

AMENDED IN ASSEMBLY MARCH 29, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 427

Introduced by Assembly Member John A. Pérez

February 14, 2011

An act to amend ~~Section 8879.59~~ *Sections 8879.57 and 8879.61* of the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 427, as amended, John A. Pérez. Transportation bond funds: transit system safety.

Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, authorizes the issuance of \$19.925 billion of general obligation bonds for specified purposes. Existing law requires the deposit of \$1 billion of the bond proceeds in the Transit System Safety, Security, and Disaster Response Account to be used, upon appropriation, for capital projects that provide increased protection against a security and safety threat, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems that can move people, goods, and emergency personnel and equipment in the aftermath of a disaster impairing that movement. Existing law *designates the California Emergency Management Agency as the administrative agency for this account and requires the allocation of 25% of these funds for capital expenditures to regional public waterborne transit agencies authorized to operate a regional public water transit system, as specified, and requires the California Emergency Management Agency to administer a grant application and award program 60% of the funds in the account for capital expenditures to transportation planning agencies, county*

transportation commissions, and certain other transit-related agencies, as specified, and 15% of the funds for capital expenditures to specified intercity passenger rail systems and commuter rail systems. Existing law provides that operators that receive those funds for intercity passenger rail systems and commuter rail systems are not eligible for those funds designated for capital expenditures of transportation planning agencies, county transportation commissions, and other specified transit-related agencies.

This bill would ~~make nonsubstantive changes to these provisions.~~ instead authorize operators that receive funds from the account for intercity passenger rail systems and commuter rail systems to also be eligible for funds designated for capital expenditures of transportation planning agencies, county transportation commissions, and other specified transit-related agencies. The bill would require an entity eligible to receive allocations of any of those funds to submit a document within a specified time to the California Emergency Management Agency that indicates the intent to use the funds and would, if the document is not submitted, authorize the California Emergency Management Agency to reallocate the funds. The bill would require the California Emergency Management Agency to notify a transportation planning agency if funds allocated to an entity within the region of the transportation planning agency are being reallocated and, if the transportation planning agency provides a document to the California Emergency Management Agency indicating its intent to distribute the funds to transit operators or rail operators, would require the funds to be allocated to the transportation planning agency. The bill would authorize the California Emergency Management Agency to allocate the funds on a competitive basis to an eligible entity in a different region of the state if the transportation planning agency does not receive an allocation to distribute funds to transit operators and rail operators, as specified.

The bill would require the California Emergency Management Agency, by May 1 of each year, to report to specified committees of the Legislature and to the Legislative Analyst's Office with specified information regarding projects selected for funding from the account, including a list of transit entities that have not used those allocated funds.

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

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

1 SECTION 1. Section 8879.57 of the Government Code is
2 amended to read:

3 8879.57. Funds made available, upon appropriation of the
4 Legislature, from the Transit System Safety, Security, and Disaster
5 Response Account, created in subdivision (h) of Section 8879.23,
6 shall be allocated as follows:

7 (a) (1) Sixty percent of available funds shall be allocated for
8 capital expenditures to agencies and transit operators eligible to
9 receive State Transit Assistance funds pursuant to Sections 99313
10 and 99314 of the Public Utilities Code. Of these funds, 50 percent
11 shall be allocated to eligible agencies using the formula in Section
12 99314 of the Public Utilities Code, and 50 percent shall be allocated
13 to eligible agencies using the formula in Section 99313 of the
14 Public Utilities Code, subject to the provisions governing funds
15 allocated under those sections. Funds allocated to the Metropolitan
16 Transportation Commission pursuant to Section 99313 of the
17 Public Utilities Code shall be suballocated to transit operators
18 within its jurisdiction pursuant to Section 99314 of the Public
19 Utilities Code.

20 (2) Eligible capital expenditures shall include either of the
21 following:

22 (A) A capital project that provides increased protection against
23 a security or safety threat, including, but not limited to, the
24 following:

25 (i) Construction or renovation projects that are designed to
26 enhance the security of public transit stations, tunnels, guideways,
27 elevated structures, or other transit facilities and equipment.

28 (ii) Explosive device mitigation and remediation equipment.

29 (iii) Chemical, biological, radiological, and nuclear explosives
30 search, rescue, or response equipment.

31 (iv) Interoperable communications equipment.

32 (v) Physical security enhancement equipment.

33 (vi) The installation of fencing, barriers, gates, or related security
34 enhancements that are designed to improve the physical security
35 of transit stations, tunnels, guideways, elevated structures, or other
36 transit facilities and equipment.

