California Legislature

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

JIM BEALL
CHAIRMAN

Tuesday, July 11, 2017
1:30 p.m. — John L. Burton Hearing Room (4203)
(PROPOSED CONSENT ITEMS INDICATED WITH *)

AGENDA

1. S.B. 159	Allen	Off-highway Vehicles.
2. A.B. 17	Holden	Transit Pass Pilot Program: free or reduced-fare transit passes.
3. A.B. 63	Frazier	Driver's licenses: provisional licenses.
4. A.B. 72	Santiago	Housing.
5. A.B. 91	Cervantes	High-occupancy vehicle lanes.
6. A.B. 174	Bigelow	California Transportation Commission: membership.
7. A.B. 179	Cervantes	California Transportation Commission.
8. A.B. 301	Rodriguez	Commercial motor vehicles: examination requirements: driving skills test.
9. A.B. 344	Melendez	Toll evasion violations.
10. A.B. 390	Santiago	Pedestrian crossing signals.
11. A.B. 458*	Frazier	Vehicle registration: fleet vehicles.
12. A.B. 503	Lackey	Vehicles: parking violations: registration or driver's license renewal.
13. A.B. 533	Holden	State Highway Route 710.
14. A.B. 544	Bloom	Vehicles: high-occupancy vehicle lanes.
15. A.B. 615	Cooper	Air Quality Improvement Program: Clean Vehicle Rebate Project.
16. A.B. 630	Cooper	Vehicles: retirement and replacement.
17. A.B. 669*	Berman	Department of Transportation: motor vehicle technology testing.

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18. A.B. 758	Eggman	Transportation: Tri-Valley-San Joaquin Valley Regional Rail Authority.
19. A.B. 805	G. Fletcher	County of San Diego: transportation agencies.
20. A.B. 857	Ting	State highways: property leases.
21. A.B. 964	Calderon	Economic development: Capital Access Loan Program: California Affordable Clean Vehicle Program.
22. A.B. 1069	Low	Local government: taxicab transportation services.
23. A.B. 1088	Eggman	Multifamily residential housing: energy programs.
24. A.B. 1222	Quirk	Vehicles: electronic wireless communications devices.
25. A.B. 1239	Holden	Building standards: electric vehicle charging infrastructure.
26. A.B. 1397	Low	Local planning: housing element: inventory of land for residential development.
27. A.B. 1407	McCarty	California New Motor Voter Program: voter registration.
28. A.B. 1515	Daly	Planning and zoning: housing.
29. A.B. 1521	Bloom	Land use: notice of proposed change: assisted housing developments.
30. A.B. 1598	Mullin	Affordable housing authorities.
31. A.B. 1625	Rubio	Inoperable parking meters.
32. A.C.R. 2*	Mayes	Police Officer Jose “Gil” Vega and Police Officer Lesley Zerebny Memorial Highway.

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33. A.C.R. 9*	G. Fletcher	Officer Jonathan M. De Guzman Memorial Bridge.
34. A.C.R. 22*	Baker	Detective Sergeant Thomas A. Smith, Jr. Memorial Highway.
35. A.C.R. 23*	Bocanegra	Ritchie Valens Memorial Highway.
36. A.C.R 24*	Dahle	California Highway Patrol Officer Nathan Taylor Memorial Highway.
37. A.C.R. 29*	Dahle	Deputy Sheriff Jack Hopkins Memorial Highway.
38. A.C.R. 31*	Lackey	Los Angeles County Sheriff's Sergeant Steven C. Owen Memorial Highway.
39. A.C.R. 43*	Wood	Humboldt County Sheriff's Office Corporal Rich Schlesiger Memorial Highway.
40. A.C.R 46*	Gray	The Modesto Police Officer Leo Volk, Jr., and Modesto Police Sergeant Steve May Memorial Highway.
41. A.C.R. 47*	Gray	CalFire Firefighter Andrew Maloney Memorial Highway.
42. A.C.R. 49*	Frazier	Police Sergeant Scott Lunger Memorial Highway.
43. A.C.R. 70*	Salas	Staff Sergeant Ricardo "Ricky" Barraza Memorial Highway.
44. A.C.R. 76*	Calderon	Officer Keith Boyer Memorial Highway.
45. A.C.R. 88*	Cunningham	Charles I. Walter Memorial Highway.

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	SB 159	**Hearing Date:**	7/11/2017
Author:	Allen		
Version:	6/15/2017		
Urgency:	Yes	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Off-highway vehicles

DIGEST: This bill extends the sunset date for the collection of off-highway motor vehicle (OHV) fees to January 1, 2023 if a statute is enacted before January 1, 2018 to extend the operation of the OHV Program until January 1, 2023.

ANALYSIS:

Existing law:

1) Imposes a service fee of $7 for the issuance and renewal of identification of OHVs subject to identification, and special fee of $33 paid at the time of payment of the service fees. This is commonly called the "green sticker" fee because a green sticker is attached to OHVs whose owners have paid this fee.

2) Creates the Division of Off-Highway Motor Vehicle Recreation (Division) within the Department of Parks and Recreation (Department). The Division plans and acquires lands in state vehicular recreation areas which are units with the state park system. The division also implements a grants program from revenues in the Off-Highway Vehicle Trust Fund (Fund) which by law assigns percentages of those revenues for various purposes related to off-highway vehicles. The Fund is also used to support the division and to conduct its other activities.

3) Establishes the OHV Program to manage off-highway recreation in a manner that also protects California's natural and cultural resources.

4) Requires the $33 special fee, and other funds appropriated to the Department, to be allocated to the Fund for the OHV program, other purposes specifically related to off-highway recreation and administration of the Division.

5) These provisions sunset on January 1, 2018.

This urgency bill extends the sunset date for the collection of the green sticker fees to January 1, 2023 if a statute is enacted before January 1, 2018 to extend the operation of the Off-Highway Motor Vehicle Program until January 1, 2023.

COMMENTS:

1) *Purpose.* The OHV program and associated green sticker fees sunset at the end of this year. This bill extends the sunset on the fees provided that legislation extends the sunset on the OHV program.

2) *Related Legislation.* The author is also carrying SB 249, a companion bill which revises and extends the sunset on the OHV program. That bill passed this committee and as of July 3 is pending in the Assembly Water, Parks and Wildlife Committee. While there are a wide variety of opinions regarding the elements of the OHV program, there is no opposition to the contingent extension of the existing fee schedule for five years. Should SB 249 fail, the fee extension in this bill would also fail.

3) *Combining Two into One.* Depending on the outcome of the SB 249 negotiations, the author may consider combining these two bills into a single bill that would require a 2/3 vote.

4) *Double Referral.* This bill was heard by the Senate Natural Resources and Water Committee on June 27, 2017 and approved 8-0.

RELATED LEGISLATION:

SB 249 (Allen, 2017) — Revises and extends the sunset on the OHV program. *As of July 3, this bill is pending in the Assembly Water, Parks and Wildlife Committee.*

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

None received.

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 17	**Hearing Date:**	7/11/2017
Author:	Holden		
Version:	5/30/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Manny Leon		

SUBJECT: Transit Pass Pilot Program: free or reduced-fare transit passes

DIGEST: This bill creates a transit pass pilot program administered by the State Department of Transportation (Caltrans), as specified.

ANALYSIS:

Existing law:

1) Creates the Public Transportation Account (PTA) within the State Transportation Fund (STF).

2) Provides that PTA funds are to be used only for transportation planning and mass transportation purposes, as specified.

3) Provides funding for public transportation through the Transportation Development Act (TDA), including State Transit Assistance (STA) which is derived from the statewide sales tax on diesel fuel. STA funds are appropriated by the Legislature and are allocated by formula with 50% being allocated to transit agencies according to population and 50% being allocated according to transit operator revenues from the prior fiscal year.

4) Authorizes Caltrans to administer various programs and allocates moneys for various public transportation purposes.

This bill:

1) Makes finding and declarations that student transit pass programs have been shown to increase transit ridership.

2) Creates the Transit Pass Pilot Program to be administered by Caltrans to support local transit pass programs that provide free or reduced fare transit

passes to low income students from K-12 public schools, community colleges, the California State University (CSU) and the University of California (UC).

3) Defines low income students as:

   a) Pupils attending middle or high-schools that are eligible for funding under Title I of the Elementary and Secondary Education Act of 1965;

   b) Students attending community college who qualify for a waiver of student fees; and,

   c) Students attending a CSU or UC who receive an award under the Cal Grant Program or the federal Pell Grant Program.

4) Defines eligible participants as a public agency, including a transit operator, school district, community college district, the CSU, and the UC.

5) Requires Caltrans to develop guidelines that describe the application process and selection criteria for awarding program funds.

6) Requires Caltrans to develop performance measures and reporting requirements to evaluate program effectiveness.

7) Provides that dollars awarded to an eligible participant are to be available for expenditure for two years from the date upon receiving the funds.

8) Requires the award to an eligible participant be between a minimum of $20,000 and a maximum of $5 million, and that funds awarded are available for expenditure for two years.

9) Requires Caltrans to submit a report to the Legislature on the outcomes of the pilot program by January 1, 2020. The report must include the number of free or reduced fare transit passes provided to students; whether the program has increased transit ridership among students; an assessment of how many transit operators and schools have a transit pass program, and recommendations on how to expand transit pass programs to ensure that all eligible students have access.

10) Includes a sunset date of January 1, 2022.

11) Appropriates $20 million from the PTA to Caltrans for the pilot program.

COMMENTS:

1) *Purpose.* According to the author, "Assembly Bill 17 will increase public transportation ridership, ensure that students arrive at school safely, and will help hard working students and their families lessen the heavy burden of transportation costs. By implementing the state's first statewide program designed to provide no or low cost transit passes to California students—California is transforming the way we approach our student's public transportation needs."

2) *Discounted passes.* Currently, many transit agencies throughout the state provide free or reduced-priced transit passes to youth, students, seniors, and military veterans contingent on the transit agency's financial resources. For example, the Riverside Transit Agency provides discounted fares for youth, senior, disabled, and veteran transit users. Similarly, the San Mateo County Transit District provides discounted fares and passes for youth, seniors, and disabled riders. Moreover, while transit agencies will use a portion of their State Transit Assistance revenues to provide discounted passes and fares, other programs such as the Cap and Trade's Low Carbon Transit Operations Program (LCTOP) provide additional funding that may be used to fund a greater number of discounted/free transit passes.

3) *Pilot Program.* The author and supporters of this bill assert that the existing amount of free/discounted passes and fares provided by transit agencies does not meet the existing demand by low income students. Furthermore, supporters note that the lack of available affordable transportation (including transit) is a significant barrier to low-income students' school attendance and classroom success. This bill creates a pilot program — using $20 million provided from a balance in the PTA — that will assess that level of demand. Specifically, the pilot program will allow school districts and colleges to apply for a transit pass grant (administered by Caltrans) and work with local transit agencies to offer additional discounted/free passes to low-income students. Completely voluntary, school districts and colleges that have identified transportation as a significant barrier will have the opportunity to apply for grant funds and be able to track the actual usage. Guidelines and reporting requirements by grantees and Caltrans will ultimately identify the necessary data to determine whether the existing discounted programs administered by transit agencies are sufficient to meet the demand.

Assembly votes:

Floor:	**71-4**
Approps:	**12-5**
Trans:	**11-3**

RELATED LEGISLATION:

AB 2222 (Holden, 2016) — similar to this bill, established a transit pass pilot program administered by Caltrans. This bill was held on suspense in the Senate Appropriations Committee.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Move LA (Sponsor)
Student Senate for California Community Colleges (Sponsor)
Transform (Sponsor)
350 Bay Area
Alliance for Community Transit
Amalgamated Transit Union
American Lung Association in California
Amigos de los Rios
Asian Pacific Environmental Network
Association for Commuter Transportation, Southern CA Chapter
Bike San Gabriel Valley
Breathe California
California Bicycle Coalition
California Environmental Justice Alliance
California Faculty Association
California Housing Partnership Corporation
California Pan-Ethnic Health Network
Cal Poly Pomona College of Environmental Design
California Releaf
California State University
California Teamsters Public Affairs Council
California Walks
Center for Community Action and Environmental Justice

ChangeLab Solutions
Children's Defense Fund - California
City of South Pasadena
City of Thousand Oaks
Circulate San Diego
Climate Action Campaign
Climate Resolve
Coalition for Clean Air
Community Health Councils
Compton Unified School District
Courage Campaign
East LA Community Corporation
Faculty Assn. of CA Community Colleges
Fixing Angelenos Stuck in Traffic (FAST)
Foothill Transit
Housing California
Investing in Place
Kings Canyon Unified School District
Leadership Counsel for Justice and Accountability
Long Beach City College
Los Angeles Alliance for a New Economy (LAANE)
Los Angeles Business Council
Los Angeles Community College District
Los Angeles County Bicycle Coalition
Los Angeles County Metro
LA Mas
Los Angeles Neighborhood Initiative
Los Angeles Unified School District
Los Angeles Walks
Mark Ridley-Thomas, LA County Supervisor
MetroLink
MidCity-CAN
Multicultural Communities for Mobility
National Association of Social Workers, CA Chapter
The Nature Conservancy-California Chapter
NRDC Urban Solutions
Oakland Unified School District
Pacoima Beautiful
Pasadena City College
Physicians for Social Responsibility - LA
PolicyLink
Prevention Institute

Public Advocates
Safe Routes to Schools
San Diego Bicycle Coalition
San Francisco Bay Area Rapid Transit District
San Jose – Evergreen Community College District
Santa Monica College
Southeast Asian Community Alliance
Sunflower Alliance
Teamsters Public Affairs Council
Trust for Public Land
University of Southern California Program for
Environmental & Regional Equity
Ventura County Transportation Commission
Voice for Progress Education Fund
278 Individuals

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 63	**Hearing Date:**	7/11/2017
Author:	Frazier		
Version:	7/3/17		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: Driver's licenses: provisional licenses

DIGEST: This bill extends the provisional driver's license (PDL) program to individuals 21 years of age.

ANALYSIS:

Existing law:

1) Establishes a PDL program for individuals between 16 and 18 years of age.

2) Provides that prior to issuing a PDL, the state Department of Motor Vehicles (DMV) must issue an instruction permit, commonly known as a learner's permit. An individual must be at least 15 years and six months old to apply for a learner's permit, and must have taken, or be enrolled in, driver education and training classes. (An individual 17 years and six months or older can apply without having taken driver education or training.) The learner's permit authorizes the holder to operate a motor vehicle only when he or she is either taking a driver training class or is practicing under the immediate supervision of a California licensed driver 25 years or older.

3) Prohibits a learner's permit holder from applying for a PDL until he or she has held the permit for at least six months. Requires a permit holder, prior to applying for a PDL, to successfully complete driver education and training classes; at least six hours of behind-the-wheel training; 50 hours of supervised driving practice, including at least 10 hours of nighttime driving; and written and driving tests required by DMV.

4) Prohibits, during the first 12 months, a PDL holder from driving between the hours of 11 p.m. and 5 a.m., or from transporting passengers who are under 20 years old, unless accompanied by the PDL holder's parent or guardian, a licensed driver who is 25 years or older, or a licensed and certified driving

instructor. Provides exceptions for medical necessity, school activities, job necessity, need to transport an immediate family member, or if the licensee is an emancipated minor.

5) Requires an individual to submit to DMV the certification of a parent, spouse, guardian, or licensed and certified driving instructor that the applicant has completed the required amount of driving practices. Provides that an individual may have a licensed driver 25 years or older certify that he or she has completed these requirements if he or she does not have a parent, spouse, or guardian, or is an emancipated minor.

6) Requires a PDL holder who needs to drive under one of the exceptions listed above to keep in his or her possession the appropriate document, as follows:

   a) Medical necessity exception: a signed statement from a physician.
   b) School activity exception: a signed statement from the school principal, dean, or school staff member designated by the principal or dean.
   c) Employment exception: a signed statement from the employer.
   d) Family member exception: a signed statement from a parent or legal guardian.

7) Allows an individual 18 years or older to apply for an original driver's license by passing a traffic laws and signs test, among other requirements. Provides that an individual 18 years or older who holds a learner's permit must be accompanied by another individual 18 years or older when practicing driving. Provides that this individual may schedule a driving test at DMV any time once he or she has obtained the learner's permit.

8) Notwithstanding the PDL program, requires DMV to issue a restricted driver's license to an individual who is between 16 and 18 years old, valid for the operation of US Army and California National Guard vehicles, if specified conditions are met.

This bill:

1) Provides that the PDL program covers individuals between 16 and 21 years of age.

2) Provides that an individual under 18 must hold a learner's permit for at least six months, and an individual aged 18-21 must hold a learner's permit for at least

60 days, prior to applying for a PDL. Allows an individual 20 years and six months or older to apply for a PDL without driver education or training.

3) Authorizes a PDL holder who is 18-20 years old to use a copy of his or her class schedule to document the school activity exception, and a copy of his or her work schedule for the employment exception. Waives the requirement for a PDL holder who is 18-20 years old to document the family member exception.

4) Allows an individual 18 to 20 years old to have a licensed driver 25 years or older certify that he or she has completed the PDL requirements.

5) Exempts from these requirements a member of the US Armed Forces who is on active duty and is at least 18 years old.

6) Requires an owner or operator of a driving school, or an independent driving instructor, to affirmatively offer and accept compensation in equal monthly installments for up to a year and prohibits charging of any additional fees such as interest or administrative fees. Provides that beginning January 1, 2018, allowing installment payments shall be a condition of receiving or renewing a driving school or instructor license.

COMMENTS:

1) *Purpose*. The author states that the national and state data are clear: novice drivers who undergo a PDL program experience 40% to 60% fewer vehicle crashes than those drivers who obtain a license after reaching the age of 18. This bill imposes reasonable and effective PDL requirements on first-time drivers between the ages of 18 and 21, ensuring that additional novice drivers undergo education and training before receiving their licenses. Consistent with the recommendations of the Governors Highway Safety Association and the California Strategic Highway Safety Plan, this bill will help protect the lives of our youngest, most vulnerable drivers, as well as the lives of everyone else who travels on our roads.

2) *Background: California's PDL system.* Prior to 1998, California law allowed teenagers aged 16 to 18 years to obtain a learner's permit or PDL with only minimal restrictions, such as requiring the individual to hold a permit for at least 30 days before applying for a PDL. SB 1329 (Leslie, Chapter 760, Statutes of 1997) enacted the state's initial graduated driver's licensing system, including the six-month learner's permit period, nighttime driving ban, and supervised driving provisions. AB 1747 (Maze, Chapter 337, Statutes of 2005) extended the ban on nighttime driving and on transporting passengers under 20

years of age, to 12 months. It also expanded the nighttime ban by one hour. All states have had some form of graduated driver's licensing restrictions since the mid-1990s.

