Memorandum

TAB 16

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 20, 2014

Reference No.: 4.1 (Revised)
Action

From: Susan Bransen for
ANDRE BOUTROS
Executive Director

Subject: **STATE AND FEDERAL LEGISLATION**

ISSUE:

1) Does the California Transportation Commission (Commission) have comments on the legislation identified and monitored by staff?

   February 21st was the last day for bills to be introduced in 2014. Fifty-seven bills, identified in Attachment A, met the criteria approved by the Commission.

2) Should the Commission adopt a support position for Assembly Bill (AB) 2651?

   AB 2651, authored by Assemblymember Linder, would restore the use of vehicle weight fees for transportation system improvements.

3) Should the Commission send comments in response to recently released Assembly transportation funding proposals?

   The Assembly Republican Caucus led by Assemblymember Conway and a contingency of Assembly democrats led by Assemblymember Perea have announced proposals advocating additional revenues for transportation infrastructure projects above what is currently proposed in the Governor's FY 2014-15 Budget.

RECOMMENDATION:

Staff recommends that the Commission:

1) Accept the staff report and provide direction to staff on legislation of interest to it;

2) Adopt a support position for AB 2651 and approve communication of the Commission's support to Assemblymember Linder as presented in Attachment B, and

3) Support additional dedicated revenues for transportation infrastructure projects and provide comments to Assemblymembers Perea and Conway as presented in Attachments D and E.

SUMMARY:

Assembly Bill 2651 (Linder)

This bill would restore the use of vehicle weight fees for transportation system improvements, effective January 1, 2016. Beginning in FY 2010-11, vehicle weight fees were redirected from the State Highway Account to the General Fund to provide transportation-related bond debt service. This bill proposes to amend the Vehicle Code to prohibit the transfer of weight fee revenue from the State Highway Account for payment of debt service on transportation general obligation bonds. Restoring the use of vehicle weight fees for transportation system improvements is estimated to generate approximately $900 million annually for the State Highway Account.

In light of the extensive statewide transportation system preservation and maintenance needs, the improving economy and reduced call for General Fund relief, and given the original intent of vehicle weight fees to offset the roadway impacts of commercial vehicle travel, staff recommends support of AB 2651. The text of AB 2651 and a draft letter of support for the Commission Chair's signature are provided in Attachment B.

Assembly Proposals for Transportation Infrastructure Funding and Early Repayment of Transportation Loans

Beginning in 2001, the legislature authorized a series of General Fund loans from various transportation funds including the Transportation Congestion Relief Fund, the State Highway Account and the Public Transportation Account. As of today, approximately $2.5 billion in loans are still outstanding. Pursuant to current law (AB 115, Assembly Budget Committee, 2011) repayment of this balance would be undertaken incrementally through June 30, 2021. The Governor's proposed FY 2014-15 Budget contains $351 million in early General Fund repayments including $337 million for acceleration of state highway and local road maintenance and preservation projects.

On January 27, 2014, a contingency of Assembly Democrats led by Assemblymember Perea issued a letter to the Assembly Speaker and Assembly Budget Committee outlining a request for an additional $500 million of one-time funds for transportation infrastructure projects to supplement the amount contained in the Governor's proposed budget. On February 6, 2014, the Assembly Republican Caucus led by Assemblymember Conway, released a transportation proposal including a one-time repayment of the entire $2.5 billion of outstanding transportation loans with unanticipated State revenues. The proposals are available in Attachment C.

Due to the widespread transportation system needs within the State and the economic benefits of transportation system investment, staff recommends the Commission send letters to Assemblymembers Conway and Perea supporting the concept of additional dedicated transportation funding and offering assistance as policies are further developed. Draft letters of support for the Commission Chair's signature are provided in Attachments D and E.

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 greenhouse 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 1) consider legislation in relation to its overall policy by topic area prior to taking a position on legislation addressing that topic; and 2) 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 A - Status of State and Federal Legislation
Attachment B - AB 2651 Draft Letter & Bill Text
Attachment C - Proposals for Transportation Infrastructure Funding and Early Repayment of Transportation Loans
Attachments D and E - Draft Letters for Transportation Infrastructure Funding and Early Repayment of Transportation Loans

Bill #	Author	Title	Subject	Description	Status
AB 243	Dickinson	Local Government: Infrastructure Financing Districts	Funding/Financing	This bill would authorize the creation of an infrastructure and revitalization financing district and the issuance of debt with 55% voter approval. The bill would authorize a district to finance projects in redevelopment project areas, former redevelopment project areas and former military bases if special conditions are met. The bill would authorize a district to fund various projects including: highways, interchanges, ramps and bridges, arterial streets, parking facilities and transit facilities.	***Last Action*** Passed Senate, sent Assembly for concurrence, to inactive file September 11, 2013 ***Current Location*** Assembly Inactive File
AB 680	Salas	Transportation: Interregional Road System	Funding/Financing	Amends the Streets and Highways Code to include State Highway Route 43 as an eligible interregional and intercounty route.	***Last Action*** In Senate Appropriations, held in committee August 30, 2013 ***Current Location*** Senate Appropriations Committee
AB 471	Atkins	Local Government: Redevelopment: Successor Agencies to Redevelopment Agencies	Funding/Financing	This bill, among other things, allows infrastructure financing districts (IFDs) to include portions of former redevelopment areas and amends several statutes governing the dissolution of redevelopment agencies.	***Last Action*** Signed by Governor, enacted February 18, 2014 ***Current Location*** Chapter 1, Statutes of 2014
AB 852	Dickinson	Environmental Quality: Exemption	Environment	This bill revises the exemption from the CEQA for residential, employment center, and mixed-use development projects that require the project and specific plan to be consistent with the general use designation, density, building intensity, and applicable policies specified for the project area and accepted project area policies for which a planning organization's determination and alternative planning would achieve the greenhouse gas emission reduction targets	***Last Action*** In Senate, held at desk January 17, 2014 ***Current Location*** Senate Inactive File
AB 1046	Gordon	Department of Transportation: Innovative Delivery	Project Delivery	This bill would authorize the department's District 4 director to direct existing District 4 resources to the Innovative Delivery Team Demonstration Program and to authorize department staff to perform reimbursed work for projects on and off the state highway system within the boundaries of the County of Santa Clara pursuant to the master agreement, as defined, and accompanying work programs, as defined.	***Last Action*** In Senate Appropriations Committee, not heard August 19, 2013 ***Current Location*** Senate Appropriations Committee
AB 1081	Medina	Economic Development: Goods-Movement Infrastructure	Funding/Financing Planning	Existing law requires the Governor, in conjunction with the Governor's Budget, to submit annually to the Legislature a proposed 5-year infrastructure plan containing specified information concerning infrastructure needed by state agencies, public schools, public post secondary educational institutions and a proposal for funding the needed infrastructure. This bill would require the infrastructure plan to include information related to infrastructure identified by state and federal transportation authorities and recommendations for private sector financing as specified.	***Last Action*** In Senate Appropriations, held in committee August 30, 2013 ***Current Location*** Senate Appropriations Committee

