act to a participating county.
SB 1197	Cannella (R)	Intercity rail Corridors: Extensions	Senate Transportation and Housing Committee	Authorizes the amendment of a joint power agreement to provide for the extension of the affected rail corridor to provide intercity rail service beyond the defined boundaries of the corridor. Requires a proposed extension to first be recommended and justified in the business plan adopted by the joint powers board, and then would require the approval of the Secretary of Transportation.
SB 1208	Bates (R)	California Transportation Commission	Senate Rules Committee	Makes a nonsubstantive change to existing law that creates the California Transportation Commission, with specified powers and duties relative to programming of transportation capital improvement projects and other related matters.
SB 1279	Hancock (D)	Transportation Commission: Funding Prohibition	Senate Second Reading File - File No. 83	Prohibits the Transportation Commission from programming or allocating any State funds for any newly proposed project at a port facility that is located at, or adjacent to, a disadvantaged community and that proposes to facilitate the handling, storage, and transportation of coal in bulk.
SB 1320	Runner (R)	State Transportation Commission	Senate Transportation and Housing Committee	Excludes the Transportation Commission from the Transportation Agency. Establishes it as an entity in State government. Requires it to act in an independent oversight role. Requires the Department of Transportation to program capital outlay support resources for each project in its State highway operation and protection program. Provides project rejection and acceptance procedures. Requires approval of the Commission of any change in programmed project's cost, scope, or schedule.
SB 1403	Glazer (D)	Housing Bonds	Senate Rules Committee	States the intent of the Legislature to enact legislation that would authorize the issuance of bonds to finance the development of affordable housing.
AB 1a	Alejo (D)	Transportation Funding	ASSEMBLY	Provides that any loans made to the General Fund from specified transportation funds and accounts with a specified repayment date are to be repaid by a specified date. Repeals specified provisions of existing law, retaining the weight fee revenues in the State Highway Account. Deletes the provisions relating to the reimbursement of the State Highway Account for weight fee revenues and relating to the making of loans to the General Fund, and providing for the portion of fuel excise tax revenues.
AB 2a	Perea (D)	Transportation Projects: Comprehensive Lease Agreements	Assembly Third Reading File	Amends existing law that authorizes the Department of Transportation and regional transportation agencies to enter into comprehensive development lease agreements with public and private entities for certain transportation projects. Extends this authorization indefinitely and includes within the definition of regional transportation agency the Santa Clara Valley Transportation Authority.
AB 3a	Frazier (D)	Transportation Funding	In Conference	Declares the intent of the Legislature to enact legislation to establish permanent, sustainable sources of transportation funding to maintain and repair the highways, local roads, bridges, and other critical infrastructure.
AB 4a	Frazier (D)	Transportation Funding	Senate Rules Committee	Declares the intent of the Legislature to enact legislation to establish permanent, sustainable sources of transportation funding to improve the state's key trade corridors and support efforts by local governments to repair and improve local transportation infrastructure.
AB 6a	Hernandez R (D)	Affordable Housing and Sustainable Communities Program	ASSEMBLY	Requires a specified percentage of moneys available for allocation under the Affordable Housing and Sustainable Communities Program to be allocated to eligible projects in rural areas. Requires a percentage of those moneys to be allocated to eligible affordable housing projects.
AB 7a	Nazarian (D)	Public Transit Funding	ASSEMBLY	Continuously appropriates a percentage of the annual proceeds of the Greenhouse Gas Reduction Fund to the Transit and Intercity Rail Capital Program, and a percentage of the proceeds to the Low Carbon Transit Operations Program.
AB 8a	Chiu (D)	Diesel Sales and Use Tax	ASSEMBLY	Increases the additional sales and use tax rate on diesel fuel.
AB 13a	Grove (R)	Greenhouse Gas Reduction Fund: Streets and Highways	ASSEMBLY	Relates to the Greenhouse Gas Reduction Fund. Reduces the continuous appropriation to the Strategic Growth Council for the Affordable Housing and Sustainable Communities Program. Appropriates continuously a percentage of the annual proceeds of the Greenhouse Gas Reduction Fund to the Department of Transportation for the State Highway Operation and Protection program and a percentage to cities and counties for local streets and roads.
AB 14a	Waldron (R)	State Highway Operation and Protection Program	ASSEMBLY	Relates to the State Highway Operation and Protection Program. Appropriates continuously from the General Fund, with a percentage to the Department of Transportation for maintenance of the state highway system or for purposes of the State Highway Operation and Protection Program and a percentage for apportionment to cities and counties for street and road purposes.