3) *Making it more difficult for older teens to get to work or school?* By increasing the PDL requirements to 21, this bill could make it more difficult for 18- to 20-year-olds to work and/or attend school. To address this concern, this bill provides less stringent requirements on documentation for 18- to 20-year-olds relating to school and work activities, as well as waiving the requirement to document the need to transport an immediate family member. It also exempts active military members from PDL requirements. Finally, it requires driving schools and independent driving instructors to offer 12-month, zero-interest payment plans to customers to help address affordability concerns.

4) *Teen drivers a shrinking demographic.* Recent data published by the Federal Highway Administration indicates that the number of young drivers in the US has hit an all-time low. In 2014, roughly 8.5 million people aged 19 and younger had a driver's license, and of those, only about a million were 16 and younger — the lowest number since the 1960s. This drop may be attributable to a variety of reasons, including increased communication via social media, online shopping, and shifting attitudes. In addition, most high schools no longer offer driver education and training, meaning teens must instead pay to take courses and find time to fit them into busy schedules.

5) *Will teens simply put off their license until 21?* The sponsors of this bill note that state and national data suggest enhanced safety outcomes for all first-time novice drivers who participate in a PDL program up to the age of 21. In addition, the state's 2015-2019 Strategic Highway Safety Plan states that "Young drivers have less driving experience, may be less likely to identify hazardous conditions and react to them, and are disproportionately involved in risky driving behaviors that directly result in more crashes than experienced drivers," The report notes that fatalities and severe injuries among drivers between the ages of 15 and 20 comprised 14% of all fatalities and severe injuries from 2012 to 2014 in California, and recommends extending the PDL program to cover novice drivers through age 20. The author notes that currently, an estimated one in three California drivers chooses to wait until they are 18 to obtain a driver's license, creating a substantial number of teen drivers on the road with unrestricted driver's licenses and no driver's education or behind-the-wheel training. Extending the PDL period to 21, however, could encourage teens to wait even longer to obtain a driver's license – resulting in even more "untrained" drivers on California's roads.

6) *REAL ID workload*. The federal REAL ID Act of 2005 establishes new standards for driver's licenses and identification (ID) cards and will require a federally compliant license or ID card in order to board an airplane or enter a federal building by October 1, 2020. In California, beginning in January 2018, individuals will have the option to obtain a federally compliant driver's license or ID card when applying for an original or renewal at a DMV field office. There are currently 29.5 million license and ID card holders in the state; DMV estimates 62% of current and new applicants will choose to have a federally compliant card over the next five years. The recently approved state budget includes 218 positions and $23 million in funding for 2017-18, and 550 positions and $47 million in funding for 2018-19, for this purpose. It is clear that REAL ID compliance will significantly increase DMV's workload, and could affect its ability to meet current and new workload demands.

7) *Opposition concerns*. The Valley Industry and Commerce Association, writing in opposition to this bill, states that this bill goes too far by banning legal adults from carpooling; for example, non-related students would not be able to carpool to school, work, or other activities. VICA also notes that it is unclear whether this bill will increase safety, as a recent report by the Governors Highway Safety Association shows that drivers between the ages of 15 and 17 cause more accidents than drivers between the ages of 18 and 20.

RELATED LEGISLATION:

SB 1223 (Huff, 2016) — would have expanded the provisional driver's license period from 18 to 21 years of age. *This bill was held on the suspense file in the Senate Appropriations Committee.*

AB 235 (Frazier, 2015) — would have expanded restrictions on driving for provisional licensees from the first 12 months to the entire period of the provisional license. *This bill was held on the suspense file in the Senate Appropriations Committee.*

AB 1801 (Frazier, 2014) — was identical to AB 235. *This bill was held on the suspense file in the Assembly Appropriations Committee.*

AB 1113 (Frazier, 2013) — would have required an individual to hold a learner's permit for nine months before applying for a provisional driver's license and would have extended and expanded the driving restrictions on a PDL to the entire duration of the PDL. *This bill was vetoed by the Governor.*

AB 724 (Cooley, 2013) — would have risen the age at which an individual must obtain a PDL from 18 to 20. *This bill was held on the suspense file in the Assembly Appropriations Committee.*

SB 1329 (Leslie, Chapter 760, Statutes of 1997) — established the Brady-Jared Teen Driver Safety Act of 1997, creating the PDL program in its current form.

Assembly Votes:

Floor:	**47-21**
Appr:	**11-6**
Trans:	**8-3**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Association of Highway Patrolmen (co-sponsor)
California Association for Children's Safety and Health (co-sponsor)
Impact Teen Drivers (co-sponsor)
Advocates for Highway and Auto Safety
Alcohol Justice
Allstate
American Academy of Pediatrics
Association of California Life and Health Insurance Companies
California Alcohol Policy Alliance
California Association for Safety Education
California State PTA
Health Officers Association of California
Liberty Mutual Insurance
National Safety Council
Nationwide Mutual Insurance Company
Peace Officers Research Association of California
Personal Insurance Federation of California
Safe Kids
San Marco Prevention Coalition
Sentry Insurance
State Farm

1 individual

OPPOSITION:

Valley Industry and Commerce Association

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 72	**Hearing Date:**	7/11/2017
Author:	Santiago		
Version:	7/3/2017 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Alison Hughes		

SUBJECT: Housing

DIGEST: This bill would require the Department of Housing and Community Development (HCD) to review any action or inaction by a locality that it determines is inconsistent with an adopted housing element, permit HCD to find a locality's housing element out of substantial compliance, and requires HCD to notify the Attorney General of violations of the law.

ANALYSIS:

Existing law:

1) Requires every city and county to prepare and adopt a general plan containing seven mandatory elements, including a housing element.

2) Requires a locality's housing element to identify and analyze existing and projected housing needs, identify adequate sites with appropriate zoning to meet the housing needs of all income segments of the community, and ensure that regulatory systems provide opportunities for, and do not unduly constrain, housing development.

3) Requires, prior to each housing element revision, that each council of governments (COG), in conjunction with the HCD, prepare a regional housing needs assessment (RHNA) and allocate to each jurisdiction in the region its fair share of the housing need for all income categories. Where a COG does not exist, HCD determines the local share of the region's housing need.

4) Requires the jurisdiction to submit a draft housing element to HCD at least 90 days prior to adopting the housing element or 60 days prior to amending the housing element.

5) Requires HCD to review the draft and report its written findings to the local jurisdiction within 90 days of its receipt of the draft in the case of an adoption or within 60 days of its receipt in the case of a draft amendment.

6) Requires HCD to consider written comments from any public agency, group, or person regarding the draft or adopted element or amendment under review.

7) Requires a locality to inventory land suitable for residential development to identify sites that can be developed to meet the locality's RHNA for all income levels. Provides that "land suitable for residential development" includes all of the following:

   a) Vacant sites zoned for residential use;
   b) Vacant sites zoned for nonresidential use that allows residential development;
   c) Residentially zoned sites that are capable of being developed at higher density, including the airspace above sites owned or leased by a city, county, or city and county;
   d) Sites zoned for nonresidential use that can be redeveloped for and as necessary, rezoned for, residential use, including above sites owned or leased by a city, county, or city and county.

8) Allows a locality to do either of the following to show that a site is adequate to accommodate some portion of its share of the RHNA for lower-income households:
   a) Provide an analysis demonstrating that the site is adequate to support lower-income housing development at its zoned density level, and requires the analysis to include, but not be limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone or zones that provide housing for lower income households; or
   b) Zone the site at the jurisdiction's "default" density level.

9) Establishes "default" density levels for purposes of establishing a site's adequacy for supporting lower-income housing development.

10) Requires that, where the inventory of sites does not identify adequate sites to accommodate the need for groups of all household income levels, rezoning of those sites, including adoption of minimum density and development standards, is required by a specified deadline.

11) Requires the rezoning program to accommodate 100% of the need for housing for very low- and low-income households for which site capacity has not been identified in the inventory of sites. These sites must:
    a) Be zoned to permit owner-occupied and rental multifamily residential use by-right during the planning period;
    b) Be zoned with minimum density and development standards that permit between 16 and 20 units per acre, depending on the jurisdiction; and
    c) Accommodate at least 50% of the very low- and low-income housing need on sites designated for residential use and for which nonresidential uses or mixed-uses are not permitted, except that a city or county may accommodate all of the very low and low-income housing need on sites designated for mixed uses if those sites allow 100% residential use and require that residential use occupy 50% of the total floor area of a mixed-use project.

12) Establishes the Housing Accountability Act, which prohibits a local agency from disapproving a proposed housing development project for very low-, low-, or moderate-income households or an emergency shelter, or conditioning approval in a manner that renders the project infeasible for development, unless it makes written findings based upon substantial evidence in the record, as specified.

This bill:

1) Requires HCD to review any action or failure to act by a locality that it determines is inconsistent with the following:
    a) An adopted housing element;
    b) Its inventory of sites suitable to accommodate the locality's regional housing needs assessment (RNHA); and
    c) A program to rezone sites to meet the locality's RNHA.

2) Requires HCD to issue written findings to the locality as to whether the action or failure to act substantially complies with housing element law and provide a reasonable time, not to exceed 30 days, for the locality to respond to the findings before taking any action.

3) Permits HCD, if HCD finds that the action or failure to act by the locality does not substantially comply with housing element law, and if it has issued findings that an amendment to the housing element substantially complies with requirements under housing element law and if HCD has issued findings that an amendment to the housing element substantially complies with housing element law, to revoke its findings until it determines that the locality has come into compliance with housing element law.

4) Requires HCD to notify the locality and the AG that the locality is in violation of the state law if HCD finds that the housing element or an amendment to the housing element, or any action or inaction does not substantially comply with existing housing element law or that the locality has taken an action in violation of the following:

    a) The Housing Accountability Act;
    b) No-net-loss-in zoning density law limiting downzoning and density reductions;
    c) Density Bonus Law;
    d) Prohibiting discrimination against affordable housing; and

COMMENTS:

1) *Purpose of the bill.* According to the author, "There are communities that have either adopted a noncompliant housing element or failed to submit their housing element to HCD for timely review. The lack of enforcement limits the effectiveness of existing planning tools intended to guide and facilitate development of new housing. AB 72 comes at a crucial time for California, when decisions at the state and local level have created barriers in place of building affordable homes, worsening the unprecedented housing affordability crisis in our state. This bill provides greater accountability and enforcement to ensure there continues to be development for new housing."

2) *Housing Elements Background*. Every local government is required to prepare a housing element as part of its general plan. The housing element process starts when HCD determines the number of new housing units a region is projected to need at all income levels (very low-, low-, moderate-, and above-moderate income) over the course of the next housing element planning period to accommodate population growth and overcome existing deficiencies in the housing supply. This number is known as the RHNA. The COG for the region, or HCD for areas with no COG, then assigns a share of the RHNA number to every city and county in the region based on a variety of factors.

    The housing element must show how the city or county plans to accommodate its share of the RHNA. The housing element must include an inventory of sites already zoned for housing. If a community does not have enough sites within its existing inventory of residentially zoned land to accommodate its entire RHNA, then the community must adopt a program to rezone land within the first three years of the planning period.

HCD adopts guidelines advising a local government on how to prepare its housing element and requirements for what is included in the housing element. The planning agency of a city or county submits a draft housing element or an amendment to a housing element to HCD for review prior to adopting it. HCD is required to review the housing element or an amendment and may consult with any public agency, group, or person. The department then makes written findings as to whether or not the draft element or amendment substantially complies with state law. If HCD finds that the housing element or amendment does not substantially comply the local government can either change it to substantially comply or adopt it without any changes along with a resolution detailing why the local government believes that it is in compliance. A local government submits its final housing element to HCD and the department is required with in ninety days to review the final housing element and report its findings to the planning agency of the local government.

3) *Creating more accountability*. Some communities do not comply with housing element requirements. State law requires HCD to review each community's housing element for compliance with state requirements and in recent years, HCD has found that most (around 80%) housing elements comply with state laws. A minority of communities, however, have either adopted a noncompliant housing element or failed to submit their housing element to HCD for timely review. Communities without an approved housing element face limited ramifications.

   A recent HCD report, *California's Housing Future: Challenges and Opportunities*, states that there is a lack of implementation and enforcement of planning laws, which has created barriers to housing developments. The lack of enforcement of State housing laws limits the effectiveness of existing planning tools intended to guide and facilitate housing development. The report also states that the primary mechanism to enforce State housing law is through the judicial system. For example, an interested party can legally challenge the actions of local government by filing a lawsuit when a local government's Housing Element is out of compliance with State law or when a local government denies approval of an affordable housing development. Money, time, and interest are necessary to pursue judicial remedies. In addition, developers are hesitant to seek a judicial remedy in localities where they intend to have future development. The lack of enforcement and lack of consequences for noncompliance with State requirements limits the effectiveness of these laws.

   This bill gives the HCD authority to find a locality's housing element out of substantial compliance if it determines that the locality acts or fails to act in

compliance with its housing element and HCD had previously approved the locality's housing element (*ie* found the housing element in substantial compliance). Additionally, it requires HCD to refer violations of housing law to the AG.

4) *Opposition.* The League of California Cities, writing in opposition to a prior version of the bill, asserts that this bill allows HCD to second-guess any action taken by a city or county that it determines is inconsistent with a state approved housing element, the HAA, or a number of other housing related laws, which could slow down construction. Additionally, the opposition writes that this bill grants HCD the right to review "any action or failure to act by the city, county, or city and county that it determines inconsistent with an adopted housing element" but fails to explain how HCD is supposed to determine that an action is inconsistent with the law in the first place.

Assembly Votes:
Floor: 58-19
Appr: 13-4
H&CD: 6-1

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Housing Consortium (Co-Sponsor)
California Rural Legal Assistance Foundation (Co-Sponsor)
Western Center on Law & Poverty (Co-Sponsor)
Bay Area Council
Bridge Housing
California Apartment Association
California Association of Realtors
California Commission on Aging
California Council for Affordable Housing
LeadingAge California

OPPOSITION:

League of California Cities (prior version)

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 91	**Hearing Date:**	7/11/2017
Author:	Cervantes		
Version:	6/20/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Manny Leon		

SUBJECT: High-occupancy vehicle lanes

DIGEST: This bill modifies high-occupancy vehicle (HOV) lane occupancy requirements in Riverside County, as specified.

ANALYSIS:

Existing law:

1) Authorizes the Department of Transportation (Caltrans) and local authorities, with respect to highways under their respective jurisdictions, to permit preferential use of highway lanes for HOVs, under specific conditions.

2) Requires Caltrans, or the appropriate local entity, to produce engineering reports that estimate the effect of an HOV lane prior to establishing the lane. The reports must evaluate the proposals for safety, congestion, and highway capacity.

3) Vests, under federal law, state departments of transportation with responsibility for establishing occupancy requirements for vehicles using HOV lanes, except that the requirement can be no less than two occupants.

This bill:

1) Prohibits, notwithstanding any other law, an HOV lane from being established in Riverside County unless the HOV lane is established on a part-time basis, and requires any existing HOV lanes in Riverside County to be converted to part-time operation.

2) Provides exceptions to both of these provisions if the Caltrans, with the concurrence of the Riverside County Transportation Commission (RCTC) and the Southern California Association of Governments, determines that

compliance with the prohibition or conversion requirements will result in either of the following:

a) Federal financial penalties or disqualification from future funding; or

b) Costs to local or regional governments to provide transportation control measures.

3) Requires Caltrans to report to the Legislature by January 1, 2020, on the impact to traffic by converting these HOV lane segments to part-time operation.

4) Provides that, on or after May 1, 2019, if Caltrans determines that part-time operation of these lanes has resulted in an adverse impact on safety, traffic conditions, or the environment, it may notify the Assembly Committee on Transportation and the Senate Committee on Transportation and Housing of its intent to reinstate the lanes to 24-hour operation; thereafter, specifically authorizes Caltrans to reinstate full-time operation of the HOV lanes.

5) Specifically provides that nothing in the bill prevents Caltrans or RCTC from developing and operating high-occupancy toll facilities.

6) Makes provisions requiring the conversion of HOV lanes in Riverside County to part-time HOV operation operative on July 1, 2018, and repeals these same provisions 60 days after Caltrans notifies the Legislature of its intent to reinstate the lanes to 24-hour operation; requires Caltrans to post the date that the Legislature receives the notice on the department's Internet website.

COMMENTS:

1) *Purpose.* According to the author, "AB 91 seeks to require any new carpool lane or existing carpool lane in Riverside County to use "part-time operation." This will allow any vehicle to access the carpool lanes during non-peak traffic hours. The 91 Freeway in particular is Riverside's County's lifeline to the rest of Southern California. Many residents in Riverside County work in Los Angeles and Orange Counties creating long and frustrating commutes. This bill highlights the need for carpool flexibility and access during non-peak traffic hours to establish a more efficient use of carpool lanes."

2) *HOV lanes.* HOV lanes, also known as carpool or diamond lanes, are a traffic management strategy to promote and encourage ridesharing which, in turn, aims to alleviate vehicle congestion and maximize the people-carrying capacity of the state's highways. Motorcycles, transit vehicles (i.e. public transit buses)

and passenger vehicles with two or more (2+) occupants are allowed to access HOV lanes during their operational hours. Furthermore, an "occupant" is considered any person who occupies a safety restraint device, i.e. seat-belt. HOV operational hours vary in northern and southern parts of the state:

> In Northern California, HOV lanes are only operational on Monday thru Friday during posted peak congestion hours, for example: between 6 a.m. - 10 a.m. and 3 p.m. - 7 p.m. All other vehicles may use the lanes during off-peak hours. This is referred to as "part-time" operation.
>
> In Southern California, HOV lanes are generally separated from other lanes by a buffer zone. The HOV lanes are in effect 24-hours a day, 7-days a week, referred to as "full-time" operation.

The difference in north/south operational periods is a result of varied traffic/commute patterns. Northern California highways usually experience two weekday congestion periods during peak morning and afternoon commute hours, followed by a long period of non-congestion. Full-time operation would leave the HOV lane relatively unoccupied during off-peak hours and would not constitute an efficient use of the roadway. On the other hand, Southern California highways typically experience very long hours of congestion, generally between six to eleven hours per day, with short off-peak traffic hours. Part-time operation under these conditions is generally considered impractical.