37 (vii) Other security-related projects approved by the California
38 Emergency Management Agency.

1 (B) Capital expenditures to increase the capacity of transit
2 operators to develop disaster response transportation systems that
3 can move people, goods, and emergency personnel and equipment
4 in the aftermath of a disaster impairing the mobility of goods,
5 people, and equipment.

6 (b) (1) Twenty-five percent of available funds shall be allocated
7 for capital expenditures to regional public waterborne transit
8 agencies authorized to operate a regional public water transit
9 system, including the operation of water transit vessels, terminals,
10 and feeder buses, and not otherwise eligible to receive State Transit
11 Assistance funds as of the effective date of this article. Funds shall
12 be allocated for eligible capital expenditures that enhance the
13 capacity of regional public waterborne transit agencies to provide
14 disaster response transportation systems that can move people,
15 goods, and emergency personnel and equipment in the aftermath
16 of a disaster or emergency.

17 (2) Eligible capital expenditures include, but are not limited to,
18 the construction or acquisition of new vessels, the capital
19 improvement or construction of docks, terminals, or other
20 waterborne transit facilities, the purchase of related equipment,
21 and the construction of fueling facilities. A project shall (A)
22 provide capital facilities and equipment to a regional public
23 waterborne transit system that enhances the ability of the system
24 to respond to a regional emergency, (B) be included in a regional
25 plan, including, but not limited to, a regional plan for waterborne
26 transit expansion or disaster response preparedness, and (C) provide
27 maximum flexibility in responding to disasters or emergencies.

28 (c) (1) Fifteen percent of available funds shall be made available
29 for capital expenditures to the intercity passenger rail system
30 described in Section 14035 and to the commuter rail systems
31 operated by the entities specified in Section 14072 and in Section
32 99314.1 of the Public Utilities Code. ~~Operators who receive~~
33 ~~funding pursuant to this subdivision shall not be eligible to receive~~
34 ~~funding pursuant to subdivision (a).~~

35 (2) Eligible capital expenditures shall include either of the
36 following:

37 (A) A capital project that provides increased protection against
38 a security or safety threat, including, but not limited to, the
39 following:

- 1 (i) Construction or renovation projects that are designed to
2 enhance the security of public transit stations, tunnels, guideways,
3 elevated structures, or other transit facilities and equipment.
- 4 (ii) Explosive device mitigation and remediation equipment.
- 5 (iii) Chemical, biological, radiological, and nuclear explosives
6 search, rescue, or response equipment.
- 7 (iv) Interoperable communications equipment.
- 8 (v) Physical security enhancement equipment.
- 9 (vi) The installation of fencing, barriers, gates, or related security
10 enhancements that are designed to improve the physical security
11 of transit stations, tunnels, guideways, elevated structures, or other
12 transit facilities and equipment.
- 13 (vii) Other security-related projects approved by the California
14 Emergency Management Agency.
- 15 (B) Capital expenditures to increase the capacity of transit
16 operators to develop disaster response transportation systems that
17 can move people, goods, and emergency personnel and equipment
18 in the aftermath of a disaster impairing the mobility of goods,
19 people, and equipment.
- 20 *(d) (1) An entity that is eligible to receive funds pursuant to*
21 *subdivision (a) or (c) shall, within 45 days of the date the*
22 *Controller makes public the list of eligible recipients pursuant to*
23 *Section 8879.58, provide a document to the California Emergency*
24 *Management Agency that indicates the intent to use those funds.*
25 *If the entity does not submit the document required under this*
26 *paragraph, the funds allocated to the entity pursuant to subdivision*
27 *(a) or (c) shall be reallocated by the California Emergency*
28 *Management Agency in accordance with paragraph (2). This*
29 *paragraph also applies to transit operators receiving a*
30 *suballocation from a transportation planning agency, in which*
31 *case the operator rather than the transportation planning agency*
32 *is required to provide the document.*
- 33 *(2) The California Emergency Management Agency shall notify*
34 *the transportation planning agency if funds allocated to an entity*
35 *within the region of the transportation planning agency are being*
36 *reallocated pursuant to paragraph (1). The transportation planning*
37 *agency shall have 30 days to provide a document to the California*
38 *Emergency Management Agency indicating its intent to distribute*
39 *those funds to transit operators or rail operators for purposes*
40 *authorized under subdivision (a) or (c). An agency providing that*

1 document shall receive an allocation of the funds. If the
2 transportation planning agency does not provide the document
3 within 30 days, the California Emergency Management Agency
4 may allocate the funds on a competitive basis to an entity in a
5 different region of the state that is an eligible entity under
6 subdivision (a) or (c). An eligible entity that is notified that it will
7 be awarded these funds shall, as a condition of receiving the funds,
8 satisfy the requirements of paragraph (1) within 45 days of being
9 advised of the reallocation. As used in this subdivision,
10 “transportation planning agency” includes the county
11 transportation commission in counties that have such a
12 commission.