Bill #	Author	Title	Subject	Description	Status
AB 1194	Ammiano and V.M Perez	Safe Routes to School Program	Funding/Financing	This bill would provide that the program may fund both construction and noninfrastructure activities, as specified. The bill would require the program to be funded by an annual appropriation in the budget act of not less than $46,000,000, consisting of federal and state transportation funds eligible to be expended for this purpose. The bill would require 20% of program funds to be used for noninfrastructure activities, as specified. The bill would authorize the transfer of the responsibility for selecting projects and awarding grants from the Department of Transportation to the California Transportation Commission, at the discretion of the Transportation Agency. The bill would require the Department of Transportation to employ a full time coordinator to administer the program. The bill would also delete references to a superseded federal transportation act.	***Last Action*** In Senate Transportation and Housing Committee, not heard July 2, 2013 ***Current Location*** Senate Transportation and Housing Committee
AB 1447	Waldron	Global Warming Solutions Act of 2006: GHG Reduction Fund, Traffic Light Synchronization	Funding/Financing	Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Existing law permits moneys from the fund be allocated for the purpose of reducing greenhouse gas emissions in this state through specified investments. This bill would additionally authorize moneys in the fund to be used to fund traffic signal synchronization to the extent those expenditures are consistent with the above-referenced purposes.	***Last Action*** In Assembly, read second time, amended, re-referred to Committee February 18, 2014 ***Current Location*** Assembly Natural Resources Committee
AB 1457	Skinner	Budget Act of 2014	Funding/Financing Direct Impact to CTC	Makes appropriations for the support of state government for the 2014-15 fiscal year.	***Last Action*** Introduced January 9, 2014 ***Current Location*** Assembly
AB 1639	Grove	Global Warming Solutions Act of 2006: GHG Emissions Limits	Funding/Financing	This bill would state the intent of the Legislature that moneys derived from emissions reductions measures be expended to achieve the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions in furtherance of achieving the statewide greenhouse gas emissions limit. The bill, as part of the 3-year investment plan, would require moneys appropriated from the Greenhouse Gas Reduction Fund be used to achieve the statewide greenhouse gas emissions limit.	***Last Action*** Referred to Committee February 20, 2014 ***Current Location*** Assembly Natural Resources Committee
AB 1721	Linder	High Occupancy Vehicle Lanes	Funding/Financing	Existing law requires that a low emissions vehicle, eligible to use HOV lanes, be exempt from toll charges imposed on single-occupant vehicles in designated high-occupancy toll (HOT) lanes unless prohibited by federal law. Existing law excludes from this exemption tolls pursuant to the federally supported value pricing and transit development demonstration program involving high-occupancy toll (HOT) lanes conducted by the Los Angeles County Metropolitan Transportation Authority for State Highway Route 10 or 110. This bill would also exclude from exemption a toll imposed for passage in HOT lanes designated for State Highway Route 15 in Riverside County.	***Last Action*** Referred to Committee February 27, 2014 ***Current Location*** Assembly Transportation Committee

Bill #	Author	Title	Subject	Description	Status
AB 1811	Buchanan	High Occupancy Vehicle Lanes	Funding/Financing	This bill would amend Streets and Highways Code Section 149.5 to specify that High-Occupancy Vehicles shall have "Access" at all times rather than "Unrestricted Access" at all times on the portions of I-680 in Alameda and Santa Clara counties that are part of the value-pricing HOV programs in these areas.	***Last Action*** Referred to Committee February 27, 2014 ***Current Location*** Assembly Transportation Committee
AB 1872	Stone	Transportation Planning	Planning	This bill would make nonsubstantive changes to Section 14000 of the Government Code (Part 5 governing the Department of Transportation) that describes the findings of the Legislature for continuing and improving transportation planning at the state, regional and local level	***Last Action*** Introduced February 19, 2014 ***Current Location*** Assembly
AB 1957	Dickinson	State Highway Route 16	Direct Impact to CTC	This bill would authorize the Commission to relinquish to the City of Sacramento the portion of State Highway Route 16 that is located within the city limits of that city and to relinquish to the County of Sacramento the portion of State Highway Route 16 that is located within the unincorporated area of that county under certain conditions.	***Last Action*** Read second time, amended and re-referred to Committee March 6, 2014 ***Current Location*** Assembly Transportation Committee
AB 1970	Gordon	Global Warming Solutions Act: Community Investment	Funding/Financing	This bill would create the Community Investment and Innovation Program and would require moneys to be available from the Greenhouse Gas Reduction Fund, upon appropriation by the Legislature, for purposes of awarding local assistance grants and other financial assistance to eligible grant applicants, as defined, who submit plans to develop and implement integrated community-level greenhouse gas emissions reduction projects in their region. The bill would require the Strategic Growth Council, in coordination with the state board, to administer the program, as specified. The bill would require 25% of the moneys appropriated for purposes of the program be awarded to eligible grant applicants whose projects include and specifically benefit environmental justice communities, as defined.	***Last Action*** Referred to Committee March 3, 2014 ***Current Location*** Assembly Natural Resources and Local Government Committees
AB 2008	Quirk	Regional Transportation Plan: Sustainable Communities Strategy: Urban Freight	Planning	This bill states the intent of the legislature to enact legislation that would require a sustainable communities strategy to include consideration of greenhouse gas emissions resulting from the delivery of urban freight.	***Last Action*** Introduced February 20, 2014 ***Current Location*** Assembly
AB 2050	Quirk	Global Warming Solutions Act	Planning	This bill would require ARB, among other things, to include specific elements when updating the scoping plan, to establish a Scoping Plan Advisory Panel, and to report to appropriate legislative committees key findings and recommendations.	***Last Action*** Referred to Committee March 3, 2014 ***Current Location*** Assembly Natural Resources Committee