On top of attempting to improve commute times for Riverside County commuters, the author also introduced this bill, in part, due to the California Transportation Commission's (CTC) recommendation made in its 2016 annual report to the Legislature. Specifically, CTC recommended that Caltrans review the hours of HOV operation in Southern California as part of the department's statutorily-required report to the Legislature on the degradation status of the HOV lanes on the state highway system.

3) *Previously vetoed legislation*. Over the years, a number of similar bills have been introduced by the Legislature only to fail passage or be vetoed by the Governor. Most recently, AB 1908 (Harper, 2016) would have prohibited HOV lanes from being established on state highways in southern California unless the lane is established on a part-time basis and would have also required all southern California HOV lanes to be converted from full-time to part-time operation. AB 1908 failed passage in the Assembly Transportation Committee.

In 2015, AB 210 (Gatto) would have required the conversion of HOV lanes on SR 134 and SR 210 from full-time to part-time operation. AB 210 was passed

by the Legislature with only one "No" vote recorded on the Assembly Floor. Governor Brown vetoed the bill stating, "I continue to believe that carpool lanes are especially important in Los Angeles County to reduce pollution and maximize the use of freeways. Therefore, we should continue to retain the current 24/7 carpool lane control."

In 2013, the Legislature passed AB 405 (Gatto), a bill identical to AB 210 except for the specified dates. AB 405 received only two "No" votes on both the Assembly and Senate Floors. Governor Brown vetoed the bill stating, "Carpool lanes are especially important in Los Angeles County to reduce pollution and maximize use of freeways. We should retain the current 24/7 carpool lane control."

Lastly, in 2012 the Legislature passed and sent to Governor Brown AB 2200 (Ma), which suspended the HOV lane on eastbound Interstate 80 in the San Francisco Bay Area during the morning commute. That bill was also vetoed by Governor Brown. In his veto message, the governor stated, "Encouraging carpooling is important to reduce pollution and make more efficient use of our highways. This bill goes in a wrong direction."

Assembly votes:

Floor: 73-1
Approps: 12-0
Trans: 11-2

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

None received.

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 174	**Hearing Date:**	7/11/2017
Author:	Bigelow		
Version:	1/17/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: California Transportation Commission: membership

DIGEST: This bill requires at least one voting member of the California Transportation Commission (CTC) to reside in a rural county with a population of less than 100,000 individuals.

ANALYSIS:

Existing law:

1) Directs CTC to advise and assist the Secretary of Transportation and the Legislature in formulating and evaluating state policies and plans for transportation programs in the state.

2) Provides CTC with 13 members, appointed as follows:

   a) Nine members appointed by the Governor with the advice and consent of the Senate;

   b) One member appointed by the Speaker of the Assembly;

   c) One member appointed by the Senate Rules Committee; and,

   d) Two ex-officio, non-voting members appointed one each from the State Senate and Assembly.

3) Provides that, other than ex-officio members, CTC members hold office for terms of four years.

4) Requires, in appointing members of CTC, that the Governor make every effort to assure that there is a geographic balance of representation, with members

from northern and southern areas and from the urban and rural areas of the state, and provides that each member is to serve the state at large.

This bill requires that at least one voting member of the CTC reside in a rural county with a population of less than 100,000 individuals.

COMMENTS:

1) *Author's Statement.* "Time and time again rural California is underrepresented, underfunded, and fighting for their voices to be heard. It is impossible for the Commission to adequately meet the needs of our demographically diverse state when such portions are without a voice. AB 174 diversifies the CTC by requiring at least one voting member to reside in a county of 100,000 people or less."

2) *What's the Problem?* Current law requires the Governor to "make every effort to assure that there is a geographic balance of representation on the commission as a whole, with members from the northern and southern areas and from the urban and rural areas of the state." Therefore, state law already addresses the author's concerns. Moreover, current law requires each CTC member to represent the state at large. To support the claim that small counties aren't getting a fair shake, the author notes that last May, when the CTC cut $754 million from scheduled projects due to a funding shortfall, 30% of the projects cut were in counties with a population of less than 100,000. But the dollar value of the projects cut in those counties was 15.9% of the total, a much smaller percentage.

3) *Disproportionate?* Twenty-three of California's 58 counties have populations of less than 100,000. Yet those counties collectively have a population of less than one million, less than 3% of California's total. Requiring one of 11 voting CTC members to be from one of those counties would give those counties 9% of the CTC votes. This appears to provide rural counties with disproportionate representation on the CTC.

4) Representing Everyone. Setting aside one commissioner slot for a small rural county is a slippery slope which will naturally lead to the atomization of the CTC, with every interest group desiring a commissioner representing their narrow interest. This seems unwise, particularly given that an integrated transportation system is a matter of statewide interest and that commissioners are required by law to serve the state at large. Consequently*, the committee may wish to hold this bill.*

RELATED LEGISLATION:

AB 179 (Cervantes, 2017) — requires one of the voting members of the CTC to have experience working with California communities that are most significantly burdened by high levels of pollution. *This bill is pending in this committee.*

AB 1982 (Bloom, 2016) — would have added two members representing disadvantaged communities to CTC. *This bill failed in the Assembly.*

AB 1290 (John A. Pérez, 2013) — would have modified the composition of the CTC and imposed new duties relative to assessing progress in implementing sustainable communities strategies. *This bill was vetoed*.

Assembly Votes:
Floor: 70-2
Appropriations: 16-0
Transportation: 11-2

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Amador County Board of Supervisors
Amador County Transportation Commission
Calaveras Council of Governments
California Senior Legislature
El Dorado County Board of Supervisors
Fresno Chamber of Commerce
Glenn County Board of Supervisors
Joint Chambers Commission of El Dorado County
Mariposa County Board of Supervisors
Mendocino County Board of Supervisors
Modoc County Board of Supervisors
Mono County Board of Supervisors
Patty Borelli, Chair – El Dorado County Transportation Commission
Rural County Representatives of California
Sierra County Board of Supervisors
Tehama County Board of Supervisors
Tuolumne County Board of Supervisors

Tuolumne County Transportation Council

OPPOSITION:

Self-Help Counties Coalition

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 179	**Hearing Date:**	**7/11/2017**
Author:	Cervantes		
Version:	6/8/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: California Transportation Commission

DIGEST: This bill requires one member of the California Transportation Commission (CTC) to have worked directly with those communities that are most significantly burdened by high levels of pollution, including those communities with racially and ethnically diverse populations or with low-income populations.

ANALYSIS:

Existing law:

1) Directs CTC to advise and assist the Secretary of Transportation and the Legislature in formulating and evaluating state policies and plans for transportation programs in the state.

2) Provides CTC with 13 members, appointed as follows:

   a) Nine members appointed by the Governor with the advice and consent of the Senate;

   b) One member appointed by the Speaker of the Assembly;

   c) One member appointed by the Senate Rules Committee; and,

   d) Two ex-officio, non-voting members appointed one each from the State Senate and Assembly.

3) Provides that, other than ex-officio members, CTC members hold office for terms of four years.

4) Requires, in appointing members of CTC, that the Governor make every effort to assure that there is a geographic balance of representation, with members

from northern and southern areas and from the urban and rural areas of the state, and provides that each member is to serve the state at large.

This bill:

1) Requires one member of the CTC to have worked directly with those communities that are most significantly burdened by high levels of pollution, including those communities with racially and ethnically diverse populations or with low-income populations.

2) Requires the CTC and the State Air Resources Board (ARB) to hold at least two joint meetings annually to coordinate their implementation of transportation policies.

COMMENTS:

1) *Purpose.* The author introduced this bill because recent changes to state law have required other state boards and commissions to include members with experience with disadvantaged communities. Without such a provision there is no statutory guarantee of representation at the CTC.

2) *Who's qualified?* The author correctly notes that both the California Coastal Commission and the ARB are required to have members with experience working with disadvantaged communities. (The ARB requirement only extends to appointments by the Legislature.) However, this is by no means a uniform requirement. As examples: The California Public Utilities Commission, the State Board of Education, the High Speed Rail Authority, the California Regional Water Quality Control Boards and the Agricultural Labor Relations Board have no specific qualifications for their members. The California Energy Commission requires that its members represent specified professions.

3) *It's Not Your Father's Transportation Infrastructure.* The concerns of the 1970's, when the CTC was created, were about how to create a unified statewide vision for transportation. Now, more than 40 years later, the issues of pollution, climate change, congestion, economic inequality, land use and the creation of new innovative technologies have greatly complicated the CTC's job. It's no longer just about building roads; it's about providing mobility. Like any other institution, adapting to new concerns and values will be a challenge for the CTC.

4) *I Can't Hear You.* Supporters have provided anecdotal evidence of dismissiveness by CTC commissioners, though they generally note improving

access to and responsiveness by, CTC staff. Supporters are concerned that they aren't being heard, though it is difficult to identify specific CTC decisions which demonstrate their point.

5) *Representing Everyone.* Setting aside one commissioner slot for an environmental justice representative is a slippery slope which will naturally lead to the atomization of the CTC, with every interest group desiring a commissioner representing their specific interest. This seems unwise, particularly given that an integrated transportation system is a matter of statewide interest and that commissioners are required by law to serve the state at large. There are alternative mechanisms to this bill for ensuring that underrepresented voices are heard, such as establishing an advisory committee for environmental justice issues or establishing a policy requiring the CTC to consider environmental justice perspectives when making decisions. Consequently*, the committee may wish to hold this bill.*

RELATED LEGISLATION:

AB 174 (Bigelow, 2017) — would require at least one voting member of CTC to reside in a rural county with a population of less than 100,000 individuals. *AB 174 is pending in this committee.*

AB 1982 (Bloom, 2016) — would have added two members representing disadvantaged communities to CTC. *AB 1982 failed passage in the Assembly.*

AB 2382 (Lopez, 2016) — would have required that at least one member of the California High-Speed Rail Authority Board appointed by the Governor be a person who is from a disadvantaged community. *AB 2382 failed passage in the Assembly.*

AB 1288 (Atkins, Chapter 586, Statutes of 2015) — added two additional legislative appointees to the Air Resources Board with expertise in environmental justice.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Alameda County Board of Supervisors

American Cancer Society Cancer Action Network
American Lung Association in California
Asian Pacific Environment Network
Asian Law Alliance
Breathe California
California Bicycle Coalition
California Environmental Justice Alliance
California Pan Ethnic Health Network
California Walks
Catholic Charities, Diocese of Stockton
Center for Community Action and Environmental Justice
Center for Climate Change and Health
Change Lab Solutions
ClimatePlan
Climate Resolve
Coalition for Clean Air
Father and Families of San Joaquin
Leadership Counsel for Justice and Accountability
Los Angeles County Bicycle Coalition
Move LA
Multicultural Communities for Mobility
PolicyLink
Physicians for Social Responsibility – Los Angeles
Public Advocates
Safe Routes to School National Partnership
San Diego County Bicycle Coalition
Sierra Club California
Sunflower Alliance
TransForm
Trust for Public Lands
350 Bay Area

OPPOSITION:

California Delivery Association
Orange County Transportation Authority
Self-Help Counties Coalition

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 301	**Hearing Date:**	7/11/2017
Author:	Rodriguez		
Version:	6/28/2017 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: Commercial motor vehicles: examination requirements: driving skills test

DIGEST: This bill requires the state Department of Motor Vehicles (DMV) to establish performance goals related to administering the driving skills test for commercial driver's licenses (CDLs); convene a stakeholder group to make recommendations on achieving these goals; and report to the Legislature on the progress of implementing those recommendations.

ANALYSIS:

Existing law:

1) Prohibits an individual from operating a commercial motor vehicle unless he or she has in his or her immediate possession a valid CDL of the appropriate class. Requires a CDL for a variety of trucks weighing more than 26,000 lbs., passenger buses, and vehicles carrying hazardous materials.

2) Requires an individual, in order to obtain a CDL, to successfully complete both a written and driving test that comply with the minimum federal standards to operate a commercial motor vehicle. Requires DMV to prescribe and conduct these tests.

3) Authorizes DMV to enter into agreements with third-party testers to administer the CDL driving skills test (the Employer Testing Program) but requires applicants to take the CDL written test at DMV.

4) Exempts members and reservists of the U.S. Armed Forces, National Guard, and U.S. Coast Guard from all CDL requirements and sanctions.

This bill:

1) Requires DMV to establish performance goals related to administering the driving skills test for CDLs, including, but not limited to, reducing the average maximum wait time to take the driving skills test for a CDL in any DMV field office to 14 days by July 1, 2019 and to 7 days by July 1, 2021.

2) Requires DMV to convene a stakeholder group to make recommendations to DMV on achieving the performance goals, including, but not limited to:

   a) An association of commercial driving institutions.
   b) An association of licensed motor carriers operating in California.
   c) An association of public transit agencies.
   d) An association representing CDL examiners at DMV.
   e) A CDL examiner employed by DMV and experienced in administering the driving skills test.
   f) Administrative staff at DMV with knowledge of the facilities requirements for conducting the driving skills test and an understanding of the facilities procurement process.
   g) A statewide public safety labor organization whose members may be required to maintain a CDL for the performance of their duties.

3) Requires DMV, no later than January 1, 2019, to submit to the relevant legislative budget and policy committees a report detailing the performance goals it has adopted, the recommendations generated by the stakeholder group, and a plan of how DMV will achieve and implement the goals and recommendations. The report shall include, but need not be limited to:

   a) The number of driving skills test examiners available to test applicants and the number of additional driving skills test examiners needed to achieve the stated goals, and estimated costs.
   b) The number and locations of current sites that offer driving skills tests and the number and proposed locations of additional DMV and commercial testing center locations needed to achieve the stated goals, and the estimated costs.
   c) Internal efficiency improvements that can be made within DMV to reduce wait times.
   d) Actions DMV needs to take to ensure driving skills test applicants use equipment that meets minimum federal standards during the driving skills test.
   e) Actions DMV has taken, or plans to take, to establish the maximum amount of time each applicant can take to complete the driving skills test.

f) Actions DMV has taken, or plans to take, to ensure the proper and efficient scheduling of appointments for license endorsements for CDLs.
g) Any and all other innovative strategies to reduce wait times.
h) The methodology DMV intends to use to collect and monitor wait times.
i) An implementation timeline.

4) Requires DMV on January 1, 2020, and annually thereafter, to submit a report to the Legislature describing its achievement of the performance goals and progress in implementing the recommendations of the stakeholder group.

COMMENTS:

1) *Purpose*. The author states that the U.S. is already facing a shortage of 38,000 truck drivers and that shortage is expected to grow. Delays at DMV of up to 65 business days are causing significant hardships for Californians who are ready and willing to work, but are unable to fill available jobs without a license. This bill sets the standard that students should be able to obtain a skills test appointment within a reasonable 7 days and holds the DMV accountable to develop policies to meet that goal.

2) *What's the problem?* CDL applicants across the state have been experiencing significant wait times to obtain a DMV driving skills test appointment. A survey of DMV testing locations in June 2016 showed that minimum wait times averaged 19 business days, with much longer wait times at some locations. In December 2016, 17 of the 23 driving skills test locations had wait times of longer than three weeks, with the Montebello location having a wait time of 65 business days, or 13 weeks.

3) *What's DMV doing about it?* DMV is taking steps to address industry concerns, including opening up Saturday appointments in 18 of its busiest CDL test locations to help reduce the backlog and instituting online appointment scheduling to help make it easier to book and track appointments. The author states that although DMV is making strides to reduce the backlog, it is clear that the current resources available to DMV are insufficient to keep up with increasing demand. According to the Assembly Appropriations Committee, in order to meet a seven day requirement, DMV would need to hire additional permanent staff and possibly procure new testing facilities, which could cost tens of millions of dollars. This bill does not provide any additional resources to DMV. The author states, however, that this bill will help identify additional ways to reduce the backlog and keep appointment wait times at reasonable levels.

4) *Other factors contributing to wait times.* DMV attributes long wait times for appointments at least partially to the limited number of physical locations capable of performing the driving skills test, which can take up to three hours, as well as appointment cancellations and no-shows. In addition, some applicants must take the driving skills test multiple times due to being inadequately prepared by third-party testing programs. Until this year, the federal government required an individual to pass a written test and a driving test in order to obtain a CDL, but not to take a course of instruction prior to taking the tests. A new federal regulation establishes minimum training requirements for CDLs and requires all training providers to register with the Federal Motor Carrier Safety Administration by February 2020. The requirement to obtain federal approval may reduce the number of truck driving schools that inadequately prepare aspiring truck drivers.

5) *FAST Act*. The federal Fixing America's Surface Transportation (FAST) Act, signed into law by President Obama in December 2015, requires FMCSA to monitor wait times in each state. The FAST Act also requires FMCSA to report to Congress on steps it is taking to address skills testing delays in states with wait times of more than 7 days. Accordingly, earlier this year FMCSA began conducting a survey of states and invited public comment. FMCSA's first report was due to Congress by June 1, 2017; it expects to submit a final report in August. The author points to this report as "setting a 7-day standard" for CDL wait times. SEIU Local 1000, writing in opposition to this bill, states that establishing specific goals is premature because the federal government is still reviewing state wait times.

6) *Stakeholder committee*. This bill requires DMV to establish specific performance goals, and to convene a stakeholder group to make recommendations to DMV on how to achieve those goals. It also requires DMV to report to the Legislature on the performance goals it has adopted, the recommendations from the stakeholder groups, and a plan of how DMV will achieve and implement the goals and recommendations. Legislation requiring a state agency to convene an advisory committee generally requires the agency to consider the recommendations of the committee, rather than requiring the agency to actually implement those recommendations. Moving forward, the author may wish to consider amending this bill to require DMV to instead report the progress implementing the recommendations it adopted, as well as reporting on which recommendations it did not adopt and why not.

7) *REAL ID workload*. The federal REAL ID Act of 2005 establishes new standards for driver's licenses and identification (ID) cards and will require a

federally compliant license or ID card in order to board an airplane or enter a federal building by October 1, 2020. In California, beginning in January 2018, individuals will have the option to obtain a federally compliant driver's license or ID card when applying for an original or renewal at a DMV field office. There are currently 29.5 million license and ID card holders in the state; DMV estimates 62% of current and new applicants will choose to have a federally compliant card over the next five years. The recently approved state budget includes 218 positions and $23 million in funding for 2017-18, and 550 positions and $47 million in funding for 2018-19, for this purpose. It is clear that REAL ID compliance will significantly increase DMV's workload, and could affect its ability to meet current and new workload demands.