AB 15a	Patterson (R)	State Highway Operation and Protection Program	ASSEMBLY	Relates to the State Highway Operation and Protection Program. Reduces the appropriation for Capital Outlay Support. Appropriates from the State Highway Account to the Department of Transportation for maintenance of the state highway system or for the State Highway Operation and Protection Program and a percentage to cities and counties for street and road purposes.
AB 16a	Patterson (R)	State Highways:Transfer to Local Agencies:Pilot Program	ASSEMBLY	Relates to the Department of Transportation. Requires the department to participate in a pilot program over a 5 year period under which 2 counties, one in northern California and one in southern California, are selected to operate, maintain, and make improvements to all state highways, including freeways, in the affected county. Appropriates funds.
AB 17a	Achadjian (R)	Greenhouse Gas Reduction Fund:State Highway Operation	ASSEMBLY	Relates to deposits in the Greenhouse Gas Reduction Fund. Appropriates a percentage of the annual proceeds of the Fund to fund projects in the state highway operation and protection program.
AB 18a	Linder (R)	Vehicle Weight Fees: Transportation Bond Debt Service	ASSEMBLY	Prohibits weight fee revenue from being transferred from the State Highway Account to the Transportation Debt Service Fund or to the Transportation Bond Direct Payment Account, and from being used to pay the debt service on transportation general obligation bonds.
AB 19a	Linder (R)	Transportation Commission	ASSEMBLY	Excludes the California Transportation Commission from the Transportation Agency and establishes it as an entity in the state government. Makes conforming changes.
AB 20a	Gaines B (R)	State Government Vacant Positions Elimination	ASSEMBLY	Relates to the Department of Human Resources. Requires the department to eliminate a percentage of the vacant positions in state government that are funded by the General Fund. Appropriates funds from the General Fund to the Department of Transportation for maintenance of the state highway system or for the state highway operation and protection program and a percentage to be made available to the Controller for apportionment to cities and counties for street and road purposes.
AB 21a	Obernolte (R)	Environmental Quality: Highway Projects	SENATE	Relates to the California Environmental Quality Act (CEQA) environmental impact reports. Prohibits a court in a judicial action or proceeding under CEQA from staying or enjoining the construction or improvement of a highway unless it makes specified findings.
AB 22a	Patterson (R)	Design-Build: Highways	ASSEMBLY	Authorizes the Department of Transportation to utilize design-build procurement on an unlimited number of projects. Requires the Department to contract with consultants to perform construction inspection services for those projects. Eliminates the requirement that the Department perform the inspection services for the projects on or interfacing with the State highway system.
AB 23a	Garcia E (D)	Transportation	ASSEMBLY	Requires the State Transportation Commission to establish a process whereby a department and local agencies receiving funding for highway capital improvements from the State Highway Operation and Protection Program or the State Transportation Improvement Program prioritize projects that provide meaningful benefits to the mobility and safety needs of disadvantaged community residents. Requires a specified amount of moneys to be appropriated for grants that prioritize projects in underserved areas.
SB 1a	Beall (D)	Transportation Funding: Environmental Mitigation	Senate Appropriations Committee	Relates to transportation funding to include highway and street maintenance paid for pay increases in gasoline and diesel fuel, local county use tax for road maintenance, intercity and commuter rail lines, vehicle weight fee revenue and high-speed rail bond debt service, an advance transportation project mitigation program and fund, surface transportation projects, the CEQA and minor roadway alterations, the sale of DOT real property, and transportation obligation bonds.
SB 2a	Huff (R)	Greenhouse Gas Reduction Fund	Senate Transportation and Infrastructure Development Committee	Excludes from allocation under the Greenhouse Gas Reduction Fund provisions the annual proceeds of the fund generated from the transportation fuels sector. Provides that those annual proceeds shall be appropriated by the Legislature for transportation infrastructure, including public streets and highways, but excluding high-speed rail.
SB 4a	Beall (D)	Transportation Funding	Conference Committee	Declares the intent of the Legislature to enact statutory changes to establish permanent, sustainable sources of transportation funding to maintain and repair the state's highways, local roads, bridges, and other critical transportation infrastructure.
SB 5a	Beall (D)	Transportation Funding	ASSEMBLY	Declares the intent of the Legislature to enact legislation to establish permanent, sustainable sources of transportation funding to improve the state's key trade corridors and support efforts by local governments to repair and improve local transportation infrastructure.