Bill #	Author	Title	Subject	Description	Status
AB 2090	Fong	High Occupancy Toll Lanes: Santa Clara County	Funding/Financing	This bill would delete the reference in the law to Level of Service C or D and would instead require VTA, with the assistance of the Department, to establish appropriate performance measures such as speed or travel times for the purpose of ensuring optimal use of the HOT lanes by high-occupancy vehicles without adversely affecting other traffic on the State Highway System. The bill would also provide for high occupancy vehicles to have access to the lanes "at all times" rather than "unrestricted access" as depicted under the current law.	***Last Action*** Referred to Committee March 3, 2014 ***Current Location*** Assembly Transportation Committee
AB 2119	Stone	Local Transaction and Use Taxes	Funding/Financing	This bill would authorize the board of supervisors of a county to levy, increase, or extend a transaction and use tax throughout the entire county or within the unincorporated area of the county, if approved by the qualified voters of the entire county or the unincorporated area of the county.	***Last Action*** Referred to Committee March 6, 2014 ***Current Location*** Assembly Local Government and Revenue & Taxation Committees
AB 2250	Daly	Toll Facilities: Revenues	Funding/Financing	This bill would add the following language to Government Code Section 14106 "the department, when adopting statewide policies for toll facilities on the state highway system, shall ensure that a majority of the toll revenues generated from toll facilities on the state highway system that are administered by local agencies remain available for expenditure by those local agencies"	***Last Action*** Referred to Committee March 6, 2014 ***Current Location*** Assembly Transportation Committee
AB 2280	Alejo	Community Revitalization and Investment Authorities	Funding/Financing	This bill would authorize certain cities to form a Community Revitalization Authority within a community revitalization and investment area, to carry out community redevelopment law. This bill provides for the financing of these activities by the issuance of bonds serviced by tax increment revenues.	***Last Action*** Referred to Committee March 6, 2014 ***Current Location*** Assembly Local Government and Housing & Community Development Committees
AB 2389	Campos	Safe Routes to School Program	Funding/Financing Direct Impact to CTC	Extends the date that the specific provisions governing the safe routes to school program become inoperative and the date that these provisions are repealed.	***Last Action*** Referred to Committee March 10, 2014 ***Current Location*** Assembly Transportation Committee
AB 2471	Frazier	Public Contracts: Change Orders	Project Delivery	This bill would require a public entity, when authorized to order changes or additions in the work in a public works contract, to issue a change order no later than 30 days after the changes or additions are required. If this requirement is not met, the public entity will be held liable for payment of the contractor's invoice for the change order or additional work. The bill would also require pre-judgment interest to accrue on any amount for which the public entity fails to issue a change order promptly or make a payment due.	***Last Action*** Referred to Committee March 13, 2014 ***Current Location*** Assembly Accountability & Administrative Review Committee

Bill #	Author	Title	Subject	Description	Status
AB 2639	Lowenthal	State Freight Plan	Planning	This bill makes nonsubstantive changes to existing law that requires the Transportation Agency to prepare a state freight plan with specified elements to govern the immediate and long-range planning activities and capital investments of the state with respect to the movement of freight.	***Last Action*** Introduced February 21, 2014 ***Current Location*** Assembly
AB 2650	Conway	Bonds: Transportation	Funding/Financing	This bill would provide 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 I blended system. The bill, subject to the above exception, would require redirection of the unspent proceeds received from outstanding bonds issued and sold for other high-speed rail purposes prior to the effective date of these provisions, upon appropriation, for use in retiring the debt incurred from the issuance and sale of those outstanding bonds. The bill, subject to the above exception, would also require the net proceeds of other bonds subsequently issued and sold under the high-speed rail portion of the bond act to be made available, upon appropriation, to fund projects in the State Transportation Improvement Program, the State Highway Operation and Protection Program, and the state's freight plan. The bill would make no changes to the authorization under the bond act for issuance of $950 million for rail purposes other than high-speed rail. These provisions would become effective only upon approval by the voters at the next statewide general election.	***Last Action*** Referred to Committee March 17, 2014 ***Current Location*** Assembly Transportation Committee
AB 2651	Linder	Vehicle Weight Fees: Transportation Bond Debt	Funding/Financing	This bill would prohibit 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.	***Last Action*** Referred to Committee March 17, 2014 ***Current Location*** Assembly Transportation Committee
AB 2652	Linder	Transportation Funds	Funding/Financing	This bill would make nonsubstantive changes to Section 167 of the Streets and Highways Code that requires funds in the State Highway Account to be programmed, budgeted, and expended to maximize the use of federal funds and according to a specified sequence of priorities.	***Last Action*** Introduced February 21, 2014 ***Current Location*** Assembly
AB 2653	Linder	Transportation Funds	Funding/Financing	This bill would make a nonsubstantive change to Section 163 of the Streets and Highways Code that establishes a policy for expenditure of funds available to the state for transportation purposes including the State Highway Account, the Public Transportation Account, and federal funds provided under annual federal transportation appropriations acts.	***Last Action*** Introduced February 21, 2014 ***Current Location*** Assembly
AB 2702	Gonzalez	Highways	Project Delivery	This bill would make a nonsubstantive change to existing law that grants the Department of Transportation the full possession and control of all state highways	***Last Action*** Introduced February 21, 2014 ***Current Location*** Assembly

Bill #	Author	Title	Subject	Description	Status
ACA 8	Blumenfield	Local Government Financing: Voter Approval	Funding/Financing	This measure would lower to 55% the voter-approval threshold for a city, county, or city and county to incur bonded indebtedness in the form of general obligation bonds to fund specified public improvements and facilities including transportation infrastructures, streets and roads, sidewalks, transit systems, highways, freeways etc.	***Last Action*** In Senate, re-referred to Appropriations Committee June 27, 2013 ***Current Location*** Senate Appropriations Committee
SB 1	Steinberg	Sustainable Communities Investment Authority	Funding/Financing Planning	This bill would authorize certain public entities of a Sustainable Communities Investment Area, as described, to form a Sustainable Communities Investment Authority (authority) to carry out the Community Redevelopment Law in a specified manner. The bill would require the authority to adopt a Sustainable Communities Investment Plan for a Sustainable Communities Investment Area and authorize the authority to include in that plan a provision for the receipt of tax increment funds provided that certain economic development and planning requirements are met. The bill would authorize the legislative body of a city or county forming an authority to dedicate any portion of its net available revenue, as defined, to the authority through its Sustainable Communities Investment Plan. The bill would require the authority to contract for an independent financial and performance audit every 5 years.	***Last Action*** In Senate, to Inactive File September 12, 2013 ***Current Location*** Senate Inactive File
SB 15	Padilla	Aviation: Unmanned Aircraft Systems	Aeronautics	This bill would, under existing civil and criminal provisions, provide that engaging in the prohibited activities with devices or instrumentalities affixed to or contained within an unmanned aircraft system is included within the prohibitions. With respect to the criminal provisions, the bill would impose a state mandated local program by changing the definition of a crime. This bill would also provide that an unmanned aircraft system may not be equipped with a weapon. This bill would define "unmanned aircraft system" for all of these purposes. This bill would additionally require that an application for a search warrant specify if an unmanned aircraft system, as defined, will be used in the execution of the search warrant, and the intended purpose for which the unmanned aircraft system will be used.	***Last Action*** In Assembly Public Safety Committee, reconsideration granted August 27, 2013 ***Current Location*** Assembly Public Safety Committee
SB 33	Wolk *and Frazier*	Infrastructure Financing Districts: Voter Approval	Funding/Financing	This bill would revise provisions governing infrastructure financing districts. This bill would eliminate the requirement of voter approval for creation of the district and for bond issuance, and would authorize the legislative body to create the district subject to specified procedures. This bill would authorize the creation of such district subject to specified procedure and would authorize a district to finance specified actions and projects including: : highways, interchanges, ramps and bridges, arterial streets, parking facilities and transit facilities.	***Last Action*** In Assembly, to inactive file September 11, 2013 ***Current Location*** Assembly Inactive File