RELATED LEGISLATION:

SB 158 (Monning, 2017) — would require DMV to adopt regulations relating to entry-level driver training requirements for commercial truck drivers, as specified. *This bill is scheduled to be heard in the Assembly Transportation Committee on July 10th.*

Assembly Votes:

Floor:	**77-0**
Appr:	**16-0**
Trans:	**13-0**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Trucking Association (co-sponsor)
Commercial Vehicle Trucking Association (co-sponsor)
Advance Bus and Truck Driving School
Advanced Career Institute
America Truck Driving School, Inc.
Britton Trucking Company, Inc.
California Association for Coordinated Transportation
California Bus Association
California Professional Firefighters
California Statewide Law Enforcement Association

California Transit Association
City of Ontario
Commercial Drivers Learning Center
Covenant Transport
East Valley College
Foothill Transit
Fresno Chamber of Commerce
Fresno County Economic Development Corporation
Fresno County Rural Transit Agency
Fresno Mayor Lee Brand
Fresno Department of Transportation, Fresno Area Express
Fresno Professional Employees Association
Green Valley Truck School
Hi-Desert Truck Driving School
Kings County Economic Development Corporation
Mid-Valley Disposal
Mission Truck Academy
P. Steve Ramirez Vocational Training Centers
Roadmaster Drivers School
Truck Driving Academy
Truck Nation School
United Truck Driving School
Universal Truck Driving School
Vacaville Chamber of Commerce
Werner Enterprises, Inc.
West Hills Community College District
Western Propane Gas Association
Western Truck School
William M. Maguy School of Education – A Division of Proteus, Inc.

OPPOSITION:

Service Employees International Union, Local 1000

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 344	**Hearing Date:**	7/11/2017
Author:	Melendez		
Version:	7/3/2017 Amended		
Urgency:	No	**Fiscal:**	No
Consultant:	Manny Leon		

SUBJECT: Toll evasion violations.

DIGEST: This bill defers the payment requirements for a person contesting a notice of toll evasion violation through an administrative review hearing.

ANALYSIS:

Existing law:

1) Provides that evasion of tolls is a civil offense, rather than a criminal offense.

2) Generally requires a notice of toll evasion violation to be issued within 21 days of the violation, and prescribes specific information that must be included in the notice.

3) Provides that the notice of toll evasion is required to include the following information:

   a) The vehicle license plate number.

   b) The registration expiration date and the make of the vehicle, if practicable.

   c) A clear and concise explanation of the procedures for contesting the violation and appealing an adverse decision, as specified.

4) Provides that a person may contest a notice of toll evasion and requires a toll agency to investigate a contesting request with its own records and staff, as specified. Further provides that if a toll agency determines that a violation did not occur or that the registered owner is not responsible for the violation, the toll agency is required to cancel the toll evasion violation and notify the person who contested the toll evasion notice, as specified.

5) Provides that if a person is not satisfied with the results related to the abovementioned appeal process, a person may request an administrative review for contested toll evasion citation(s), and further requires that a person

contesting a violation(s) must deposit the toll evasion penalty amount at the time the appeal is requested, as specified.

6) Directs the Department of Motor Vehicles (DMV) to refuse to renew a vehicle registration with outstanding toll evasion citations.

This bill:

1) Removes the requirement that a person contesting a notice of toll evasion violation must pay the associated penalty at the time an appeal is sought. Instead, requires that the penalty be paid, following the result of an investigation, administrative review, or court ruling, whichever is later, if found guilty.

2) Allows for the administrative review conducted to include reviews of multiple notices of toll evasion violation or notices of delinquent toll evasion of a person.

COMMENTS:

1) *Purpose.* According to the author, "With the current toll violation system in place, it is assumed the person charged with the crime is guilty without any factual evidence considered. Californians have the right to be innocent until proven guilty. In other words, Californians should not have to pay a fine without certain conviction for that crime. Appealing toll violations also hurts the state's most vulnerable populations the hardest: low-income families. This bill will allow individuals contesting a toll violation to postpone paying their fine until they are proven guilty, upholding their Constitutional right to due process."

2) *Existing process.* Under the existing statutory framework, a person that receives a notice of toll evasion violation has the ability to contest the notice by requesting the toll agency to investigate the notice at no cost. Upon receiving the request, toll agencies will typically investigate the accuracy of the contested violation by reviewing the transaction date and time, license plate number, vehicle registration, and whether the vehicle has an account with the toll agency. If it is determined that a violation did not occur, a toll agency will cancel the notice and associated penalties and will also mail the results of the investigation to the person who contested the notice. If it is determined that a violation did occur, the person contesting the notice is responsible for paying the tolls and any associated fines.

If a person remains unsatisfied with the results from the toll agency's first investigation, a person may contest the results through a second process that includes an administrative review by an independent party. At this point the person contesting the notice is required to deposit an amount equal to the toll plus any associated fines and is required to receive an administrative hearing within 90 days of the request. Similar to the first investigation, an administrative reviewer will return the toll amount and associated fines if it is determined that a person was not guilty of toll evasion.

3) *Additional measures.* While the abovementioned process is administered by all toll agencies across the state for anyone that elects to dispute a toll evasion notice, toll agencies provide additional options for motorist that receive toll evasion violations yet may be experiencing financial hardships or have difficulty paying tolls. For example, the Los Angeles County Metropolitan Authority (METRO) offers to waive penalties if a person received a notice(s) due to not having a subscription to a FasTrak account if that person chooses to sign up for an account. Additionally, METRO will automatically exempt a motorist's first toll evasion violation if it's determined that the vehicle has no known record of a prior violation. The Orange County Transportation Authority (OCTA) has policies in place to allow for the penalty deposit to be decreased or waived in cases of economic hardship when requesting an administrative review. Lastly, the Transportation Corridor Agencies offer motorists the opportunity to pay tolls without an account within five days of receiving a notification without any penalty and offer a seven day grace period for motorists that receive a toll evasion notice to pay only the toll without any penalties.

4) *Incentive for bad actors?* Supporters of this bill note that a person must pay the toll amount and fine prior to receiving an administrative review of the toll violation, placing financial hardship on low income individuals. However, this bill will allow for any motorist that receives a toll violation notice to request an administrative review without having to submit the toll amount and associated fines, regardless of their ability to pay. While low income motorists would be afforded the opportunity to request a second review without having to submit a payment, so would all other motorists receiving a toll evasion violation notice. As a result, this bill may incentivize repeat toll violators to continue illegally using toll roads by allowing payment to be delayed/postponed for an extended period of time while all opportunities to challenge the toll evasion notice are exhausted. Furthermore, as mentioned, toll agencies currently have policies in place to allow an individual to demonstrate financial hardship when contesting a notice or providing a period of time to allow an individual to pay a toll amount without any fines. Thus, it is unclear who may benefit with the option

to delay payment on a second review beyond motorist that habitually evade tolls. **Given that the bill in its current form incentivizes repeat offenders to delay paying fines and continuously violate the law, the committee may wish to hold this bill**.

5) *Costly process.* Upon the request for an administrative review, toll agencies are required to schedule the hearing/review within 90 days. While toll agencies are required to schedule the hearing/review, the person contesting the notice is not responsible for the cost associated with setting up the hearing if they do not appear at the scheduled time or submitting any necessary documentation in a timely manner. Consequently, this would leave toll agencies responsible for covering the cost of the hearing which ranges from $250 to $300 per hearing regardless if the individual requesting the hearing appears and/or participates. As requiring a payment upon request of a second appeal provides an incentive for an individual to attend/participate in an administrative hearing, deferring a payment may result in toll agencies experiencing a notable increase in administrative hearings and reviews, in turn potentially resulting in significant cost increases to toll agencies and ultimately to lawful motorists using toll roads.

   Recent amendments were introduced to allow an individual to have an administrative hearing for multiple notices of toll evasion. However, toll agencies currently have the ability to hold a hearing for multiple notices and an individual requesting a hearing would still not be responsible to cover hearing cost if they failed to attend.

Assembly votes:

Floor:	**80-0**
Trans:	**14-0**

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

American Civil Liberties Union
Courage Campaign
Law Enforcement Action Partnership
Riverside Temple Beth El

National Center for Lesbian Rights
San Francisco Public Defender
Teamsters
Western Center on Law and Poverty

OPPOSITION:

Alameda County Transportation Commission
Bay Area Toll Authority
Los Angeles County Metropolitan Transportation Authority
Orange County Business Council
Orange County Transportation Authority
San Bernardino County Transportation Authority
South Orange County Economic Coalition
Transportation Corridor Agencies

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 390	**Hearing Date:**	7/11/2017
Author:	Santiago		
Version:	6/12/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: Pedestrian crossing signals

DIGEST: This bill makes it legal for a pedestrian to enter the crosswalk after a "DON'T WALK" signal is displayed.

ANALYSIS:

Existing law:

1) Allows a pedestrian who is facing a pedestrian control signal showing a "WALK" or a "Walking Person" symbol, to proceed across the roadway in the direction of the signal, but requires the pedestrian to yield the right-of-way to vehicles lawfully within the intersection at the time the signal is first shown.

2) Prohibits a pedestrian from starting to cross a roadway in the direction of a pedestrian control signal when it shows "DON'T WALK" OR "WAIT" or an "Upraised Hand" symbol.

3) Allows a pedestrian who has partially completed crossing a roadway to complete the crossing while the "DON'T WALK" or "WAIT" or "Upraised Hand" symbol is still displayed.

This bill:

1) Allows a pedestrian to begin crossing the roadway after a pedestrian control signal shows a flashing "DON'T WALK" or "WAIT" or "Upraised Hand" symbol, but requires the pedestrian to complete the crossing prior to display of the steady "DON'T WALK" or "WAIT" or "Upraised Hand" symbol.

2) Clarifies that a pedestrian who has partially completed crossing a roadway may complete the crossing while the steady "DON'T WALK" or "WAIT" or "Upraised Hand" symbol is still displayed.

COMMENTS:

1) *Purpose*. The author states that most pedestrians are unaware that they are not supposed to cross when the flashing upraised hand and the countdown timer are displayed and are surprised when they are cited for this violation. While most jurisdictions seldom cite for this offense, the Los Angeles Police Department (LAPD) recently began citing regularly for this violation. In fact, the Los Angeles Times recently published that LAPD cites this violation four times more often than any other pedestrian offense. This bill will protect pedestrians from being cited and from incurring the associated financial burden.

2) *Background on existing state law.* Existing law requires the state Department of Transportation (Caltrans) to adopt rules and regulations prescribing uniform standards for traffic control devices in the state. Caltrans established the California Traffic Control Devices Committee (CTCDC) to fulfill this mandate. The CTCDC reviews rules and regulations and makes recommendations to the Caltrans director, who ultimately adopts and publishes them in the California Manual of Uniform Traffic Control Devices (MUTCD). The CTCDC is made up of representatives from Caltrans, the California Highway Patrol (CHP), and local governments, and also consults with technical advisors. Regarding pedestrian control signals, the MUTCD indicates that:

   "Following the pedestrian change interval, a buffer interval consisting of a steady UPRAISED HAND (symbolizing DON'T WALK) signal indication shall be displayed for at least 3 seconds prior to the release of any conflicting vehicular movement...the pedestrian clearance time should be sufficient to allow a pedestrian crossing in the crosswalk who left the curb or shoulder at the end of the WALKING PERSON (symbolizing WALK) signal indication to travel at a walking speed of 3.5 feet per second to at least the far side of the traveled way or to a median of sufficient width for pedestrians to wait."

3) *How expensive is a violation?* While existing law authorizes a base fine of $25 for entering a crosswalk when the flashing upraised hand and countdown timer are displayed, the actual total cost of a ticket can run as high as $250 due to additional surcharges, penalties, and assessments.

4) *Codifying existing behavior or putting pedestrians at risk?* The author states that this bill aligns the law with what most pedestrians are already doing. According to the author, trying to educate pedestrians about the existing law prohibition on entering the crosswalk after the "DON'T WALK" or "Upraised Hand" symbol is displayed would be expensive, complicated, and take many

years. According to the *California Driver Handbook*, published by the state Department of Motor Vehicles, countdown traffic signal lights "allow pedestrians the flexibility to speed up if the crossing phase is about to expire." In other words, the countdown is intended to give a pedestrian time to safely cross the entire roadway. If a pedestrian leaves a curb with two seconds left on a countdown, thinking he or she can make it across in time, he or she could potentially put himself or herself at risk by only being halfway across the roadway when traffic begins to move forward when the light changes.

5) *Countdowns provide key information to pedestrians.* According to the author, countdown signals have helped inform pedestrians of how much time they need to cross and provide them with a choice to decide whether they can do so safely. The author states that this information makes it unlikely that this bill will create situations where pedestrians will dart across a street with two seconds left. The author points to research by the Minnesota Department of Transportation showing an average 12% increase in successful pedestrian crossings with the implementation of countdowns. The study also found that pedestrians were less likely to cross near the end of a pedestrian walk phase if it appeared that there was insufficient time. The author also notes that countdown pedestrian signals in San Francisco have led to a 25% reduction in pedestrian crashes. Not all pedestrian control signals, however, include a countdown timer — meaning a pedestrian entering the crosswalk during a "DON'T WALK" signal is guessing at how much time is left. Moving forward, the author may wish to consider amending this bill to only allow a pedestrian to enter the crosswalk during a "DON'T WALK" display if the signal includes a countdown timer.

6) *Local problem?* The author points to a number of 2015 articles indicating the LAPD was issuing these tickets at high rates. It is unclear whether this is still occurring. In addition, since the City of Los Angeles is the sponsor of this bill, it might be more prudent for the city to communicate with its police department rather than changing state law. The author states that if it can happen in Los Angeles, it can happen elsewhere, and points to several jurisdictions in the US, including New York City, Salt Lake City, Indiana, and South Carolina, that have passed ordinances or laws allowing pedestrians to enter the crosswalk if there is sufficient time to cross safely. Since this appears to be largely a local issue, moving forward the author may wish to consider amending this bill to be a pilot project in the City of Los Angeles.

7) *Opposition concerns*. The California Highway Patrol (CHP), writing in opposition to this bill, states that "Clear and consistent standards, rather than individual judgment, should guide how pedestrians use roadways when they are

likely to interact with motor vehicles." CHP points to a steady annual increase in pedestrian collisions in intersections between 2013 and 2016, from 5,819 to 6,757. In addition, pedestrians have been found at fault – meaning they were in the crosswalk in disobedience of the signal – in the majority of pedestrian-related collisions. CHP states that complying with existing signal requirements ensures the safest environment for pedestrians.

8) *An issue for CTCDC?* As noted above, the CTCDC reviews rules and regulations and makes recommendations to the Caltrans director, who adopts and publishes them in the MUTCD. Moving forward, the author may wish to consider making this a two-year bill and instead asking the CTCDC to review this issue and provide recommendations to the Legislature.

Assembly Votes:

Floor:	**76-1**
Trans:	**13-1**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

City of Los Angeles (sponsor)
California Bicycle Coalition
California Walks
Central City Neighborhood Partners
Friends of King
Los Angeles County Bicycle Coalition
Los Angeles Walks
Pacoima Beautiful

OPPOSITION:

California Highway Patrol

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 458	**Hearing Date:**	7/11/2017
Author:	Frazier		
Version:	7/5/17 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: Vehicle registration: fleet vehicles

DIGEST: This bill reduces the minimum fleet size eligibility requirement for the Permanent Fleet Registration (PFR) program.

ANALYSIS:

Existing law:

1) Authorizes the registered owner or lessee of a fleet of commercial or passenger vehicles to apply to DMV for license plates, permanent decals, and registration cards (the PFR program).

2) Provides that an eligible fleet consists of at least 50 vehicles. However, DMV may provide for PFR through an association providing a combination of fleets of 250 or more vehicles, with no individual fleet numbering fewer than 25 vehicles. Requires an association applying for PFR to provide to DMV a list of the registered owner of each fleet and the vehicles within each fleet.

3) Prohibits vehicles registered outside California from participating in PFR.

4) Authorizes DMV to conduct an audit of the records of each fleet owner or lessee of the fleets participating in PFR. Requires the owner or lessee of the fleet to fully reimburse DMV for the costs of conducting the audit.

5) Requires vehicles participating in PFR to display in a conspicuous place on the right and left side of each vehicle the name, trademark, or logo of the company. The display shall be in letters in sharp contrast to the background and shall be of a size, shape, and color that is readily legible during daylight hours from a distance of 50 feet.

6) Authorizes a vehicle under 6,000 pounds that is owned or leased by a public utility to display the PFR number on the right and left side, or on the front and rear, of the vehicle. Requires the display to be in sharp contrast to the background and to be of a size, shape, and color that is readily legible during daylight hours from a distance of 50 feet.

7) Requires DMV, upon receipt of an initial PFR application, to issue a distinguishing license plate or decal. Provides that renewal fees shall be paid pursuant to a schedule established by DMV. Authorizes DMV to collect an additional $1 fee for each fleet vehicle at initial application and registration renewal.

8) Requires DMV to charge a $3 fee (which has risen to $4 through a statutory inflation adjustment) to cover vehicle registration processing and payment and titling transactions, as well as services related to reporting vehicle sales and producing temporary license plates. Authorizes a private industry partner to pass on that fee to the customer.

This bill:

1) Reduces the fleet eligibility requirement for PFR from fleets of at least 50 vehicles, to fleets of at least 25 vehicles.

2) Reduces the combination fleet eligibility requirement from fleets of at least 250 vehicles, to fleets of at least 125 vehicles. Maintains the requirement for an individual fleet within a combination fleet to be at least 25 vehicles.

3) Requires DMV to charge a $3 fee for each original registration and renewal under PFR and authorizes that fee to be passed on.

4) Removes the requirement for vehicles participating in PFR to display the name, trademark, or logo of the company.

5) Removes the requirement for a vehicle participating in PFR that is owned or leased by a public utility to display the PFR number.

9) Authorizes, rather than requires, DMV to charge a $3 fee to cover vehicle registration processing and payment and titling transactions, as well as services related to reporting vehicle sales and producing temporary license plates.

COMMENTS:

1) *Purpose*. The author states that although the PFR program has been successful for large fleets, there remains a vast numbers of smaller fleets that could benefit from the program but are not large enough to qualify and aren't associated with a management group.