SB 7a	Allen (D)	Diesel Sales and Use Tax	Senate Appropriations Committee	Increases the additional sales and use tax rate on diesel fuel. Restricts expenditures of revenues from that increase to transit capital purposes and certain transit services. Requires an existing required audit of transit operator finances to verify that these new revenues have been expended in conformance with these specific restrictions. Provides that the increase in the additional sale and use tax imposed by this bill shall not be considered by the State Board of Equalization in its rate modification.
SB 8a	Hill (D)	Public Transit: Funding	Senate Appropriations Committee	Appropriates a specified percentage of proceeds of the Greenhouse Gas Reduction Fund to the Transit and Intercity Rail Capital Program, and a percentage to the Low Carbon Transit Operations Program.
SB 10a	Bates (R)	Regional Transportation Capital Improvement Funds	Senate Transportation and Infrastructure Development Committee	Revises the process for programming and allocating the share of State and federal funds available for regional transportation improvement projects. Requires an annual apportion. Provides that transportation capital improvement funds, and capital outlay support funds would be appropriated annual the the Budget Act to regional agencies. Requires identification of which program will be funded with these funds.
SB 11a	Berryhill (R)	Environmental Quality: Transportation Infrastructure	Senate Transportation and Infrastructure Development Committee	Exempts from the California Environmental Quality Act a project that consists of the inspection, maintenance, repair, restoration, reconditioning, relocation, replacement, or removal of existing transportation infrastructure if certain conditions are met. Prohibits, in an action or proceeding seeking judicial review under the Act, a court from staying or enjoining such project in which the environmental impact report has been certified unless it makes specified findings.
SB 12a	Runner (R)	State Transportation Commission	Senate Appropriations Committee	Excludes the State Transportation Commission from the Transportation Agency. Establishes it as an entity in State government, and requires it to act in an independent oversight role. Requires the Department of Transportation to program capital outlay support resources for each program project. Provides the Commission may approve or reject individual projects. Requires the Department to submit any change in programmed project's cost, scope, or schedule to the Commission for its approval.
SB 13a	Vidak (R)	Office of the Transportation Inspector General	Senate Appropriations Committee	Creates the Office of the Transportation Inspector General in state government as an independent office that would not be a subdivision of any other government entity, to build capacity for self-correction into the government itself and to ensure that all State agencies expending State transportation funds are operating efficiently, effectively, and in compliance with federal and state laws. Requires the appointment of a related Inspector General. Specifies Office funding sources.
SB 14a	Cannella (R)	Transportation Projects: Comprehensive Lease Agreements	Senate Transportation and Infrastructure Development Committee	Includes within the definition of regional transportation agency the Santa Clara Valley Transportation Authority, thereby authorizing the authority to enter into public-private partnerships under these provisions.
SCA 1a	Huff (R)	Motor Vehicles Fees and Taxes: Expenditure Restrictions	Senate Appropriations Committee	Proposes an amendment to the Constitution to prohibit the Legislature from borrowing revenues from fees and taxes imposed by the State on vehicles or their use or operation, and from using those revenues other than as specifically permitted by the Constitution. Prohibits using such revenues for interest on mass transit voter-approved bonds. Relates to the use a motor vehicle fuels tax revenues and vehicle license fee revenues.



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## **Fix Our Roads Coalition – Roadmap to Consensus**

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The Fix Our Roads (FOR) Coalition - a group of industry, labor, business and governmental associations and organizations - has been engaged for the past year in an effort to address the serious deterioration of our state and local roads and mass transit systems by urging Governor Brown and the Legislature to agree on a plan that would more efficiently use existing transportation dollars and provide new revenue to fix years of neglect. In response to this crisis, Governor Brown has included a plan in his proposed 2016-17 state budget and comprehensive legislation has been introduced by Senator Jim Beall and Assembly Member Jim Frazier. In addition, several Republican legislators have proposed a variety of reforms designed to improve state and local transportation processes. These measures set the framework for the Legislature to come together in support of a consensus solution.

The need for immediate action has become even more critical with this week's announcement that the California Transportation Commission (CTC) is expected to cut \$754 million worth of specific projects from the State Transportation Improvement Program (STIP) and will have to delay another \$755 million in STIP work. This will impact \$1.5 billion in projects throughout the state because the drop in gasoline prices over the past two years is resulting in the loss of more than \$1.1 billion annually in gas tax revenue.

The FOR Coalition has adopted seven priorities for a bipartisan transportation reform and funding package that must be enacted in 2016. These priorities call for a package that: 1) makes a significant investment in transportation infrastructure, 2) focuses on maintaining and rehabilitating our current system, 3) invests new revenue into high priority goods movement, 4) raises revenue across a broad range of options, 5) splits revenues equally between the state and local systems, 6) provides for strong accountability requirements to protect the taxpayers' investment, and 7) provides consistent annual funding levels.

To encourage a legislative consensus that is consistent with these priorities, the FOR Coalition offers the following transportation reform and funding provisions which have been taken directly from pending proposals in both the Senate and Assembly and the Governor's proposed transportation plan as a way to meet our urgent transportation infrastructure needs.