Bill #	Author	Title	Subject	Description	Status
SB 486	DeSaulnier	Office of Strategic Assessment and Accountability	Direct Impact to the Commission	This bill would require the Secretary of the Transportation Agency, in consultation with the Director of Transportation, to identify performance measurement benchmarks on which the department would be required to report in specified areas, including, among others, enhancement of public safety and environmental sustainability. Requires the Department to issue reports and the Transportation Secretary to report to the Commission at least quarterly beginning July 1, 2014 on the Department's performance.	***Last Action*** In Assembly, to inactive file September 10, 2013 ***Current Location*** Assembly Inactive File
SB 616	Wright	State Aid to Airports Program	Aeronautics Funding/Financing	This bill would, until July 1, 2015, authorize payments from the Aeronautics Account in the State Transportation Fund for the State Aid to Airports Program for projects that the sponsor has started or completed in accordance with a federal Airport Improvement Program grant, unless the project was started or completed prior to January 1, 2014.	***Last Action*** In Senate, read second time and amended, to third reading January 27, 2014 ***Current Location*** Senate Third Reading File
SB 731	Steinberg	Environment: California Environmental Quality Act	Environment	This bill would enact the "CEQA Modernization Act of 2013" which would revise the California Environmental Quality Act to, among other things, provide greater certainty for smart infill development. States the intent of the Legislature to provide funds annually to the Strategic Growth Council for the purposes of providing planning incentive grants to local and regional agencies to implement Sustainable Communities Strategies. May 7th version adds a requirement for the Attorney General to annually submit to the Legislature a report containing specified information on CEQA litigation in the state, removes reference to funding from the Alternative and Renewable Fuel and Vehicle Technology Fund, and would require appropriation of funds by the Legislature for the Strategic Growth Council.	***Last Action*** Passed from Assembly Committee on Local Government, to second reading September 11, 2013 ***Current Location*** Assembly Second Reading File
SB 851	Leno	Budget Act of 2014	Funding/Financing Direct Impact to CTC	Makes appropriations for the support of state government for the 2014-15 fiscal year.	***Last Action*** Introduced January 9, 2014 ***Current Location*** Senate Budget and Fiscal Review Committee
SB 925	Wright	Alameda Corridor Transportation Authority	Funding/Financing	This bill would require the Alameda Corridor Transportation Authority to adopt and publish a tariff under which a use fee for movement of cargo on the Corridor rail system is imposed on users. Requires the Authority to contract with independent 3rd party collection agency to collect the use fee. Requires a user to waive any damages or other claims as a result of enforcement of the tariff. Requires railroad operators operating on the corridor to provide the Authority with certain information about a user's cargo	***Last Action*** Referred to Committee March 13, 2014 ***Current Location*** Senate Rules Committee

Bill #	Author	Title	Subject	Description	Status
SB 969	DeSaulnier	Public Works Project Overview Improvement Act	Project Delivery	This bill would amend the Public Works Peer Review Act of 2013. This bill would authorize these provisions, instead, to be known and cited as the Public Works Project Overview Improvement Act. The bill would define a "megaproject" as a transportation project with total estimated development and construction costs exceeding $1,000,000,000. The bill would require the agency administering a megaproject to establish a peer review group and to take specified actions to manage the risks associated with a megaproject including establishing a comprehensive risk management plan, and regularly reassessing its reserves for potential claims and unknown risks.	***Last Action*** Referred to Committee February 20, 2014 ***Current Location*** Senate Transportation and Housing Committee
SB 990	Vidak	Transportation Funds: Disadvantaged Small Communities	Funding/Financing Direct Impact to CTC	This bill would require each regional transportation improvement program to program 5% of funds available for regional improvement projects to disadvantaged small communities, as defined. In programming these moneys, the bill would require regional transportation agencies and county transportation commissions to prioritize funding congestion relief and safety needs. This bill would require 5% of the money remaining in the local transportation fund after making certain off-the-top allocations to be allocated by the transportation planning agency to disadvantaged small communities, as defined. The bill would exclude from this off-the-top allocation any money in the fund that represents the apportionment of an area that qualifies as a disadvantaged small community. In allocating moneys to disadvantaged small communities, the bill would require the transportation planning agency to prioritize congestion relief and safety needs.	***Last Action*** Referred to Committee February 20, 2014 ***Current Location*** Senate Transportation and Housing Committee
SB 1077	DeSaulnier	Vehicles: Vehicle-Miles-Traveled Charges	Funding/Financing	This bill would require the Department of Motor Vehicles to develop and implement, by July 1, 2015, a pilot program designed to assess specified issues related to implementing a vehicle-miles-traveled fee in California. The bill would also require the department to prepare and submit a specified report of its findings to the policy and fiscal committees of the Legislature no later than June 30, 2016.	***Last Action*** Referred to Committee February 27, 2014 ***Current Location*** Senate Transportation and Housing Committee
SB 1095	Evans	State Highway 12	Direct Impact to the Commission	This bill would revise the description of State Highway Route 12 in the freeway and expressway system. This bill also states the intent of the Legislature to enact legislation that would declare as surplus property 55 acres of the right-of-way acquired by the Department of Transportation for the abandoned State Highway Route 12 freeway alignment in the City of Santa Rosa.	***Last Action*** Referred to Committee February 27, 2014 ***Current Location*** Senate Transportation and Housing Committee

Bill #	Author	Title	Subject	Description	Status
SB 1122	Pavley	Sustainable Communities: Strategic Growth Council	Funding/Financing Planning	This bill would require the council to provide financial assistance for implementing Sustainable Communities, to be funded from moneys from the Greenhouse Gas Reduction Fund, upon appropriation by the Legislature. The bill would require the council to develop and implement regional grant programs to support the implementation of sustainable communities strategies, alternative transportation plans, or other regional greenhouse gas emission reduction plans and for the development and implementation of agricultural, natural resource, and open space land protection plans that are consistent with the implementation of sustainable communities strategies, alternative transportation plans, or other regional greenhouse gas emission reduction plans.	***Last Action*** Referred to Committee February 27, 2014 ***Current Location*** Senate Natural Resources and Rules Committees
SB 1151	Cannella	Vehicles: School Zone Fines	Funding/Financing	This bill would amend the Vehicle Code to require that fines for specified violations be doubled or increased if the violation occurred when passing a school building or school grounds, as specified, and the highway is posted with a standard "SCHOOL" warning sign and an accompanying sign notifying motorists that increased penalties apply for traffic violations that are committed within that school zone. The bill would require that these additional fines be deposited in the State Transportation Fund for purposes of the Active Transportation Program.	***Last Action*** Referred to Committee March 6, 2014 ***Current Location*** Senate Transportation & Housing and Public Safety Committees
SB 1156	Steinberg	California Carbon Tax of 2014	Funding/Financing	This bill would, effective January 1, 2015, impose a carbon tax of an unspecified amount per ton of CO2-equivalent emissions on suppliers of fossil fuels. The bill would require BOE to administer and implement the carbon tax and would require revenues from the tax to be deposited in a special fund in the State Treasury. The bill states intent that revenues from the carbon tax are intended to be revenue neutral and to be rebated to low and medium income tax payers.	***Last Action*** Referred to Committee March 6, 2014 ***Current Location*** Senate Rules and Governance & Finance Committees
SB 1183	DeSaulnier	Bicycle Tax	Funding/Financing	This bill would authorize a city, county, or regional park district to impose, as a special tax, a point of sale on new bicycles, with the rate of the tax to be determined by the local agency. This bill would exclude from the tax bicycles with wheels of 20 inches or less in diameter. The bill would require the local agency to use bicycle tax revenues for improvements to paved and natural surface trails, including existing and new trails, and for associated maintenance purposes	***Last Action*** Referred to Committee March 6, 2014 ***Current Location*** **Senate** Governance & Finance Committee