2) *Background: the PFR program.* PFR is intended to provide a convenient way for owners of large fleets to maintain their vehicle registration. Under this program, DMV sends monthly notifications to fleet owners listing the vehicles expiring that month, in place of individual vehicle registration renewal notices. Instead of an annual registration sticker, PFR vehicles are issued a California PFR fleet sticker for the license plate, a permanent registration card with the month of expiration. A vehicle's registration remains valid for as long as it owned or leased to the fleet owner, but registration must be renewed every year.

3) *Changing times*. PFR originally targeted large commercial fleets such as utility or rental fleets, but now larger corporate fleet management companies have begun to source and manage fleets on behalf of California businesses. ARI, Enterprise Fleet, and GE Fleet, among other companies, manage tens of thousands of vehicles in California. However in many cases these companies are unable to participate in PFR because the individual fleets within their pool are too small to qualify. Many of the vehicles in these fleets remain in a company's management for five to eight years, so making them eligible for PFR could significantly improve efficiency for both the companies and for DMV.

4) *Eliminating the "outdated" logo requirement*. The author states that many corporate fleets choose not to participate in PFR because it requires vehicles to clearly display a company logo. Most corporate fleets no longer want their vehicles identified; for example, rental car companies generally choose not to visibly advertise a logo on their vehicles in order to guard against theft and other criminal activity. In addition, it would seem impractical for a small fleet that is managed by a larger company to have to advertise the management company on its vehicles.

5) *Facilitating the Business Partner Automation (BPA) program*. Over the past decade or so, DMV has made efforts to improve customer service and increase efficiencies. Under the BPA program, DMV contracts with qualified business partners – including car dealers, vehicle dismantlers, smog test centers, auto insurers, and rental car companies – for the electronic processing of transactions such as vehicle registrations, titling transactions, and issuance of license plates.

Existing state law authorizes DMV to charge a $4 transaction fee for each transaction processed through the BPA program; business partners may pass on this fee to customers. The author states that there is little BPA participation in services related to registration renewals, salvaged vehicles, and junk transactions because in addition to the service price itself, BPA services are assessed with credit card fees and a mandatory $4 BPA fee. This bill would give DMV the option to eliminate the $4 BPA fee by making it optional, and instead require DMV to charge per-vehicle registration and renewal fees. The author notes that DMV would more than cover its costs because DMV currently absorbs about 2% in credit card fees on every vehicle registration renewal, in addition to moving more transactions out of DMV field offices.

6) *REAL ID workload*. The federal REAL ID Act of 2005 establishes new standards for driver's licenses and identification (ID) cards and will require a federally compliant license or ID card in order to board an airplane or enter a federal building by October 1, 2020. In California, beginning in January 2018, individuals will have the option to obtain a federally compliant driver's license or ID card when applying for an original or renewal at a DMV field office. There are currently 29.5 million license and ID card holders in the state; DMV estimates 62% of current and new applicants will choose to have a federally compliant card over the next five years. The recently approved state budget includes 218 positions and $23 million in funding for 2017-18, and 550 positions and $47 million in funding for 2018-19, for this purpose. It is clear that REAL ID compliance will significantly increase DMV's workload, and could affect its ability to meet current and new workload demands. This bill would actually help reduce DMV workload.

Assembly Votes:

Floor:	**77-0**
Appr:	**16-0**
Trans:	**13-0**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Trucking Association
Dealertrack Registration and Titling Solutions
Motor Vehicle Software Association

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 533	**Hearing Date:**	7/11/2017
Author:	Holden		
Version:	7/3/2017 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Mikel Shybut		

SUBJECT: State Highway Route 710

DIGEST: This bill directs the Department of Transportation (Caltrans), in consultation with the Los Angeles County Metropolitan Transportation Authority (LA Metro), to establish the State Route (SR) 710 North Advisory Committee and requires Caltrans to implement the committee's recommendations, if feasible. It also removes from the freeway and expressway system the portion of SR 710 that is north of I-10.

ANALYSIS:

Existing law:

1) Grants Caltrans the full possession and control of all state highways and all property and rights in property acquired for state highway purposes.

2) Provides Caltrans the authority to lay out and construct all state highways between the termini designated by law and on the locations determined by the California Transportation Commission (CTC).

3) Designates SR 710 as the highway from SR 1 to SR 210 in Pasadena.

4) Statutorily defines the California freeway and expressway system to include designated routes, including SR 710 in its entirety, and defines a freeway as a highway where the owners of abutting lands have no right or easement of access to or from their abutting lands.

This bill:

1) Directs Caltrans, in consultation with LA Metro, to establish the SR 710 North Advisory Committee to study the alternatives considered in the SR 710 North

Draft Environmental Impact Review to improve transit in, and the environmental impacts of, the SR 710 North project area.

2) Requires the advisory committee to consist of the following members, without compensation that is specific to being on the committee:

    a) Three representatives from Caltrans
    b) Two representatives from LA Metro, appointed by LA Metro
    c) Two representatives each from the city of Alhambra, the LA City Council District 14, the City of Pasadena, the City of South Pasadena, the City of Rosemead, and the City of San Marino, appointed by each city.
    d) Three Assemblymembers who represent the SR 710 North project area or their designees, appointed by the Speaker.
    e) Three Senators that represent the SR 710 North project area or their designees, appointed by the Senate Rules Committee.
    f) Two members from local construction trade associations.

3) Requires on or before January 1, 2019, the advisory committee to report their recommendations to the Legislature, Caltrans, and LA Metro on the most appropriate and feasible project, considering land use, reduction of automobile dependency, encouragement of multimodal trips, improvement of traffic operations, and use of latest available technologies to reduce traffic on the existing system.

4) Requires Caltrans to implement the alternative recommended by the SR 710 North Advisory Committee, if appropriate and feasible.

5) Designates only the portion of SR 710 from SR 1 to SR 10 to be included in the freeway and expressway system, removing the portion of SR 710 that is north of SR 10.

COMMENTS:

1) *Purpose.* According to the author, "The 710 has divided communities in the San Gabriel Valley for too long. The well-intentioned proposal to build a freeway 50 years ago has led to a neighborhood deteriorating physically and an ongoing feud that has left both sides with the consequences of inaction. Assembly Bill 533 will require these communities to come together to craft a solution that can be constructed in a timely manner and not be mired in more years of conflict. This is in line with a move by the local transportation authority, LA Metro, to stop pursuing the construction of a freeway tunnel and begin pursuing a collaborative, community supported alternative. AB 533 will take this

controversial option off the table and encourage a solution that is community-led and provides the greatest community benefit."

2) *Background.* For over 50 years, Caltrans has intended to close a roughly 5 mile unconstructed gap in the freeway by extending SR 710 from I-10 in Los Angeles through South Pasadena to I-210 in Pasadena. Currently, SR 710 North ends abruptly just north of I-10, feeding into local traffic on Valley Boulevard in Alhambra and causing congestion on the neighboring freeways. The gap affects the surrounding cities of Alhambra, South Pasadena, Pasadena, and a portion of Los Angeles. The extension project has been in the planning stage since the 1960s but, despite state and eventual federal approval, has been challenged by the community and delayed numerous times for a variety of reasons often related to the environmental review process. In 1998, the Federal Highway Administration (FHWA) approved the 710 freeway extension but a court decision criticizing the environmental review halted construction.

3) *Measure R.* In 2008, Los Angeles County passed by a two thirds vote a half cent sales tax to raise additional funds for congestion relief, road repairs, and rail extensions over the course of 30 years. The adopted expenditure plan included $780 million for the SR 710 North gap closure, intended to go toward a tunnel connector at an estimated total cost of nearly $4 billion. Shortly after the passage of Measure R, Caltrans began a boring and seismic feasibility study in the area.

4) *Environmental impact report.* In 2015, Caltrans released its draft environmental impact report (EIR) assessing the costs, benefits, and impacts of five alternative projects for the SR 710 gap:

    a) No build – no planned improvements to the SR 710 North Corridor
    b) Transportation System Management/Transportation Demand Management (TSM/TDM) operational improvements – strategies and improvements to increase efficiency and capacity for all modes of transportation
    c) Bus rapid transit (BRT) – high-speed, high-frequency bus service through a combination of new, dedicated, and existing bus lanes
    d) Light rail transit (LRT) – a passenger rail operated along a dedicated guideway, similar to other Metro light rail lines
    e) Freeway tunnel with design and operational variants – starts at the existing southern stub of SR 710 in Alhambra, just north of I-10, and connects to the existing northern stub of SR 710

After the draft report was published, around 8,000 public comments were received with 1,328 specifically supporting the tunnels and 237 opposing the tunnels. In a Board Report from May 17th, 2017, LA Metro noted the benefits on regional and local traffic offered by the single bore freeway tunnel, citing it as the best performing alternative with the least environmental impact.

5) *A traffic light at the end of the tunnel?* Though the tunnel was a favorable alternative functionally from the draft EIR, financially it was another matter. Measure R only allocated $780 million for the tunnel project, far short of the $3 to $5.5 billion the tunnel could cost. Recognizing this, at their regular board meeting on May 25th, 2017, LA Metro Chairman John Fasana, who had expressed support for the tunnel, filed a motion suggesting that the $780 million from Measure R be put toward fundable projects for traffic relief. With the motion passing on a 12-0 vote, the Board recommended allocating $105 million to the TSM/TDM alternative as the Locally Preferred Alternative – a means of obtaining more immediate results via traffic light and intersection improvements, among other fixes for local roads. For a fraction of the cost, the TSM/TDM investment would yield results within a few years, as opposed to at least five years with the tunnel.

6) *Work in progress.* Caltrans is expected to finalize the EIR later this year or in early 2018 with the LA Metro Board expecting an update from staff in November or December of this year. Their final report will take into consideration and respond to all the public comments received during the open comment period, as appropriate. However, even if Caltrans were to select the tunnel as its Preferred Alternative, the decision by LA Metro to allocate the Measure R money to other projects may make funding the tunnels more difficult.

7) *Advisory committee(s).* This bill requires Caltrans, with the consultation of LA Metro, to create an SR 710 North Advisory Committee. This committee will be required to provide recommendations on or before January 1, 2019 and includes a mandate that if "appropriate and feasible," Caltrans will be required to implement the advisory committee's recommended alternative. The deadline gives the committee only about one year to study the final EIR or to study any other options and come up with a recommendation. An advisory committee that meets regularly to consider such options would not be unprecedented. For the Caltrans EIR, two advisory committees were formed, a Technical Advisory Committee and a Stakeholder Outreach Committee, comprised of technical advisors and local elected officials. Those advisory committees appeared to meet regularly from early 2012 to early 2016, through the release of the draft EIR. According to LA Metro's I-710 Corridor Project EIR website, a separate

project relating to the southern portion of 710, there are three advisory committees that appear to meet monthly: a Local Advisory Committee, a Corridor Advisory Committee, and a Technical Advisory Committee. The SR 710 North Advisory Committee could be supplemental and collaborative to those committees, though the makeup of the 710 North Advisory Committee, comprised of Assemblymembers and Senators (or their designees), Caltrans and LA Metro representatives, and local officials, may make it difficult to coordinate regular meetings. **The committee may wish to consider whether the mandate that Caltrans implement the advisory committee's recommendation, if "appropriate and feasible," is appropriate and whether the January 1, 2019 deadline provides the advisory committee enough time to form, study the EIR and other alternatives, and provide recommendations.**

8) *No longer a freeway, just a highway.* Currently, SR 710 is included in the freeway and expressway system in its entirety, including the incomplete portion north of I-10 to I-210. This bill designates the SR 710 as a freeway only from SR 1 to SR 10, removing the designation from the portion north of SR 10. It is, however, unclear what the practical effect of this is, as the entirety of SR 710 remains a designated highway from SR 1 to SR 210 in statute and therefore would still be owned and controlled by Caltrans. In AB 287 (Holden), a very similar bill to this bill that failed passage in Assembly Transportation this year, there was an additional provision paired with the freeway designation that prohibited a freeway tunnel or surface freeway from being implemented for SR 710 between SR 10 and SR 210. **The committee may wish to consider whether it's appropriate to alter the designation of SR 710 North to no longer be a freeway or expressway.**

RELATED LEGISLATION:

AB 287 (Holden, 2017) — failed in Assembly Trans. — required Caltrans along with LA Metro to create an SR 17 North Advisory Committee; prohibited the advisory committee from considering a tunnel or freeway extension; explicitly prohibited Caltrans from building a freeway tunnel or surface freeway to fill the SR 710 gap.

SB 400 (Portantino, 2017) — prohibits the Department of Transportation from increasing the rent of tenants who reside in surplus residential property located on State Route 710. *Currently in the Assembly Appropriations Committee.*

SB 580 (Liu, Chapter 709, Statutes of 2016) — made changes to the Roberti Act governing the sale of surplus properties in the SR 710 corridor.

SB 416 (Liu, Chapter 468, Statutes of 2014) — expedited the sale of surplus residential properties in the cities of Los Angeles, South Pasadena, and Pasadena that do not fall within the boundaries of any alternate route being considered in the North Route 710 Project Draft Environmental Impact Report/Environmental Impact Statement.

SB 204 (Liu, 2012) — authorized LA Metro along with Caltrans and jointly with specified cities, to develop and file with the commission a local alternative transportation improvement program that addresses transportation problems and opportunities in specified cities. *Vetoed by Governor Brown, who cited an ongoing review by Caltrans of their owned properties and an ongoing environmental impact report by LA Metro.*

SB 545 (Cedillo, 2009) — would have required that any solution for SR 710 between Valley Boulevard in the City of Los Angeles and Del Mar Boulevard in the City of Pasadena may not be a surface or above-grade highway. *Vetoed by Governor Schwarzenegger, calling it unnecessary as Caltrans and LA Metro worked toward a solution.*

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

None received.

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 544	**Hearing Date:**	7/11/2017
Author:	Bloom		
Version:	7/3/17 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: Vehicles: high-occupancy vehicle lanes

DIGEST: This bill modifies the Clean Air Vehicle (CAV) Program, which enables certain low-emission vehicles to access carpool lanes with a single occupant, and creates a new program to take effect when the CAV program sunsets in 2019.

ANALYSIS:

High-occupancy vehicle (HOV) lanes

Existing law provides that an HOV lane, also known as a carpool lane, aims to promote and encourage ridesharing, thereby alleviating traffic congestion and improving air quality. Depending on the particular HOV lane, a vehicle must have a minimum of either two or three occupants in order to access the lane. Existing federal law authorizes states to allow certain low-emission vehicles with a single occupant to use HOV lanes. If the vehicles cause a degradation of HOV lane operations, the state must limit or discontinue clean-air vehicle use of the lanes. Federal law deems that an HOV lane is degraded if vehicles operating in the lane fail to maintain a minimum average operating speed (generally 45 mph) during 90% of the time over a consecutive 180-day period during morning or evening weekday peak-hour periods. Pursuant to federal law, state law authorizes the state Department of Transportation (Caltrans), if it is able to attribute unacceptable congestion levels to clean vehicles, to ban them from HOV lanes.

CAV program

Existing state law exempts certain clean, alternative-fuel vehicles from HOV lane occupancy requirements, so that a single-occupant vehicle may use an HOV lane if it displays a Clean Air Vehicle sticker. The state has implemented three CAV sticker programs in recent years:

1) White HOV stickers: AB 71 (Cunneen, Chapter 330, Statutes of 1999) established the "white sticker program," which allows certain vehicles to drive in carpool lanes with a single occupant. These vehicles are typically pure battery electric vehicles (BEVs), dedicated compressed natural gas or liquid petroleum gas vehicles, and hydrogen fuel cell electric vehicles (FCEVs), such as the Chevrolet Bolt, Hyundai Tucson Fuel Cell, Nissan Leaf, Tesla Model S and Model X, and Toyota Mirai, among others. State law has never limited the number of white stickers; as of May 16, 2017, the DMV had issued 127,815 white stickers. Existing white stickers will expire on January 1, 2019.

2) Yellow HOV stickers (expired): AB 2618 (Pavley, Chapter 725, Statutes of 2004) established the "yellow sticker program," which granted HOV lane access to certain single-occupant, hybrid, or alternatively-fueled vehicles (primarily the Toyota Prius). The number of vehicles under this program was ultimately capped at 85,000, a limit that was reached in 2007; all yellow stickers expired on July 1, 2011.

3) Green HOV stickers: SB 535 (Yee, Chapter 215, Statutes of 2010) established the "green sticker program," which allows certain single-occupant vehicles — generally, plug-in hybrid vehicles (PHEVs) — to drive in carpool lanes. Eligible vehicles include the Chevrolet Volt, Ford C-Max Energi, Honda Clarity, Hyundai Sonata, and Toyota Prius Prime, among others. State law has in the past limited the number of green stickers that DMV may issue, but legislation last year SB 838 (Committee on Budget and Fiscal Review, Chapter 339, 2016) removed the cap. As of May 16, 2017, the DMV had issued 113,096 green stickers. All existing green stickers will expire on January 1, 2019.

ZEV goals

Executive Order B-16-12 of 2012 established a goal of 1.5 million zero-emission vehicles (ZEVs) on California's roads by 2025. SB 1275 (De León, Chapter 530, Statutes of 2014) builds on this goal by establishing the Charge Ahead California Initiative, which aims to place one million electric cars, trucks, and buses on California's roads by 2023. The ZEV regulation, commonly known as the ZEV mandate, sets a goal for ZEVs and near-ZEVs to comprise 15% of new cars sold in California by 2025. If a manufacturer fails to meet its ZEV requirement, it is subject to financial penalties.

Clean Vehicle Rebate Project (CVRP)

CVRP provides rebates of up to $5,000 to incentivize the purchase or lease of clean vehicles. An individual can apply for a rebate within 18 months of

purchasing or leasing an eligible vehicle. For vehicles purchased after November 1, 2016, income limits apply: an applicant's household income must not exceed $150,000 for single filers, $204,000 for head of household filers, or $300,000 for joint filers. In addition, individuals with household incomes of less than 300% of the federal poverty level are eligible for an additional rebate of $2,000. There is no cap on the number of rebates that may be issued, but rebates are subject to funding availability and the program has more than once been forced to stop issuing rebates and create a wait list due to lack of funds. The program is currently accepting applications. As of June 1, 2017, CVRP had issued 193,186 rebates ($420 million), mostly (about 80%) in the Bay Area and South Coast air districts.

This bill:

1) Allows green and white stickers issued prior to January 1, 2017 to expire on January 1, 2019.

2) Allows owners or lessees of vehicles with green and white stickers issued between January 1, 2017 and January 1, 2019 to apply to DMV for a new sticker that shall be valid until January 1, 2022.