13 SEC. 2. Section 8879.61 of the Government Code is amended
14 to read:

15 8879.61. (a) Entities described in subdivisions (a), (b), and
16 (c) of Section 8879.57 receiving an allocation of funds pursuant
17 to this article shall expend those funds within three fiscal years of
18 the fiscal year in which the funds were allocated. Funds remaining
19 unexpended thereafter shall revert to the California Emergency
20 Management Agency, as applicable, for reallocation in subsequent
21 fiscal years.

22 (b) Entities that receive grant awards from funds allocated
23 pursuant to ~~subdivisions (b) or (e)~~ subdivision (b) of Section
24 8879.57 are not eligible to receive awards from the funds allocated
25 pursuant to subdivision (a) of Section 8879.57.

26 (c) Funds appropriated for the program established by this article
27 in the Budget Act of 2007 shall be allocated consistent with the
28 allocation schedule established in Section 8879.57.

29 (d) On or before May 1 of each year, the California Emergency
30 Management Agency shall report to the Senate Committee on
31 Budget and Fiscal Review, the Assembly Committee on Budget,
32 the Senate Committee on Transportation and Housing, the
33 Assembly Committee on Transportation, and the Legislative
34 Analyst’s Office on its activities under this article. The report shall
35 include a summary of the projects selected for funding during the
36 fiscal year in which awards were made, the status of projects
37 selected for funding in prior fiscal years, and a list of all transit
38 entities that have not used funds allocated to the transit entities
39 pursuant to Section 8879.57.

1 SECTION 1. ~~Section 8879.59 of the Government Code is~~
2 ~~amended to read:~~

3 ~~8879.59. (a) For funds appropriated from the Transit System~~
4 ~~Safety, Security, and Disaster Response Account for allocation to~~
5 ~~transit agencies eligible to receive funds pursuant to subdivision~~
6 ~~(b) of Section 8879.57, the California Emergency Management~~
7 ~~Agency shall administer a grant application and award program~~
8 ~~for those transit agencies:~~

9 ~~(b) Funds awarded to transit agencies pursuant to this section~~
10 ~~shall be for eligible capital expenditures as described in subdivision~~
11 ~~(b) of Section 8879.57.~~

12 ~~(c) Prior to allocating funds to projects pursuant to this section,~~
13 ~~the agency shall adopt guidelines to establish the criteria and~~
14 ~~process for the distribution of funds described in this section. Prior~~
15 ~~to adopting the guidelines, the agency shall hold a public hearing~~
16 ~~on the proposed guidelines.~~

17 ~~(d) For each fiscal year in which funds are appropriated for the~~
18 ~~purposes of this section, the agency shall issue a notice of funding~~
19 ~~availability no later than October 1.~~

20 ~~(e) No later than December 1 of each fiscal year in which the~~
21 ~~notice in subdivision (d) is issued, eligible transit agencies may~~
22 ~~submit project nominations for funding to the agency for its review~~
23 ~~and consideration. Project nominations shall include all of the~~
24 ~~following:~~

25 ~~(1) A description of the project, which shall illustrate the~~
26 ~~physical components of the project and the security or emergency~~
27 ~~response benefit to be achieved by the completion of the project.~~

28 ~~(2) Identification of all nonbond sources of funding committed~~
29 ~~to the project.~~

30 ~~(3) An estimate of the project's full cost and the proposed~~
31 ~~schedule for the project's completion.~~

32 ~~(f) No later than February 1, the agency shall select eligible~~
33 ~~projects to receive grants under this section and shall provide the~~
34 ~~Controller with a list of the projects and the sponsoring agencies~~
35 ~~eligible to receive an allocation from the account. Upon receipt of~~
36 ~~this information, the Controller's office shall commence any~~
37 ~~necessary actions to allocate funds to those agencies, including,~~
38 ~~but not limited to, seeking the issuance of bonds for that purpose.~~
39 ~~Grants awarded to eligible transit agencies pursuant to subdivision~~

- 1 ~~(b) of Section 8879.57 shall be for eligible capital expenditures,~~
- 2 ~~as described in paragraph (2) of subdivision (b) of that section.~~

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