Bill #	Author	Title	Subject	Description	Status
SB 1268	Beall	Natural Resources Climate Improvement Program	Funding/Financing Planning Environment	This bill establishes the Natural Resources Climate Improvement Program, to assist in the development and implementation of highly-leveraged, regionally integrated natural resources projects that maximize greenhouse gas emissions reductions or sequestration. Authorizes moneys from the Greenhouse Gas Reduction Fund to be available to implement the program.	***Last Action*** Referred to Committee March 6, 2014 ***Current Location*** Senate Natural Resources & Water and Environmental Quality Committees
SB 1298	Hernandez	High Occupancy Toll Lanes	Funding/Financing Direct Impact to CTC	This bill would remove the limitations on the number of HOT lanes that the commission may approve and would delete the January 1, 2012, deadline for HOT lane applications. The bill would also delete the requirement for public hearings on each application. The bill would specify additional requirements for agreements between LACMTA, the Department of Transportation, and the Department of the California Highway Patrol that identify the respective obligations and liabilities of each party relating to the program. The bill would require LACMTA, with the assistance of the department, to establish appropriate traffic flow guidelines for the purpose of ensuring the optimal use of the HOT lanes by high-occupancy vehicles. The bill would delete the requirement that LACMTA may not change the vehicle occupancy requirement for access to the high-occupancy vehicle lanes in the identified corridors and would authorize LACMTA to define the hours of operation of the HOT lanes.	***Last Action*** Referred to Committee March 6, 2014 ***Current Location*** Senate Transportation and Housing Committee
SB 1312	Steinberg	Transportation Commission: Annual Report	Direct Impact to the Commission	This bill would amend Section 14536 of the Government Code relating to the Commission's preparation of the Annual Report to the Legislature by deleting the provisions relating to the loan and transfer summary and discussion that was to be included in the reports submitted between 2001 and 2008.	***Last Action*** Referred to Committee March 6, 2014 ***Current Location*** Senate Transportation and Housing Committee
SB 1368	Wolk	State Highways: Relinquishment	Direct Impact to the Commission	This bill would amend Section 73.01 by authorizing the Commission to relinquish a park-and-ride lot to a joint powers authority formed for purposes of providing transportation services.	***Last Action*** Referred to Committee March 13, 2014 ***Current Location*** Senate Transportation & Housing Committee
SB 1418	DeSaulnier	Transportation Commission: Annual Report	Direct Impact to the Commission	This bill would amend Section 14536 of the Government Code relating to the Commission's preparation of the Annual Report to the Legislature by deleting the provisions relating to the loan and transfer summary and discussion that was to be included in the reports submitted between 2001 and 2008.	***Last Action*** Referred to Committee March 13, 2014 ***Current Location*** Senate Transportation & Housing Committee

Bill #	Author	Title	Subject	Description	Status
SB 1433	Hill	Local Agency Public Construction Act	Project Delivery	This bill would amend the Public Contract Code relating to transit contracts to include in the definition of "transit operator" any other local or regional agency responsible for the construction of transit projects, thereby extending the design-build procurement authorization. The bill would eliminate the requirement that the project cost exceed a specified amount. The bill would delete the repeal date, thus extending the operation of these provisions indefinitely.	***Last Action*** Referred to Committee March 13, 2014 ***Current Location*** Senate Transportation & Housing Committee
SCA 1	Wyland	State Auditor: Duties	Direct Impact to the Commission	This measure would require the California State Auditor to biennially conduct a specified financial audit and performance evaluation of each state program, including the administration or oversight of that program by the department or agency that is responsible for the program, and submit a report of the results of that financial audit and performance evaluation to the Legislature, as prescribed. This measure would require the committee that considers the budget in each house of the Legislature to meet and consider recommendations made in each performance evaluation within 90 days of submission by the California State Auditor. This measure would require the California State Auditor to make each financial audit and performance evaluation available to the public on an Internet Web site and in hardcopy format and require the Legislature to appropriate to the California State Auditor's Office funds as necessary to implement these provisions	***Last Action*** Re-referred to Committee February 7, 2013 ***Current Location*** Senate Committees on Governmental Organization and Elections & Constitutional Amendments
SCA 4	Liu *Senate Co-Author: Pavley Assembly Co-Author: Bonilla*	Local Government Transportation Projects: Special Taxes: Voter Approval	Funding/Financing	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, if the *proposition proposing the tax includes certain requirements including: (a) The ballot proposition contains a specific list of programs and purposes to be funded and a requirement that tax proceeds be spent solely for those programs and purposes (b) The ballot proposition includes a requirement for annual independent audit of the amount of tax proceeds collected and expended and the specified purposes and programs funded and (c) The ballot proposition requires the governing board to create a citizens oversight committee to review all expenditures of proceeds and financial audits and report its finding to the governing board and public.*	***Last Action*** In Senate, read second time and amended, re-referred to Senate Rules Committee August 28, 2013 ***Current Location*** Senate Second Reading File ***Commission Adopted Position*** Support position adopted 1-8-13 Support letter issued 1-14-13
SCA 6	DeSaulnier	Initiative Measures: Funding Source	Funding/Financing	This measure would prohibit an initiative measure that would result in a net increase in state or local government costs, other than costs attributable to the issuance, sale or repayment of bonds, from being submitted to the electors or having any effect unless and until the Legislative Analyst and the Director of Finance jointly determine that the initiative measure provides for additional revenues in an amount that meets or exceeds the net increase in costs.	***Last Action*** In Senate, read second time, to third reading May 24, 2013 ***Current Location*** Senate Third Reading File