3) Provides that stickers issued on or after January 1, 2019 will be valid until January 1 of the fourth year after the year of issuance. Requires the new stickers to be distinguishable from prior stickers.

4) Provides that if the new program becomes inoperative due to expiration of federal authorization, the driver of a vehicle with an otherwise valid sticker shall not be cited for a violation within the first 60 days of the program becoming inoperative.

5) Prohibits DMV from issuing a sticker to an applicant who has received a CVRP rebate, unless the applicant's income falls below the following income limits: $150,000 for a single filer, $204,000 for a head-of-household filer, or $300,000 for a joint filer. Requires DMV to collaborate with ARB to establish procedures to implement this provision.

COMMENTS:

1) *Purpose*. The author states that the CAV program is an important part of California reaching its ambitious greenhouse gas (GHG) emission reduction goals and ZEV mandates. The green and white stickers have had a demonstrated impact in motivating customers to choose ZEVs and transitional ZEVs. In addition to facilitating the adoption of innovative technologies, the stickers, by incentivizing customers to choose ZEVs, have helped reduce GHG emissions and improve air quality. As California's ZEV regulations ramp up

over the coming years, it is essential that we take advantage of every tool in our toolbox, including this program, to fulfill those regulations. This bill will bolster this important incentive and help California achieve its GHG emissions reduction and air quality goals.

2) *Trying again*. AB 1964 (Bloom) of 2016, which was substantially similar to this bill, died on the Senate Floor last year. A budget trailer bill, SB 838 (Chapter 339, 2016) removed the cap on the green sticker program but did not extend the sunset on either the green or white sticker program.

3) *Nearly 250,000 Clean Air Vehicles in HOV lanes*. As of mid-May 2017, DMV had issued more than 240,000 green and white stickers statewide. Of these, more than 90,000 stickers (38%) have been issued in the nine-county Bay Area. Nearly 70,000 (28%) have been issued in Los Angeles County. Clearly, stickers constitute a key incentive in congested urban areas; by the same token, however, Clean Air Vehicles create more congestion in HOV lanes by violating the carpool principle.

4) *How will the new program work?* Under the existing CAV program, green and white stickers are issued without an expiration date. Existing law sunsets the current program on January 1, 2019, meaning that on that date, all green and white stickers will expire and those vehicles will lose their HOV lane privileges. This bill, however, would allow green and white stickers issued in 2017 and 2018 to be valid until January 1, 2022, provided the owner or lessee reapplies for a new sticker that is distinguishable from the old stickers. This bill also provides that all stickers issued on or after January 1, 2019, would be valid until January 1 of the fourth year after issuance. This new "rolling" mechanism is intended to help ease carpool lane congestion by limiting the number of stickered cars with carpool lane privileges rather than allowing them to remain indefinitely.

5) *ZEV mandate: how are we doing?* As noted earlier, the state has set goals of 1 million ZEVs by 2023 and 1.5 million ZEVs by 2025. According to the *2016 ZEV Action Plan*, issued by the Governor's Office in October 2016, there are more than 230,000 plug-in EVs on California's roads, primarily battery EVs and plug-in hybrid EVs. In addition, there are approximately 300 fuel cell EVs operating in California.

6) *HOV lane congestion*. Caltrans must submit an HOV lane degradation report to the Federal Highway Administration (FHWA) each year on the status of the state's carpool lanes. If an HOV lane is considered degraded, the state must limit or discontinue the use of the lane by exempted vehicles (e.g., green and

white sticker cars) or take other actions that will bring the performance up to the federal standard within 180 days. According to Caltrans' 2015 HOV lane degradation report, submitted to FHWA on December 1, 2016, approximately 62% of HOV lanes in California were degraded during the first half of the year and 67% during the second half of the year – an increase 4% over the prior year. Caltrans stated in its report that it was not considering prohibitions on clean vehicles in HOV lanes because "The connection between exempted vehicles and degradation has yet to be established" and traffic counts indicate that clean air vehicles constitute a relatively small percentage of peak hour HOV volume. Caltrans instead proposes various strategies including onramp and freeway connector ramp metering, conversion of HOV lanes to high-occupancy toll lanes, and adding light rail and other transit options.

7) *How many stickers are enough?* The now-defunct yellow sticker program was terminated at 85,000 stickers to help promote development of newer plug-in hybrid and other zero-emission technologies. Automakers are working to develop these technologies in response to the federal Corporate Average Fuel Economy and GHG emissions standards, which aim to increase fuel economy to the equivalent of 54.5 miles per gallon for cars and light-duty trucks by 2025. Automakers argue, however, that producing the cars does no good if consumers are not motivated to buy them; the green sticker program provides an incentive to do so. The author points to a recent UCLA study showing that 40% of ZEV sales in major urban areas of California are tied to green and white stickers. However, the primary objective of the program is to reduce air quality. In a February 2015 report, the California State Auditor pointed out that ARB had not studied the effect of the program on air quality.

8) *Removal of opposition.* The Metropolitan Transportation Commission (MTC) removed its opposition to this bill on June 29th. MTC cites a high rate of usage of HOV lanes by unauthorized single occupant vehicles (e.g., cheaters). A June 26, 2017 *San Jose Mercury* article noted that in 2016, the California Highway Patrol (CHP) issued double the number of tickets to HOV lane cheaters compared to 2010. Many motorists admit that the fine of up to $500 is worth the risk, particularly on highly congested Bay Area freeways. MTC points to a study finding that reducing the number of vehicles in HOV lanes by just 5-10% can significantly increase the speed of these lanes. According to MTC:

"In response to our concerns, Assembly Member Bloom has assured us that he recognizes that the deterioration of the speeds in the state's carpool lanes is indeed a problem and will work with us on revenue solutions that could be incorporated into the FY 2018-19 budget. Given the bill's impact wouldn't be

felt until after January 1, 2019, when many decals would actually expire, we believe this is a reasonable compromise."

RELATED LEGISLATION:

SB 838 (Committee on Budget and Fiscal Review, Chapter 339, Statutes of 2016) — removes the cap on the green sticker program and requires Caltrans to submit to the Legislature by December 1, 2017, a report on the degradation status of the state highway system's HOV lanes.

AB 1964 (Bloom, 2016) — would have made green stickers issued between January 1, 2018 and January 1, 2019, valid until January 1, 2021; removed the cap on the number of green stickers that could be issued; created a new program effective January 1, 2019 to effectively replace the green sticker program, under which stickers would be valid until January 1 of the fourth year after the year of issuance; ended the new program if sales of eligible vehicles reached at least 9.2% of the total new car market share for two consecutive years; required Caltrans to eliminate access to individual HOV lanes for stickered cars upon request of, and with concurrence of, the appropriate regional transportation agency; and prohibited DMV from issuing a sticker to an applicant who had received a rebate under the Clean Vehicle Rebate Program, unless the applicant's income falls below specified income limits.

AB 95 (Committee on Budget, Chapter 12, Statutes of 2015) — increased the cap on the green sticker program from 70,000 to 85,000.

AB 2013 (Muratsuchi, Chapter 527, Statutes of 2014) — raised the cap on the green sticker program from 55,000 to 70,000, effective January 1, 2015.

SB 853 (Committee on Budget and Fiscal Review, Chapter 27, Statutes of 2014) — increased the cap on the green sticker program from 40,000 to 55,000, effective immediately.

AB 1721 (Linder, **Chapter 526, Statutes of 2014)** — provides toll-free or reduced-rate passage for certain single-occupant, low-emission vehicles with a Clean Air Vehicle program sticker.

Assembly Votes:

Floor:	**63-9**
Appr:	**12-5**
Trans:	**11-3**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Alliance of Automobile Manufacturers (sponsor)
California Electric Transportation Coalition
California New Car Dealers Association
California State Association of Electrical Workers
Global Automakers
Hyundai Motor Company

OPPOSITION:

Plug In America

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 615	**Hearing Date:**	7/11/2017
Author:	Cooper		
Version:	7/6/17 Amended		
Urgency:	Yes	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: Air Quality Improvement Program: Clean Vehicle Rebate Project

DIGEST: This bill extends the sunset on the income eligibility restrictions under the Clean Vehicle Rebate Project (CVRP).

ANALYSIS:

Air Quality Improvement Program (AQIP)

Existing law establishes AQIP, which is administered by the state Air Resources Board (ARB) in consultation with local air districts. AQIP is funded through, among other things, a surcharge on vehicle registration fees and a portion of the smog abatement fee (paid to register vehicles less than six model years old and therefore exempt from smog check). AQIP also receives a significant amount of Greenhouse Gas Reduction Fund (GGRF) monies. AQIP, which encompasses multiple programs, provides competitive grants to fund projects to improve the air quality impacts of alternative fuels and vehicles, vessels, and equipment technologies.

Clean Vehicle Rebate Project (CVRP)

CVRP, which is part of AQIP, is administered by ARB's contractor, the California Center for Sustainable Energy. CVRP provides rebates to incentivize the purchase or lease of clean vehicles, as follows:

a) Zero emission vehicle: hydrogen fuel cell $5,000
b) Zero emission vehicle: battery electric $2,500
c) Plug-in hybrid electric vehicle $1,500
d) Zero emission motorcycle $900

An individual can apply for a rebate within 18 months of purchasing or leasing an eligible vehicle. The individual must retain ownership of the vehicle in California

for at least 30 consecutive months after the purchase or lease date, or reimburse ARB at least partially for the rebate and must agree to not tamper with the vehicle's emissions control system.

In order to be eligible for a CVRP rebate, (with the exception of fuel cell vehicles), an applicant's household income must not exceed $150,000 for single filers, $204,000 for head of household filers, or $300,000 for joint filers. In addition, individuals with household incomes of less than 300% of the federal poverty level are eligible for an additional rebate of $2,000. These income restrictions sunset on June 30, 2017.

There is no cap on the number of rebates that may be issued, but rebates are subject to funding availability and the program has more than once been forced to stop issuing rebates and create a wait list due to lack of funds. The program is currently accepting applications. As of June 1, 2017, CVRP had issued 193,186 rebates ($420 million). The lion's shares (about 80%) have been issued in two air districts: Bay Area and South Coast. Only about 3% of rebates have been issued in the San Joaquin air district.

Enhanced Fleet Modernization Program (EFMP)

Existing law also establishes EFMP under ARB. EFMP provides for the voluntary "retirement" (scrappage) of high-polluting passenger vehicles and light- and medium-duty trucks. The vehicle must be currently registered as operable and must have been continuously registered for two years prior to the application, unless the owner can demonstrate that the vehicle has been operated in California during that period. EFMP is funded by an additional $1 surcharge on the vehicle registration fee. EFMP has a statewide component and a local component.

Under the statewide component, ARB administers a program, authorized in the San Joaquin Valley and South Coast air districts, to replace high-polluting vehicles. In addition to the "retirement" vouchers described above, the local EFMP program offers a $2,500 "replacement" voucher to low-income vehicle owners to replace a high-polluting vehicle by either purchasing a vehicle eight years old or newer, or using the voucher toward public transit.

In addition, ARB administers the EFMP Plus-Up Program (Plus-Up) in the San Joaquin and South Coast air districts. Plus-Up provides additional incentives above and beyond EFMP base incentives for individuals in disadvantaged communities who retire high-polluting vehicles and replace them with used or new hybrid, plug-in hybrid, or zero emission vehicles. Eligible participants can receive additional incentives ranging from $1,500 to $5,000, depending on the vehicle type

that is purchased. The EFMP, Plus-Up, and CVRP rebates can be "stacked" for a total of up to $12,000.

Charge Ahead Initiative

In March 2012, Governor Brown issued an Executive Order setting a goal of 1.5 million zero emission vehicles on California roads by 2025. SB 1275 (De Leon, Chapter 530, Statutes of 2014) builds on this goal by establishing the Charge Ahead Initiative at ARB, which outlines a vision of placing one million electric cars, trucks, and buses on California's roads by 2023. SB 1275 directs ARB to provide incentives to increase the availability of ZEVs and near-ZEVs for disadvantaged, low-income, and moderate-income communities and consumers. It also directs ARB to establish income limits for CVRP eligibility.

This urgency bill:

1) Extends the sunset on the income restrictions for CVRP from July 1, 2017 to January 1, 2019.

2) Requires ARB, no later than July 1, 2018, to submit to the Legislature a report evaluating the emissions reductions related to vehicles that received a CVRP rebate.

3) Requires the Department of Finance, no later than July 1, 2018, to submit to the Legislature a report evaluating the fiscal impact of CVRP rebates on the revenue sources from which monies have been appropriated and the overall annual state budget.

COMMENTS:

1) *Purpose*. The author states that since 2010, CVRP has issued more than $377 million in rebates for more than 175,000 vehicles. The demand for CVRP has seen steady growth over time and demand has often exceeded available funding. As the program has grown, questions have been raised about the program's equity and cost effectiveness. For example, over 50% of rebate recipients' annual household incomes exceed $150,000 and over 20% exceed $250,000. Additionally, most (88%) of recipients are Caucasian, and approximately 22,000 rebates have gone to vehicles with values ranging from $70,000 to over $100,000. This bill aims to help make clean vehicles more accessible to California drivers living in communities with poor air quality by limiting CVRP eligibility by income.

2) *Background: CVRP income limits*. Until last year, CVRP was available to applicants of all income levels. Amid concerns that CVRP was primarily benefitting wealthy car buyers who would have likely bought a clean vehicle regardless of the rebate, however, SB 1275 of 2014 directed ARB to establish income caps on the program. Pursuant to SB 1275, ARB established the following income caps effective March 29, 2016: $250,000 for single filers, $340,000 for head of household filers, and $500,000 for joint filers. ARB pointed to Proposition 30, a 2012 state ballot initiative, as the source of these income limits. Five months later, the Legislature and Governor established lower caps in the state budget agreement (SB 859 of 2016): $150,000 for single filers, $204,000 for head of household filers, and $300,000 for joint filers. The new caps, which ARB implemented effective November 1, 2016, were intended to further focus the program toward low-income consumers. SB 859 sunsetted the income caps on June 30, 2017. This bill, which includes an urgency measure, extends the caps until January 1, 2019.

3) *Have income limits hurt the program?* When SB 1275 passed, auto manufacturers expressed strong concerns that income limits would hurt sales of clean vehicles. In the AQIP investment plan for FY 2016-17, ARB staff warned that lowering CVRP income limits beyond ARB's recommendations could negatively impact ZEV market development in the state. According to program data, between March 29, 2016 (when the first income limits took effect) and March 31, 2017, CVRP issued nearly 47,000 rebates ($109 million). CVRP issued $68 million in rebates between January and June 2017; the program currently has $4.5 million remaining in available funds, which are anticipated to be exhausted in early July. It does not appear that, despite auto manufacturers' and ARB's concerns, that the program lacks for takers under the income limits.

4) *Double referral*. This bill passed out of the Environmental Quality Committee on July 5, on a 7-0 vote.

RELATED LEGISLATION:

AB 193 (Cervantes, 2017) — requires ARB to establish a Clean Reused Vehicle Rebate Program. *This bill is scheduled to be heard in the Environmental Quality Committee on July 5th.*

AB 630 (Cooper, 2017) — establishes EFMP Plus-Up in statute and renames it the Clean Cars 4 All Program. *This bill is scheduled to be heard in the Environmental Quality Committee on July 5th and in this committee on July 11th.*

AB 2564 (Cooper, 2016) — would have lowered CVRP income limits to specified levels; prioritized rebates for low-income consumers; increased rebate amounts as specified; and provided outreach to low-income households. *This bill failed passage in the Senate Environmental Quality Committee.*

SB 859 (Committee on Budget and Fiscal Review, Chapter 368, Statutes of 2016) — among other things, imposed specified income eligibility limits on CVRP.

Assembly Votes:

Floor:	**76-0**
Appr:	**16-0**
Trans:	**13-0**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Charge Ahead California
Coalition for Clean Air
Communities for a Better Environment
Environment California
Greenlining Institute
Natural Resources Defense Council
South Coast Air Quality Management District
Valley Clean Air Now

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 630	**Hearing Date:**	7/11/2017
Author:	Cooper		
Version:	6/28/2017 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: Vehicles: retirement and replacement

DIGEST: This bill establishes the Enhanced Fleet Modernization Program, Plus-Up Pilot Project (EFMP Plus-Up) in statute and renames it the Clean Cars 4 All Program.

ANALYSIS:

Smog check

Existing law establishes the smog check program, administered by the Bureau of Automotive Repair (BAR). This program generally requires vehicles to undergo emissions testing every two years, with some exceptions including gas-powered vehicles manufactured prior to 1976, alternatively fueled vehicles, and vehicles six years old or newer.

Consumer Assistance Program (CAP)

Existing law establishes the CAP, also administered by BAR. CAP provides assistance to low-income owners of vehicles that have failed a smog test, in the form of a repair cost waiver, repair cost assistance, or a monetary incentive of up to $1,500 to retire the vehicle.

Enhanced Fleet Modernization Program (EFMP) and EFMP Plus-Up

Existing law establishes EFMP, administered by the state Air Resources Board (ARB) and BAR. EFMP provides for the voluntary "retirement" (scrappage) of high-polluting passenger vehicles and light- and medium-duty trucks. The vehicle must be currently registered as operable and must have been continuously registered for two years prior to the application; unless the owner can demonstrate that the vehicle has been operated in California during that period. EFMP is

funded by an additional $1 surcharge on the vehicle registration fee. The program has a statewide component and a local component.

Under the statewide component of EFMP, ARB administers a program, authorized in the San Joaquin Valley and South Coast air districts, to replace high-polluting vehicles. In addition to the "retirement" vouchers described above, the local EFMP program offers a $2,500 "replacement" voucher to low-income vehicle owners to replace a high-polluting vehicle by either purchasing a vehicle eight years old or newer, or using the voucher toward public transit.

In addition, ARB administers EFMP Plus-Up in the San Joaquin and South Coast air districts. Plus-Up provides additional incentives above and beyond EFMP base incentives for individuals in disadvantaged communities (DACs) who retire high-polluting vehicles and replace them with used or new hybrid, plug-in hybrid, or zero emission vehicles. Eligible participants can receive additional incentives ranging from $1,500 to $5,000, depending on the vehicle type that is purchased. EFMP, Plus-Up, and Clean Vehicle Rebate Program (CVRP) rebates can be "stacked" for a total of up to $12,000.