### **Reforms/Other Provisions**

- Enact sensible CEQA reforms to expedite transportation project delivery and cost-effectiveness. Potential CEQA reforms for transportation projects could include:
  - Relief for transportation projects in the existing right-of-way;

- Relief for transportation projects within an approved Sustainable Communities Strategy or equivalent plan proven to reduce GHGs and help meet the State's climate goals;
- Allow the project-level EIR of a transportation project for which a master or program EIR has been prepared to be limited to changed circumstances and new information only;
- Limit environmental review of an approved RTP to the first ten years.
- Create the Office of Inspector General to examine transportation programs for inefficiencies and opportunities to improve best practices in project resource allocation.
- Expand the Federal Exchange and State Match Program to reduce duplicative federal processes and environmental review in addition to state requirements.
- Make permanent current law regarding NEPA Delegation authority.
- Increase the threshold under which the Caltrans encroachment permit process is triggered from \$1 million to \$3 million.
- Enact an Advanced Mitigation Program.
- Dedicate and constitutionally protect existing and new revenues for transportation.
- Provide for transparency and accountability of expenditures at the state and local levels.
- Require recipient agencies to meet measureable targets for performance or face the loss or suspension of future funding.
- Require cities and counties to adopt a maintenance of effort.
- Require CTC allocation of SHOPP support costs.
- Provide flexibility to the Caltrans Director to make appropriate decisions on contracting out to meet State staffing needs.
- Eliminate the sunset on the authorization of Public Private Partnerships.

### **Restoring Lost Revenues**

- Fully restore truck weight fees for transportation projects over a five year period by returning \$200 million annually to transportation accounts which will generate \$1 billion annually at the end of five years.
- Reset the price-based gas excise tax rate to its original rate of 17.3 cents which generates an additional \$900 million annually and would restore CTC STIP funding cuts and equivalent cuts to city and county road maintenance dollars.
- Repay all existing General Fund transportation loans to the programs from which they were taken by June 2019 – approximately \$700 million in one-time revenues.
- Return the portion of the Prop 42 replacement revenues attributable to the sale of fuels for off-highway purposes back to transportation projects (to date, approximately \$804 million has been diverted to the General Fund) – approximately \$100 million annually.
- Return all non-Article XIX protected funds back to transportation, which are currently being diverted to the General Fund – approximately \$65 million a year.

## New Revenues

- Increase the gas excise tax by 12 cents to be phased in over three years which will generate \$1.8 billion annually in year three.
- Increase the diesel excise tax by 11 cents which will generate \$300 million annually.
- Create a road access fee of \$65 which will generate \$2 billion annually.
- Levy a zero emission vehicle fee of \$100 which will generate \$10 million annually.
- Invest \$500 million in cap and trade auction proceeds.
- Increase the diesel sales tax rate from 1.75% to 5.25% which will generate \$300 million.
- Index the base excise tax, the 12-cent base excise tax increase, the price-based gas tax and the diesel excise tax annually.

## Allocation of Revenue

- Share the gas excise tax, road access fee, and the zero emissions vehicle fee revenue, including any indexing, evenly between state highways and local streets and roads.
- The revenue from the price-based gas excise tax reset, including indexing, would flow through the existing formula: 44% STIP, 44% LSR, and 12% SHOPP.
- Apply the diesel excise tax revenues to the Trade Corridors Improvement Fund.
- Apply the diesel sales tax revenues to the State Transit Assistance program.
- Allocate \$100 million to complete streets and \$400 million to the Transit and Intercity Rail Capital Program from the cap and trade funds.

<b>ONE TIME REVENUES</b>	<b>\$0.7 BILLION</b>	
	<b>FIRST YEAR</b>	<b>FIFTH YEAR</b>
<b>ON-GOING RESTORED REVENUES</b>	<b>\$1.2 BILLION</b>	<b>\$2.0 BILLION</b>
<b>ON-GOING NEW REVENUES</b>	<b>\$3.7 BILLION</b>	<b>\$4.9 BILLION</b>
<b>ESTIMATED ON-GOING ANNUAL REVENUE</b>	<b>\$4.9 BILLION</b>	<b>\$6.9 BILLION</b>

In summary, this package is based on proposals already included in the Governor's Budget and in proposals pending before the Legislature. The ball is in the court of our elected officials here in Sacramento. While expressing appreciation to the Governor and the bill authors who have stepped up to offer solutions to the transportation infrastructure crisis, the FOR Coalition calls on all legislators and the Administration to move forward with a consensus package to adequately fund and improve the State's transportation program. Together with the Governor's plan and current legislative proposals, this document provides the basis for that compromise.