Bill #	Author	Title	Subject	Description	Status
SCA 8	Corbett *Assembly Co-Author: Wieckowski*	Transportation Projects: Special Taxes: Voter Approval	Funding/Financing	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 transportation projects requires the approval of 55% of its voters voting on the proposition, *if the proposition proposing the tax includes certain requirements including: (a) The ballot proposition contains a specific list of programs and purposes to be funded and a requirement that tax proceeds be spent solely for those programs and purposes (b) The ballot proposition includes a requirement for annual independent audit of the amount of tax proceeds collected and expended and the specified purposes and programs funded and (c) The ballot proposition requires the governing board to create a citizens oversight committee to review all expenditures of proceeds and financial audits and report its finding to the governing board and public.*	***Last Action*** From Senate Transportation and Housing Committee, adopted and re-referred to Senate Rules Committee August 27, 2013 ***Current Location*** Senate Rules Committee ***Commission Adopted Position*** Support position adopted 1-8-13 Support letter issued 1-14-13
Budget Trailer Bill 400	Governor's Proposed Budget	Right of Way Accountability	Funding/Financing Direct Impact to CTC	This budget trailer bill would amend Streets and Highways Code to prohibit project right of way costs in the STIP program to be changed to reflect differences within 20% of the amount specified at the time of allocation, for right of way cost increases or savings at the time of project completion. In effect this bill would allow STIP program shares to be recalculated to reflect right of way cost increases or savings that exceed 20% of the estimate reported at the time of construction allocation.	***Last Action*** March 13, 2014 Senate Budget Subcommittee #2 approved trailer bill language contingent on follow-up in May
Budget Trailer Bill 402	Governor's Proposed Budget	Transfer of Aeronautics Funding from Loan Program to Grant Program	Funding/Financing Direct Impact to CTC Aeronautics	This budget trailer bill would allow a one-time transfer of $4 million from the Local Airport Loan Account (LALA) to the Aeronautics Account. This bill would also amend Public Utilities Code to allow for future transfers from the LALA to the Aeronautics Account upon approval of the Commission and the Department of Finance.	***Last Action*** March 13, 2014 Senate Budget Subcommittee #2 approved trailer bill language
S 1957	Bennet	Partnership to Build America Act of 2014	Funding/Financing	Establishes the American Infrastructure Fund, to provide bond guarantees and make loans to States, local governments, and non-profit infrastructure providers for investments in certain infrastructure projects, and to provide equity investments in such projects.	***Last Action*** Referred to Committee January 16, 2014 ***Current Location*** Senate Finance Committee
HR 3636	Blumenauer	Excise Tax on Gasoline Diesel and Kerosene	Funding/Financing	This bill would create the Update, Promote, and Develop America's Transportation Essentials Act of 2013; amends the Internal Revenue Code of 1986 to increase the excise tax on gasoline, diesel, and kerosene fuels	***Last Action*** Referred to House Committee on Ways and Means December 3, 2013 ***Current Location*** House Ways and Means Committee

Bill #	Author	Title	Subject	Description	Status
HR 3638	Blumenauer	Road Usage Fee Pilot Program	Funding/Financing	This bill would create the Road Usage Fee Pilot Program Act of 2013; establish a Road Usage Fee Pilot Program to provide grants to conduct studies of methods for recording and reporting the number of miles traveled by particular vehicles, to conduct studies of payment, enforcement, and privacy protection methods for such systems, and to implement mileage-based fee systems in jurisdictions that have adopted a plan for such systems.	***Last Action*** Referred to Committee December 6, 2013 ***Current Location*** House Committees on Transportation & Infrastructure and Energy & Commerce

ATTACHMENT B

CARL GUARDINO, Chair
LUCETTA DUNN, Vice Chair
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DARIUS ASSEMI
YVONNE B. BURKE
JAMES EARP
DARIO FROMMER
JAMES C. GHIELMETTI
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JAMES MADAFFER
JOSEPH TAVAGLIONE

SENATOR MARK DESAULNIER, Ex Officio
ASSEMBLY MEMBER BONNIE LOWENTHAL, Ex Officio

Andre Boutros, Executive Director

STATE OF CALIFORNIA

EDMUND G. BROWN Jr., Governor

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March 20, 2014

The Honorable Eric F. Linder
Member of the Assembly
State Capitol, Room 2016
Sacramento, CA 95814

Re: Support for Assembly Bill 2651

Dear Assemblymember Linder:

As part of its statutory charge, the California Transportation Commission (Commission) advises the Administration and the Legislature in formulating and evaluating state policies and plans for California's transportation programs. Over the past decade, the Commission has consistently urged the Administration and Legislature to address the need for reliable and sustainable funding to preserve and expand the state's transportation system. The Commission's 2013 Annual Report to the Legislature highlighted the fact that redirection of debt service payments from the General Fund to the State Highway Account has a detrimental impact on the state's ability to address transportation system preservation needs. In this same report, the Commission recommended that debt service payments from the State Highway Account be reimbursed by the General Fund.

The 2011 Needs Assessment, prepared by statewide transportation stakeholders at the Commission's request, details the multi-modal needs of the state's transportation system over a 10 year period (2011 to 2020). The assessment identifies a $538 billion need, consisting of $341 billion for system preservation and $197 billion for system expansion and management over the 10 year period. This assessment estimates that revenue from all sources, over that same period of time, only meets 45% of the need, resulting in a shortfall of approximately $296 billion. The diversion of vehicle weight fees beginning in 2010 to service bond debt has served to further exacerbate the problem.

The Commission, at its March 20, 2014 meeting, adopted a position of support for Assembly Bill (AB) 2651 given that it provides for the redirection of vehicle weight fee revenue from the General Fund back to the State Highway Account. The Commission believes redirecting vehicle weight fees back to the State Highway Account for the preservation of the transportation system is a step in the right direction towards filling the gaping hole in the resources needed to keep California's transportation system operational.

The Commission applauds your leadership on this issue in light of our dwindling resources and growing transportation system demands. The Commissioners and staff are available to provide any information that may assist you in moving this legislation forward. If you have any questions, please contact the Commission's Executive Director, Mr. Andre Boutros, at 916-654-4245.

Sincerely,

CARL GUARDINO
Chair

c: The Honorable Bonnie Lowenthal, Assembly Transportation Committee Chair
The Honorable Mark DeSaulnier, Senate Transportation and Housing Committee Chair
California Transportation Commissioners

ATTACHMENT B

ASSEMBLY BILL No. 2651

Introduced by Assembly Member Linder
(Coauthors: Assembly Members Allen, Bigelow, Conway, Beth Gaines, Gorell, Hagman, Harkey, Jones, Melendez, Olsen, Patterson, Wagner, and Wilk)

February 21, 2014

An act to add Section 9400.5 to the Vehicle Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2651, as introduced, Linder. Vehicle weight fees: transportation bond debt service.

Existing law imposes weight fees on the registration of commercial motor vehicles and provides for the deposit of net weight fee revenues into the State Highway Account. Existing law provides for the transfer of certain weight fee revenues from the State Highway Account to the Transportation Debt Service Account to reimburse the General Fund for payment of debt service on general obligation bonds issued for transportation purposes. Existing law also provides for the transfer of certain weight fee revenues to the Transportation Bond Direct Payment Account for direct payment of debt service on designated bonds, which are defined to be certain transportation general obligation bonds issued pursuant to Proposition 1B of 2006.