Clean Vehicle Rebate Project (CVRP)

CVRP is administered by ARB's contractor, the California Center for Sustainable Energy. CVRP provides rebates to incentivize the purchase or lease of clean vehicles, as follows: $5,000 for a hydrogen fuel cell vehicle, $2,500 for a battery electric vehicle, $1,500 for a plug-in hybrid vehicle, and $900 for a zero emission motorcycle. For vehicles purchased after November 1, 2016, income limits apply (with the exception of fuel cell vehicles). In addition, individuals with household incomes of less than 300% of the federal poverty level are eligible for an additional rebate of $2,000. There is no cap on the number of rebates that may be issued, but rebates are subject to funding availability. As of June 1, 2017, CVRP had issued 193,186 rebates ($420 million), mostly in the Bay Area and South Coast air districts.

Charge Ahead Initiative

In March 2012, Governor Brown issued an Executive Order setting a goal of 1.5 million zero emission vehicles on California roads by 2025. SB 1275 of 2014 builds on this goal by establishing the Charge Ahead Initiative at ARB, which outlines a vision of placing one million electric cars, trucks, and buses on California's roads by 2023. SB 1275 directs ARB to provide incentives to increase the availability of ZEVs and near-ZEVs for disadvantaged, low-income, and

moderate-income communities and consumers. It also directs ARB to establish income limits for CVRP eligibility (as noted above).

This bill:

1) Establishes the Clean Cars 4 All Program under ARB to reduce greenhouse gas (GHG) emissions, improve air quality, and benefit low-income individuals by replacing high-polluter motor vehicles with cleaner and more efficient motor vehicles or a mobility option.

2) Requires ARB to set measureable goals, update program guidelines, and establish regulations, as specified, for both Clean Cars 4 All and EFMP and requires ARB to ensure coordination between the two programs and with other incentive programs.

3) Requires ARB to annually post on its website the following for both EFMP and Clean Cars 4 All: program performance relative to the goals set pursuant to this bill; an accounting of allocations and expenditures for both programs; and a performance analysis by district to identify areas of emphasis for future goals or updated program guidelines. Requires the analysis to include information relating to any backlog or waitlist, an evaluation of whether targeted outreach in low-income or DACs should be increased or decreased, and how incentive levels might be modified to maximize participation and emissions reductions.

4) Authorizes ARB to, upon appropriation by the Legislature, allocate GGRF or other specified monies for Clean Cars 4 All or EFMP.

COMMENTS:

1) *Purpose*. The author states that this bill will help facilitate expansion of EFMP into additional air districts with poor air quality. This will provide a significant opportunity to remove more high-polluting vehicles from the road, improve air quality in disadvantaged communities, and help low-income individuals move into cleaner new or used vehicles, resulting in maintenance and other cost savings.

2) *Older vehicles, higher emissions.* According to ARB, transportation accounts for approximately 40% of the state's total GHG emissions; in addition, just 25% of vehicles account for 75% of vehicle emissions on California's roads. This is partly because the smog check program does not hold older cars to the same emissions standards as newer cars due to less stringent manufacturer requirements in older vehicles, and allowances for normal wear and tear in a

vehicle's emissions control system as it ages. Thus, even if an older vehicle passes a smog test, it is still higher emitting than a newer vehicle. Even with lower emissions standards, many older vehicles fail smog tests. BAR data indicate that in the first quarter of this year, more than 49,000 vehicles (21% of all vehicles tested) failed a smog test; of these, most (about 45,000) were model years 1976 through 1999. Getting older cars off the road creates significant benefits for the state's air quality. Since lower-income owners tend to keep their car much longer due to affordability issues, programs like EFMP Plus-Up are key in encouraging and assisting them to retire their older, high-polluting vehicles.

3) *Background: EFMP and EMP Plus-Up*. The Legislature has successfully pushed in recent years to ramp up both EFMP and EFMP Plus-Up in recent years. Between 2010, when the program began, and 2013, less than two dozen replacement vouchers were issued, all in the South Coast air district. In response, SB 459 of 2013 required ARB to update the EFMP guidelines to, among other things, allow for larger voucher amounts, focus the program more heavily on lower-income owners, and streamline program requirements to facilitate participation. As noted above, SB 1275 of 2014 established the Charge Ahead Initiative to place in service at least 1 million zero-emission and near-zero-emission vehicles by January 1, 2023, with a focus on disadvantaged and low- and moderate-income communities. Among other provisions, SB 1275 required ARB to develop a long-term funding plan with the intent to improve all its incentive programs by making them more accessible to all segments of the population.

4) *Amendments*. As it left the Assembly, this bill codified EFMP Plus-Up and included provisions requiring ARB to make the program available in additional air districts and to prioritize retirement of vehicles 15 years or older with 75,000 miles or more. These provisions were removed in the Environmental Quality Committee, and the program name was changed to Clean Cars 4 All to help ease marketing and outreach efforts. ARB is already working with local air districts to expand the program into Sacramento, San Diego, and the Bay Area, so requiring ARB to do so seems redundant. Regarding the mileage provision, the Environmental Quality Committee felt that the program should not be limited, but rather should take every car that qualifies for retirement.

5) *Double referred*. This bill was passed by the Environmental Quality Committee on July 5th on a 5-1 vote.

RELATED LEGISLATION:

AB 188 (Salas, 2017) — expands eligibility for light-duty pickup trucks as replacement vehicles under EFMP. *This bill passed out of this committee on a 12-0 vote and is scheduled to be heard in the Environmental Quality Committee on July 5th.*

AB 193 (Cervantes, 2017) — requires ARB to establish a Clean Reused Vehicle Rebate Project. *This bill passed out of this committee on a 9-3 vote and is scheduled to be heard in the Environmental Quality Committee on July 5th.*

AB 615 (Cooper, 2017) — extends the sunset on the income eligibility restrictions under CVRP. *This bill is also being heard in this committee today.*

AB 1965 (Cooper, 2016) — would have required ARB to expand EFMP Plus-Up in disadvantaged communities and in areas with poor air quality. *This bill was passed by the Transportation and Housing Committee but failed passage in the Environmental Quality Committee.*

AB 1691 (Gipson, 2016) — would have required ARB to update EFMP Plus-Up to help increase efficiencies and reduce program abuse. *This bill was held on the suspense file by the Senate Appropriations Committee.*

SB 1275 (De Leon, Chapter 530, Statutes of 2014) — establishes the Charge Ahead Initiative to provide incentives to increase the availability of zero-emission vehicles and near-zero-emission vehicles, particularly to low-income and moderate-income consumers and disadvantaged communities.

SB 459 (Pavley, Chapter 437, Statutes of 2013) — required ARB to update the EFMP guidelines by June 30, 2015 to, among other things, focus program assistance on lower-income vehicle owners.

Assembly Votes:

Floor:	**54-20**
Appr:	**12-5**
Trans:	**10-4**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Electric Transportation Coalition
Southern California Edison
Valley Clean Air Now

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 669	**Hearing Date:**	July 11, 2017
Author:	Berman		
Version:	6/26/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Manny Leon		

SUBJECT: Department of Transportation: motor vehicle technology testing

DIGEST: This bill extends the repeal date for the State Department of Transportation (Caltrans) to test certain vehicle technologies, as specified.

ANALYSIS:

Existing law:

1) Establishes rules of the road for the operation of a vehicle on state highways and roads.

2) Requires motor vehicles being driven outside of a business or residence district in a caravan or motorcade, whether or not towing other vehicles, to be operated so as to allow sufficient space and in no event less than 100 feet between each vehicle or combination of vehicles so as to enable any other vehicle to overtake or pass.

3) Authorizes the Caltrans, in coordination with the Department of the California Highway Patrol (CHP), to conduct testing of technologies that enable drivers to safely operate motor vehicles with less than 100 feet between each vehicle or combination of vehicles and would exempt motor vehicles participating in this testing from the above-described rule.

4) Requires the department to report its findings from the testing to the Legislature on or before July 1, 2017. Further repeals the abovementioned provisions on January 1, 2018.

This bill:

1) Extends the authorization period for Caltrans to test various vehicle technologies that enable a vehicle to safely operate with less than 100 feet

between each vehicle or combination of vehicles from January 1, 2018 to January 1, 2020.

2) Require Caltrans to submit a subsequent report to the Legislature on or before July 1, 2019.

COMMENTS:

1) *Purpose.* According to the author, "AB 669 would allow Caltrans, CHP, and stakeholder partners to continue on-road testing of Driver Assistive Truck Platooning (DATP) technologies by extending the current sunset for testing from January 1, 2018 to January 1, 2020. Doing so will provide two additional years in which Caltrans can continue to build upon the body of knowledge it has obtained to date during testing which, in turn, will provide state policymakers with additional important information about DATP's promising potential to provide California with important transportation safety, fuel savings, and air emissions benefits. This bill continues California's tradition of leading in innovative technologies that focus on human benefits like driver safety and reducing emissions."

2) *Platooning.* Due to the fact that drivers require time and space to react to changing driving conditions, the present system of driving on roadways requires a tremendous amount of space between vehicles. The amount of space between vehicles increases as the speed of the vehicles increases. For example, a parked car requires approximately 100 square feet of ground space. When the same vehicle is moving at 70 mph, because of the longitudinal space requirements to allow for human reaction time, it requires approximately 5,000 square feet of space on a freeway. This space requirement is even higher for trucks and commands a premium price in an already developed urban environment such as southern California.

   Automated Highway Systems and driver assistive truck platooning (DATP), holds great promise in improving traffic flow on congested roadways and promises dramatic improvements in capacity. DATP is a vehicle-based system that can drive a vehicle automatically. This is done using sensors that determine a vehicle's lane position and the speed and location of other vehicles. Actuators on the throttle, brake, and steering wheel give the vehicle the necessary commands to safely navigate the vehicle on the roadway. DATP vehicles often also have equipment to communicate with other DATP vehicles. Benefits resulting from DATP may include improved public safety, vehicles operating more efficiently, and vehicles producing lower emissions compared to the traffic flows with conventional vehicles.

3) *Pilot Program.* SB 719 (Chapter 163, Statutes of 2015) authorized Caltrans to conduct a pilot program to study truck platooning. The legislation was a result of Caltrans receiving federal funds to research and conduct demonstrations on partially automated trucks in closely spaced operations however Caltrans not having the statutory authority to conduct a pilot program or legally conduct demonstrations on public roads and highways.

   The pilot program was in partnership with the University of California at Berkeley, private truck manufacturers, and a number of other stakeholders to study the technical feasibility and benefits of partially automated truck platooning with the end goal of developing a policy framework that will allow for the general use of this technology. Ultimately, the pilot program intended for Caltrans and program partners to focus on two specific research areas: 1) testing truck driver preferences using truck platooning technology in different environments; and, 2) testing energy consumption savings associated with this technology. The $2 million demonstration program was funded primarily through a $1.6 million federal grant coupled with $460,000 from state and local sources

4) *Report?* SB 719 required Caltrans to prepare and submit a report to the Legislature on or before July 1, 2017 on the demonstration program's findings. At the time this analysis went to print, Caltrans had not provided a final report to the Legislature on the demonstration program. Furthermore, due to the report not being finalized, staff requested from Caltrans specific information on the demonstration's testing period to provide in this analysis. At the time this analysis went to print, Caltrans had failed to provide the requested information. **The committee may wish to request Caltrans testify at the committee hearing and provide information on the status of the report and information related to the demonstration program.**

RELATED LEGISLATION:

SB 719 (Chapter 163, Statutes of 2015) —authorized the Caltrans to test technologies that involve motor vehicles being operated within less than 100 feet between each vehicle. Required the vehicles and routes used in the testing process to be approved by the California Highway Patrol (CHP). Specified the authorized testing period will end on January 1, 2018.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Manufacturers and Technology Association
California Trucking Association
Daimler Trucks North America
Denso International America
Peloton Technology
Silicon Valley Leadership Group
Truck and Engine Manufacturers Association
United Parcel Service
Volvo Group North America

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 758	**Hearing Date:**	7/11/2017
Author:	Eggman		
Version:	7/5/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Manny Leon		

SUBJECT: Transportation: Tri-Valley-San Joaquin Valley Regional Construction Authority

DIGEST: This bill establishes the Tri-Valley-San Joaquin Valley Regional Construction Authority (Authority) and designates various duties, as specified.

ANALYSIS:

Existing law:

1) Provides for the creation of statewide and local transportation agencies, which may be established as joint powers authorities or established expressly by statute.

2) Establishes the Bay Area Rapid Transit District (BART), which is authorized to acquire, construct, own, operate, control, or use rights-of-way, rail lines, bus lines, stations, platforms, switches, yards, terminals, parking lots, and any and all other facilities necessary or convenient for rapid transit service.

3) Allows for the creation of the San Joaquin Regional Rail Commission which operates the commuter rail service otherwise known as the Altamont Corridor Express (ACE) providing commuter rail passenger rail service from Stockton to San Jose.

This bill:

1) Makes legislative findings and declarations regarding the need for strategic and planned interregional mobility in the Altamont Pass corridor.

2) Defines key terms, including:

a) “Authority” to mean the Tri-Valley-San Joaquin Valley Regional Construction Authority;

b) "Connection" to mean a connection between BART and ACE in the Tri-Valley; and,

c) “Tri-Valley” to mean the cities of Danville, Livermore, Pleasanton, and San Ramon.

3) Establishes the Authority for purposes of planning, developing, and delivering a cost-effective and responsive connection that meets the goals and objectives of the community; and prescribes the Authority's membership, to be composed of one representative from each of the following entities:

a) San Joaquin Regional Rail Commission;

b) BART;

c) The City of Dublin;

d) The City of Lathrop;

e) The City of Livermore;

f) The City of Pleasanton;

g) The City of Stockton;

h) The City of Tracy;

i) The County of Alameda;

j) The County of San Joaquin;

k) The Livermore Amador Valley Transit Authority (LAVTA); and,

l) Mountain House Community Services District.

4) Provides that the Authority possesses all powers necessary for planning, acquiring property, leasing, developing, procuring contracts, and building the project, as specified.

5) Provides for administrative support for the Authority, and authorizes the Authority to partner with LAVTA and the San Joaquin Regional Rail Commission, as specified.

6) Requires that all unencumbered local funds programmed for the completion of the BART to Livermore extension are to be transferred to the Authority to fund the identified connection project.

7) Specifies that the Authority is eligible to receive state and federal fund allocations. Further specifies that the Authority shall not apply for competing Transportation Development Act funds that are allocated to any member entity of the Authority's board without the express written consent of that member entity.

8) Specifies that if the identified project includes a BART extension:

   a) The Authority shall enter into a memorandum of understanding with BART to review any significant changes in the scope of design or construction, as specified; and,

   b) The Authority shall not encumber the project with any obligation that is transferrable to BART upon completion of the design and construction of the project. Further specifies rolling stock is not included as part of the design and construction of the project.

9) Specifies that upon completion of the project, the operator(s) are to be determined as follows:

   a) For any extension of the BART system, BART shall assume responsibility for operating the BART extension; and,

   b) For any portion that is not part of a BART extension, the San Joaquin Regional Rail Commission or other rail authority shall assume responsibility, as specified.

10) Requires all assets to be transferred to the abovementioned operators upon completion of the project.

11) Requires the Authority, by July 1, 2018, to provide a project feasibility report to the public and post on its website, detailing the plans for the development and implementation of the connection, including proposed scope, schedule and cost.

12) Authorizes the Authority to use any environmental documents previously completed by BART and the San Joaquin Regional Rail Commission to complete the feasibility report.

13) Directs the Authority to dissolve upon completion of the connection.

COMMENTS:

1) *Purpose.* According to the author, "Interstate 580 through the Altamont Pass Corridor connects the industrial and agricultural powerhouse that is the San Joaquin Valley to the Bay Area, the capital of high tech and innovation. Combined, the two comprise an economic megaregion with links to ground, air and ocean trade networks. Thousands of drivers commute over the interstate daily from the San Joaquin Valley, where home prices are affordable, to the Bay Area, where many jobs are located. Creating an authority that can focus on establishing a connection between ACE Rail and BART will help to both decrease traffic on this critical freeway and reduce greenhouse gas emissions."

2) *Altamont Pass and ACE.* The Altamont Pass serves as the commuter corridor connecting the San Joaquin Valley to the Bay Area. I-580 is the freeway connector and ranks as of one of the most congested freeways in the mega-region during peak hours due to high volume of regional and interregional commuter, freight, and recreational traffic. Additionally, San Joaquin County, and other counties in the San Joaquin Valley are some of the fastest growing in the state. Since 1990, the number of people commuting daily from the northern San Joaquin Valley to the Bay Area has more than doubled, growing from 32,000 to nearly 65,000 commuters. Currently, the ACE train brings commuters from the northern San Joaquin Valley from the cities of Stockton, Lathrop and Tracy to the San Jose region. ACE carries nearly 3,000 commuters daily one way or 6,000 round trips.

3) *BART Extension to Livermore.* Currently BART is working on the development of the BART to Livermore extension which would extend the BART rail line by 5.5 miles along I-580 from the existing Dublin/Pleasanton Station to a new station in the vicinity of the Isabel Avenue interchange. The project would also incorporate improvements to the local bus system, connections with key activity centers in Livermore and inter-regional rail service.

   The original cost estimate for the project was $1.2 billion in 2010, but will be updated upon completion of the environmental review which is anticipated to be released in late summer of this year. The project is being funded by a combination of revenue from Alameda County's local sales tax measures, regional bridge tolls, and City of Livermore impact fees, all of which represent roughly 45% of the total estimated cost.

   The project-level EIR will build upon the 2010 program-level EIR, which looked at 10 alignment alternatives. The project-level EIR will evaluate the

construction of the BART rail extension, including the BART station, associated parking, storage tracks, as well as the operation of new BART and bus services. Additionally, as part of the EIR process, BART must also examine alternatives to the proposed project, including a no build alternative, a Diesel Multiple Unit or Electric Multiple Unit Alternative, an Express Bus/Bus Rapid Transit Alternative, and an Enhanced Bus Alternative.

Following a public review and comment period, one of the options for the project will be selected by the BART Board of Directors as the preferred transit mode for the extension to Livermore. BART then anticipates the need to prepare a federal-level Environmental Impact Statement to comply with the National Environmental Policy Act, as federal monies may be part of the funding picture. BART's anticipated date for opening the completed extension and new BART station is 2026.

4) *No connection.* While the Livermore extension is only the first part to a final connection, no formal plan exists that identifies a pathway and/or project to connect ACE and BART. However, there are numerous options being discussed and explored to make the final connection. For example, ACE is undertaking an EIR process at a programmatic and project level to study options for the connection and increasing ACE service as part of its ACEForward initiative. Additionally, in February 2016, local officials created the Altamont Regional Rail Working Group to focus on potential ACE to BART linkages to better connect the Bay Area to the Central Valley region. The Working Group contains local officials from the area communities, and representatives from ACE and BART.