This bill, notwithstanding these provisions or any other law, effective January 1, 2016, would prohibit 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.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

SECTION 1. Section 9400.5 is added to the Vehicle Code, to read:

9400.5. (a) Notwithstanding Sections 9400.1, 9400.4, and 42205 of this code, Sections 16773 and 16965 of the Government Code, Section 2103 of the Streets and Highways Code, or any other law, weight fee revenue shall not be transferred from the State Highway Account to the Transportation Debt Service Fund or to the Transportation Bond Direct Payment Account, and shall not be used to pay the debt service on transportation general obligation bonds.

(b) This section shall become operative on January 1, 2016.

O

ATTACHMENT C

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Assembly
California Legislature

HENRY T. PEREA
ASSEMBLYMEMBER, THIRTY-FIRST DISTRICT

COMMITTEES
CHAIR: INSURANCE
BANKING AND FINANCE
ELECTIONS AND REDISTRICTING
GOVERNMENTAL ORGANIZATION

January 27, 2014

The Honorable John A Perez, Speaker
California State Assembly
State Capitol, Room 219
Sacramento, California 95814

The Honorable Nancy Skinner, Chair
Assembly Committee on Budget
State Capitol, Room 6026
Sacramento, CA 95814

RE: FUNDING FOR TRANSPORTATION INFRASTRUCTURE

Dear Mr. Speaker and Madam Chair:

With your leadership, we have made difficult budget cuts. The choices we made and actions we took, along with an improving economy, have resulted in a California budget surplus for the first time in over a decade. The 2014-15 budget must continue to be fiscally responsible and stimulate economic development as we distance ourselves from past budget deficits. We believe now is the time to start addressing the state's $64.6 billion in deferred maintenance needs.

The Governor's Budget Proposal includes $337 million in General Fund loan repayments to accelerate preservation and maintenance projects on both state highways and local roads. The Governor should be applauded for his commitment to strengthen California's crumbling infrastructure. According to the California Transportation Commission, 58% of California's roadways require rehabilitation or pavement maintenance, 20% of our bridges require major maintenance or prevention maintenance, and 6% require complete replacement.

As the Legislature continues to make prudent fiscal decisions, we the undersigned respectfully request your support to increase the Governor's proposal by budgeting an additional $500 million of one-time funds for transportation infrastructure projects. We believe that this funding for "shovel ready" projects will lead to a beneficial multiplier effect in the state economy,

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through the vital creation of new jobs and overdue investment in our transportation infrastructure.

Thank you for your consideration. Should you have any questions, please do not hesitate to contact me at (916) 319-2031.

Sincerely,

HENRY T. PEREA
Assemblymember
Thirty-First District

TOM DALY
Assemblymember
Sixty-Ninth District

SHARON QUIRK-SILVA
Assemblymember
Sixty-Fifth District

JOSE MEDINA
Assemblymember
Sixty-First District

JIM FRAZIER
Assemblymember
Eleventh District

CHERYL R. BROWN
Assemblymember
Forty-Seventh District

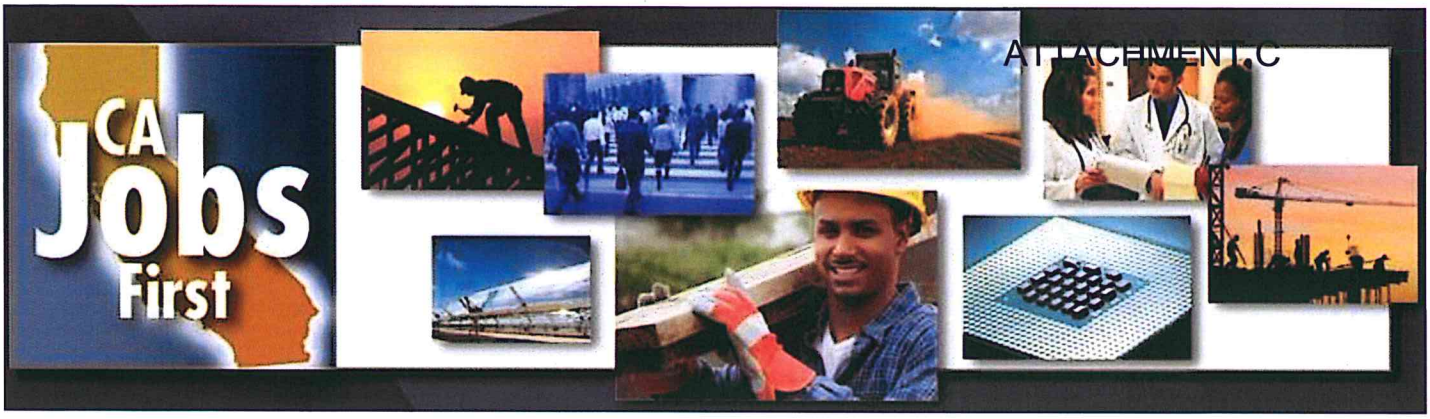
ADAM C. GRAY
Assemblymember
Twenty-First District

RICHARD PAN
Assemblymember
Twenty-First District

KEN COOLEY
Assemblymember
Eighth District

RUDY SALAS
Assemblymember
Thirty-Second District

RAUL BOCANEGRA
Assemblymember
Thirty-Ninth District



ATTACHMENT C

FOR IMMEDIATE RELEASE
February 6, 2014

CONTACT: Sabrina Lockhart
(916) 319-2026

Assembly Republicans Introduce Plan to Create 108,000 Jobs, Invest in California Roads, Highways, Bridges and Ports

Proposal Calls for Revote on High-Speed Rail, Dedicating Gas Taxes to Transportation Infrastructure

SACRAMENTO – Reaffirming their commitment to putting California Jobs First, Assembly Republicans today announced a proposal to invest in local transportation infrastructure projects and create up to 108,000 new jobs statewide.

"Californians are fed up with the broken promises of high-speed rail and they should have the final say on its future," said Assembly Republican Leader Connie Conway, of Tulare. "Our proposal would ask the people to decide whether high-speed rail dollars should be used to build or repair roads, highways, bridges and ports and create 108,000 jobs from Red Bluff to San Diego – or whether we should continue to throw money at the 'Little Engine That Could.'"

The Assembly Republican plan would dedicate $11 billion in one-time funds and $2.4 billion annually for statewide transportation infrastructure projects. It is estimated that the GOP plan would create up to 108,000 jobs statewide and grow the economy by $140 billion.

In a 2011 report, the California Transportation Commission highlighted $295 billion in unmet transportation infrastructure needs throughout the state, including:

- $58.5 billion in unfunded transportation projects in Los Angeles County;
- $10.8 billion in San Diego County;
- $9.1 billion in Riverside County;
- $5.9 billion in Orange County;
- $9.7 billion in the Central Valley; and
- $3 billion in the Sacramento region.

The Assembly Republican proposal would generate both short and long-term funding to jumpstart these hundreds of backlogged projects across the state and create local jobs in these communities.

"For too long, Sacramento has underfunded California's vital transportation infrastructure needs, resulting in millions of drivers stuck in traffic jams instead of spending quality time with their families," said Assembly Transportation Committee Vice Chair Eric Linder, R-Corona. "By investing in local

transportation projects, we can boost the economy, create jobs throughout the state, reduce traffic congestion, and improve air quality."

Specifically, it would repay $2.5 billion in transportation dollars seized by the state during tough budget times (one-time funds). It would also end budget gimmicks by dedicating gas tax dollars to state and local transportation projects ($2.4 billion in ongoing, annual funds).

Assembly Republicans also want to ask voters to revote on the high-speed rail bond and rededicate $8.5 billion to state and local transportation projects (one-time funds). When the high-speed rail bond passed, voters were falsely promised that taxpayers would only be responsible for one-third of the project costs. Yet, costs continue to skyrocket past original estimates and promises of funding from private investors and the federal government are uncertain at best. GOP lawmakers said that it's time to go to the people again to see if these dollars are better spent on other transportation infrastructure needs.

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ATTACHMENT D

CARL GUARDINO, Chair
LUCETTA DUNN, Vice Chair
BOB ALVARADO
DARIUS ASSEMI
YVONNE B. BURKE
JAMES EARP
DARIO FROMMER
JAMES C. GHIELMETTI
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JAMES MADAFFER
JOSEPH TAVAGLIONE

SENATOR MARK DESAULNIER, Ex Officio
ASSEMBLY MEMBER BONNIE LOWENTHAL, Ex Officio

Andre Boutros, Executive Director

STATE OF CALIFORNIA

EDMUND G. BROWN Jr., Governor

CALIFORNIA TRANSPORTATION COMMISSION

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March 20, 2014

The Honorable Henry T. Perea
Member of the Assembly
State Capitol, Room 3120
Sacramento, CA 95814

Re: Funding for Transportation Infrastructure

Dear Assemblymember Perea,

The California Transportation Commission (Commission) commends you and your colleagues for joining together in recommending an increase to the Governor's budget proposal for an additional $500 million of one-time funds for transportation infrastructure projects. The Commission applauds your leadership on this issue in light of our dwindling resources and growing transportation system demands. The Commission also greatly appreciates the time your staff provided to the Commission's staff to discuss this proposal.

As part of its statutory charge, the Commission advises the Administration and the Legislature in formulating and evaluating state policies and plans for California's transportation programs. Over the past decade, the Commission has consistently urged the Administration and Legislature to address the need for reliable and sustainable funding to preserve and expand the state's transportation system.

The useful life of the existing system, which represents decades of major investments, is placed at risk due to the lack of necessary funding to meet basic maintenance, operation and rehabilitation needs. The 2011 Needs Assessment, prepared by statewide transportation stakeholders at the Commission's request, details the multi-modal needs of the state's transportation system over a 10 year period (2011 to 2020). The assessment identifies a $538 billion need, consisting of $341 billion for system preservation and $197 billion for system expansion and management over the 10 year period. This assessment estimates that revenue from all sources, over that same period of time, only meets 45% of the need, resulting in a shortfall of approximately $296 billion.

The Commission, at its March 20, 2014 meeting, adopted a support position for your initiative as this proposed one-time infusion of transportation funding, even though limited, is a step towards

improving the state's mobility. Over the long term, a reliable and sustainable funding source is necessary to preserve the state's transportation investment and ensure the continuing prosperity of California.

Please be assured the Commissioners and staff are available to provide any information that may assist you in moving transportation concepts through the process. If you have any questions, please contact the Commission's Executive Director, Mr. Andre Boutros, at 916-654-4245.

Sincerely,

CARL GUARDINO
Chair

c: Senator Mark DeSaulnier, Chair, Senate Transportation & Housing Committee
Assemblymember Bonnie Lowenthal, Chair, Assembly Transportation Committee
Assemblymember Tom Daly
Assemblymember Sharon Quirk-Silva
Assemblymember Jose Medina
Assemblymember Jim Frazier
Assemblymember Cheryl R. Brown
Assemblymember Adam C. Gray
Assemblymember Richard Pan
Assemblymember Ken Cooley
Assemblymember Rudy Salas
Assemblymember Raul Bocanegra
Commissioners, California Transportation Commission

ATTACHMENT E

CARL GUARDINO, Chair
LUCETTA DUNN, Vice Chair
BOB ALVARADO
DARIUS ASSEMI
YVONNE B. BURKE
JAMES EARP
DARIO FROMMER
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March 20, 2014

The Honorable Connie Conway
Member of the Assembly
Assembly Republican Leader
State Capitol, Room 3120
Sacramento, CA 95814

Re: Republican Transportation Proposal

Dear Assemblymember Conway,

The California Transportation Commission (Commission) commends you and the Assembly Republican Caucus for developing a proposal to address California's unmet transportation infrastructure needs. The Commission applauds your leadership on this issue in light of California's dwindling transportation resources and growing transportation system demands. The Commission also greatly appreciates the time you and your staff provided to the Commission's staff to discuss this proposal.

As part of its statutory charge, the Commission advises the Administration and the Legislature in formulating and evaluating state policies and plans for California's transportation programs. Over the past decade, the Commission has consistently urged the Administration and Legislature to address the need for reliable and sustainable funding to preserve and expand the state's transportation system.

The useful life of the existing system, which represents decades of major investments, is placed at risk due to the lack of necessary funding to meet basic maintenance, operation and rehabilitation needs. The 2011 Needs Assessment, prepared by statewide transportation stakeholders at the Commission's request, details the multi-modal needs of the state's transportation system over a 10 year period (2011 to 2020). The assessment identifies a $538 billion need, consisting of $341 billion for system preservation and $197 billion for system expansion and management over the 10 year period. This assessment estimates that revenue from all sources, over that same period of time, only meets 45% of the need, resulting in a shortfall of approximately $296 billion.

The Commission, at its March 20, 2014 meeting, affirmed its support for early repayment of $2.5 billion in loans and redirection of vehicle weight fees to the state highway account as proposed in your initiative. While these and other actions, if implemented, are a step towards improving the state's mobility, over the long term, a reliable and sustainable funding source is necessary to preserve the state's transportation investment and ensure the continuing prosperity of California.

Please be assured the Commissioners and staff are available to provide any information that may assist you in moving transportation proposals through the process. If you have any questions, please contact the Commission's Executive Director, Mr. Andre Boutros, at 916-654-4245.

Sincerely,

CARL GUARDINO
Chair

c: Senator Mark DeSaulnier, Chair, Senate Transportation & Housing Committee
Assemblymember Bonnie Lowenthal, Chair, Assembly Transportation Committee
Members, Assembly Republican Caucus
Commissioners, California Transportation Commission