   The provisions specified in this bill build off the working group by creating an Authority to study, develop, and construct a cost effective connection between ACE and BART. Supporters of this bill assert that this bill is necessary to deliver a much-needed interregional rail connection between the San Joaquin Valley and the Bar Area's Tri-Valley. Opponents note this bill would duplicate and undermine the existing studies being conducted by ACE and BART and also create a new entity that may compete for funds with other Bay Area and Central Valley transportation agencies.

5) *Assumptions.* While the bill in its current form would create an Authority to plan and construct a connection between ACE and BART, this bill assumes another transportation entity would take over the operations of whatever project is constructed. In fact, this bill explicitly states that the Authority is required to dissolve upon completion of the connection, transportation operations are to be designated to another entity, and that the assets are to be transferred to an

applicable operator. However, it is unclear whether BART, ACE, or another entity would have the available rolling stock or financial resources to carry out operations upon the project's completion. Rather, this bill assumes, with no guarantee, that one or more transportation entities will be available to operate transit services once the project is complete.

Assembly votes:

Floor:	**72-0**
Approps:	**17-0**
Trans:	**14-0**

RELATED LEGISLATION:

AB 2762 (Baker, 2016) — would have created the Altamont Pass Regional Rail Authority for the purposes of planning and delivering a cost effective and responsive interregional rail connection between BART and ACE in the City of Livermore. *AB 2762 was held in the Assembly Transportation Committee.*

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Alameda County
City of Dublin
City of Livermore
City of Stockton
City of Tracy
Innovation Tri-Valley Leadership Group
Livermore Amador Valley Transit Authority
Livermore Valley Chamber of Commerce
San Joaquin County
San Joaquin Partnership
San Joaquin Regional Rail Commission
Town of Danville

OPPOSITION:

Amalgamated Transit Union
American Federation of State, County, and Municipal Employees
BART
Service Employees International Union
Urban Habitat and Public Advocates

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 805	**Hearing Date:**	7/11/2017
Author:	Gonzalez Fletcher		
Version:	5/30/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Manny Leon		

SUBJECT: County of San Diego: transportation agencies

DIGEST: This bill makes changes to the governance and financing authority of the San Diego Association of Governments (SANDAG), the San Diego Metropolitan Transit System (MTS), and the North County Transit District (NCTD).

ANALYSIS:

Existing law:

1) Creates a consolidated transportation agency in San Diego, including the SANDAG, MTS, and NCTD, and authorized that agency to assume certain responsibilities, including the development of a regional transportation plan.

2) Defines the governance structure of the SANDAG, MTS, and NCTD boards, including membership and voting.

3) Authorizes cities and counties, and some transportation agencies such as SANDAG, to impose transactions and use taxes in 0.125% increments in addition to the state's 7.5% sales tax, provided that the combined rate in the county does not exceed 2%.

4) Requires SANDAG to adopt a regional comprehensive plan based on the local general and regional plan that integrates land uses, transportation systems, infrastructure needs, and public investment strategies, within a regional framework, in cooperation with member agencies and the public.

5) Requires regional transportation planning agencies to develop and adopt of a regional transportation plan (RTP) directed at achieving a coordinated and balanced regional transportation system, including, but not limited to, mass transportation, highway, railroad, maritime, bicycle, pedestrian, goods movement, and aviation facilities and services.

This bill:

Overall, AB 805 makes four major changes to MTS, NCTD, SANDAG:

1) Modifies the governing structure of MTS.
2) Allows MTS and NCTD to impose a transactions and use tax,
3) Alters SANDAG's governance structure and approval process,
4) Creates an independent auditor, charges the position with specified powers, and requires the performance of certain duties, and

Specifically, this bill proposes to make the following changes to MTS, NCTD, SANDAG:

1) Revises the San Diego Association of Governments (SANDAG) Board of Directors as follows:
    a) Requires the mayors of the largest city and the second-largest city to alternate between serving as Chairperson and Vice Chairperson for four-year terms;
    b) Provides that terms of office for the SANDAG Board, other than for the Chairperson and Vice Chairperson, may be established by the Board;
    c) Requires the two directors from the City of San Diego to be the Mayor and the President of the City Council;
    d) Requires the Chair of the San Diego County Board of Supervisors (BOS) to be one of the two SANDAG Board members from the County of San Diego (County), and makes conforming changes; and,
    e) Requires the weighted vote allocated to the two representatives from the BOS and City of San Diego to be equal, instead of authorizing each agency to apportion the weighted vote among their two members.
2) Requires an affirmative vote of the majority of SANDAG Board members present to act on any item.
3) Removes a provision in existing law which required both a majority vote of the members present on the basis of one vote per agency and a majority of the weighted vote of the member agencies present in order to act on any item, and instead authorizes the members of any two jurisdictions to call a

weighted vote after a vote of the SANDAG Board members on the basis of one vote per agency is taken.

4) Makes changes to the formula to apportion weighted votes by increasing the cap in existing law, from 40 to 50, which allocates 50 votes to any agency with 50% or more of the total population of the County and provides a formula to allocate the remaining 50 votes.

5) Requires for approval under the weighted vote procedure a vote of the representatives of no less than four jurisdictions which represent no less than 51% of the total weighted vote to supersede the original action of the SANDAG Board.

6) Requires the population of the County to be the population in the unincorporated area of the County for the purposes of determining the weighted vote for the County.

7) Adds an audit committee to the list of standing policy advisory committees within SANDAG.

8) Requires the audit committee to consist of five voting members, two members from the SANDAG Board, and three members of the public appointed by the SANDAG Board. Provides an exception, for directors serving on the Audit Committee, to the prohibition in existing law which prevents a director from serving on more than two standing policy advisory committees.

9) Requires the audit committee to recommend to the SANDAG Board the contract of the firm conducting the annual financial statement audits and the hiring of the independent performance auditor (Auditor), and to approval the annual audit plan after discussion with the Auditor, as specified.

10) Requires the audit committee to appoint an Auditor, subject to approval by the SANDAG Board, who may only be removed for cause by a vote of at least two-thirds of the audit committee and the SANDAG Board.

11) Establishes the powers granted to the Auditor over personnel matters, performance audits, investigation within SANDAG, and contracts.

12) Requires the Auditor to prepare annually an audit plan and to conduct audits as required by ordinance or in accordance with state law and the California Constitution. Requires all audits and reports to be made available to the public in accordance with the California Public Records Act.

13) Requires the Chairperson and Vice Chairperson of the SANDAG Board to be voting members of the executive committee.

14) Revises the composition of the Metropolitan Transit System Board (MTS Board), as follows:

    a) Requires two members, instead of one member, from the Chula Vista city council, one of whom shall be the mayor, to be appointed by the city council; and,

    b) Removes the BOS MTS Board member, as specified, as Chairperson of the Board, and makes conforming changes.

15) Authorizes any two MTS Board members to call for a weighted vote, and deletes existing law which authorized a weighted vote to be called by any two members at least one of whom is not the City of San Diego representative.

16) Removes a provision in existing law which authorizes an appointed MTS Board member to continue to serve on the Board for up to four years after the date of termination from elected office.

17) Makes specified changes to the appointment of alternate members of the MTS Board, and requires the BOS to appoint a supervisor who represents one of the two supervisorial districts with the greatest percentage of its area within the incorporated area of the County within the jurisdiction of MTS to serve as an alternate member of the MTS Board.

18) Requires an affirmative vote of the members present for all official acts of the MTS Board.

19) Revises the weighted vote to be a total of 100 votes, with each member agency allotted the number of votes annually determined by population, except as provided by exiting law which allocates 12.5 weighted votes to each of the four City of San Diego representatives for a total of 50 votes.

20) Requires a supermajority percentage of the weighted vote when a weighted vote is taken on any item that requires more than a majority vote of the MTS Board.

21) Requires the City of Chula Vista to allocate its weighted vote evenly between their two MTS Board members.

22) Authorizes any two members of the North County Transit District (NCTD) Board to call a weighted vote after a vote of the NCTD Board is taken.

23) Requires an affirmative vote of the majority of the members present for all official acts of the NCTD Board.

24) Establishes a total of 100 weighted votes to be apportioned to the County and each city annually based on population.

25) Requires for approval under the weighted vote procedure a vote of the representative of no less than three jurisdictions which represent no less than 51% of the total weighted vote to supersede the original action of the NCTD Board.

26) Requires a supermajority percentage of the weighted vote when a weighted vote is taken on any item that requires more than a majority vote of the NCTD Board.

27) Requires the NCTD Board to adopt policies and procedures to implement the weighted vote requirements.

28) Authorizes the MTS and NCTD Board, subject to the approval of their voters, to impose a 0.5% transaction and use tax for public transit purposes in accordance with transactions and use tax law and the California Constitution Article XIII C.

29) Authorizes the transactions and use tax ordinance to be applicable in the incorporated and unincorporated territory within the area of the MTS Board and the NCTD Board, respectively, as defined in existing law.

30) Provides that this authority remains in effect, if at any time, the voters do not approve transactions and use tax and authorizes both Boards to go back to their voters at any time subject to specified requirements.

31) Requires the ordinance to state the nature of the tax to be imposed, the tax rate, the term the tax will be imposed, purposes for which the revenue will be used, and to include an expenditure plan which must include the allocation of revenues.

32) Limits the use of tax revenue to public transit purposes serving the area of jurisdiction of the MTS and NCTD Board, as determined by the respective Board, as specified. Provides that these purposes include expenditure for the planning, environmental review, engineering and design costs, and related right of way acquisition.

33) Defines public transit purposes to include the public transit responsibilities under the jurisdiction of the Board as well as any bikeway, bicycle path, sidewalk, trail, pedestrian access, or pedestrian access way.

34) Authorizes each Board to allocate transactions and use tax revenues for public transit purposes consistent with the applicable regional transportation improvement program and the regional transportation plan.

35) Prohibits both Boards from levying the tax, subject to voter approval, at a rate other than 0.5% or 0.25%, unless specifically authorized by the Legislature.

36) Authorizes each Board to seek authorization to issue bonds payable from the proceeds of the tax, as part of the ballot proposition to approve the transactions and use tax.

37) Provides that both Boards have no power to impose any tax other than the transactions and use tax imposed, pursuant to this bill and subject to voter approval.

38) Requires the SANDAG Board to develop and adopt internal control guidelines and an administration policy, as specified.

39) Requires the SANDAG Board to provide a report, developed by the transportation committee, to the Legislature on or before July 1 of each year that outlines specified information.

40) Requires SANDAG's regional comprehensive plan to address the following:

    a) Greenhouse gas emissions reduction targets set by the State Air Resources Board, pursuant to existing law, and to include strategies that provide for mode shift to public transportation; and,

    b) Identify disadvantaged communities, as designated pursuant to existing law, and include transportation strategies to reduce pollution exposure in those communities.

41) Adds open space, including habitat to the list of components that the regional comprehensive plan may include.

COMMENTS:

1) *Purpose.* According to the author, "the San Diego Association of Governments is an unaccountable and unrepresentative agency with too much power and too little transparency. Structurally, one agency has been placed in charge of managing billions of dollars of taxpayer money for transportation purposes and has been set up to give a group of cities representing less than 15 percent of the county's population a veto over any actions. The lack of accountability and

transparency in SANDAG has become evident with the recent scandals over SANDAG staff and board members who were aware of faulty revenue projections, but continued to use them and mislead voters leading up to the vote on proposed sales tax. Even now, those at SANDAG have continued to shift the blame and have not been held accountable for presenting voters with false information. AB 805 would reform the governance structure of SANDAG to better reflect and represent the San Diego region's population, and decentralize some of the authority to raise revenue in order to empower smaller jurisdictions which may have different transportation priorities to act. The bill would also establish an audit committee and independent performance auditor within SANDAG to help ensure the agency stays on track and this sort of scandal does not happen again."

Transportation in San Diego:

2) *SANDAG.* SB 1703 (Peace), Chapter 743, Statutes of 2002, created a consolidated transportation agency in San Diego from existing agencies, including the San Diego Association of Governments (SANDAG), the San Diego Metropolitan Transit System (MTS), and the North County Transit District (NCTD), and authorized that agency to assume certain responsibilities. SANDAG is now the consolidated agency responsible for many public transit and long-term transportation planning and programming responsibilities that formerly resided with MTS and NCTD boards. SB 1703 established the general authority and powers of the revamped SANDAG in an attempt to create an agency with the power to develop a comprehensive regional public transportation system. In addition to the planning functions, SB 1703 transferred project development and construction activities to SANDAG, except on certain existing projects, and sought to refocus MTS and NCTD primarily as agencies operating public transit services.

   SANDAG is the regional transportation planning agency for San Diego County and under federal law is the metropolitan planning organization for the region. SANDAG also manages a local, voter approved half-percent transportation sales tax.

   SANDAG is governed by a 21-member board comprised of two members of the BOS, two members of the City of San Diego, which may include the mayor, and 17 members from the city councils, which may include the mayor, from each of the seventeen incorporated cities. Votes are allocated among the 21-member board by formula that apportions the total weighted vote of 100 based on the total population in the County and specifies a specific formula if any agency has 40% or more of the total population. Under existing law, a majority

vote on the basis of one vote per agency and a majority vote of the weighted vote are required.

3) *MTS.* MTS is governed by a 15-member board comprised of two members of the Board of Supervisors appointed by the BOS, four members of the San Diego City Council, one of whom may be the mayor, appointed by the city council, and nine members from the city councils of the following cities: Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, and Santee appointed by each respective city council. Under existing law, official acts of the MTS Board require a majority vote of members of the Board. A weighted vote may be called by any two members, as specified.

   MTS provides transit services over approximately 570 square miles of the urbanized areas of San Diego County, including the City of San Diego, as well as the rural parts of East County, totaling 3240 square miles and serving an estimated 3 million people in San Diego County. Transit services primarily include bus and light rail providing over 92 million annual passenger trips on an operating budget of roughly $256 million.

4) *NCTD.* NCTD is governed by a nine-member board comprised of one member of the BOS, appointed by the BOS; eight members from the city councils of the following cities: Carlsbad, Del Mar, Encinitas, Escondido, Oceanside, San Marcos, Solana Beach; and Vista appointed by each respective city council. Existing law requires a majority vote of the members of the NCTD Board for any official act.

   NCTD provides transit services for approximately 12 million passengers annually by providing public transportation for North San Diego County. Transit services include COASTER commuter rail service, SPRINTER light rail, BREEZE bus system, FLEX rural and on-demand service, and LIFT paratransit service.

   As mentioned, this bill would make a variety of changes to the board and governance structure to SANDAG, MTS, and NCTD.

5) *TUT.* Existing law authorizes cities and counties to impose transactions and use taxes (TUT) in 0.125% increments in addition to the state's 7.5% sales tax, provided that the combined rate in the county does not exceed 2%. TUT's are taxes imposed on the total retail price of any tangible personal property and the use or storage of such property when sales tax is not paid. State law has been amended multiple times to authorize specific cities, counties, special districts

and county transportation authorities, including SANDAG, to impose a transactions and use tax, if voters approve the tax.

This bill authorizes MTS and NCTD to each adopt an ordinance to propose the imposition of transactions and use tax for public transit purposes at a rate of no more than 0.5%, and with the appropriate voter approval pursuant to the California Constitution, which requires a two-thirds vote. With both MTS and NCTD including incorporated and unincorporated areas, this bill authorizes each Board to impose transactions and use tax within the area of the Board.

6) *Support.* In support, the State Building and Construction Trades Council writes, "SB 805 will bring much-needed reform, accountability and democracy to SANDAG. It will also empower transit agencies like the San Diego Metropolitan Transit System (MTS) and the North County Transit District (NCTD) to pursue their own voter funding for public transit. Allowing MTS and NCTD to levy taxes is more strategic way to serve regional transportation needs as both agencies exclusively focus on transit and operations."

7) *Opposition.* Writing in opposition, SANDAG notes, "AB 805 would eliminate the simultaneous and dual nature of the current voting structure and initially require a tally vote on all items. However, after the initial tally vote is taken, AB 805 would allow two jurisdictions to call for a weighted vote instead. If at least four jurisdictions representing a majority of the weighted vote supported the action, the weighted vote would supersede the original tally vote. In effect, the proposed voting system would enable 4 of the region's 19 jurisdictions to determine all of the agency's priorities and expenditures, effectively disenfranchising more than half of the region's population.

AB 805 also would mandate that the mayors of the two largest cities alternate between serving as Chair and Vice Chair of the Board of Directors for four-year terms, thereby preventing representatives of 16 cities and the County from ever serving in leadership. (In terms of current population, the two largest cities in the region are the cities of San Diego and Chula Vista.)"

8) Amendments. Pending the approval from this committee, the author wishes to make several amendments to the bill. First, amendments would prohibit SANDAG, MTS, and NCTD from entering into a construction contract over $1 million with any entity unless the entity provides an enforceable commitment that the entity and its subcontractors at every tier uses a skilled and trained workforce to perform all work on the project, as specified. This amendment further specifies that the abovementioned requirement does not apply if SANDAG, MTS, or NCTD has entered into a project labor agreement

that will bind all contractors and subcontractors performing work on a project, as specified.

Several other clarification amendments include changing the MTS and SANDAG chairmanship terms from four to two years and changing the requirement that the Chair of the San Diego County Board of Supervisors serve on the SANDAG board to allow any member from the County Board of Supervisors to serve on the SANDAG board.

RELATED LEGISLATION:

SB 268 (Mendoza, 2017) — would revise the composition of the Los Angeles Metropolitan Transportation Authority (METRO) governing board, from 14 to 22 members, as specified, unless a different composition is agreed to in a plan supported by specified local entities prior to December 1, 2018.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

AFSCME Retirees Chapter 36
Amalgamated Transit Union
American Federation of Teachers, Local 1931
Association of Local Government Auditors
Bike San Diego
Bike Walk Chula Vista
California Alliance for Retired Americans
California Bicycle Coalition
California Environmental Justice Alliance
California Labor Federation
California Nurses Association / National Nurses United
Carlsbad City Councilmember Cori Schumacher
Center on Policy Initiatives
Chula Vista City Councilmember Stephen C. Padilla
Chula Vista Mayor Mary Casillas Salas
Circulate San Diego
Cleveland National Forest Foundation

Climate Action Campaign
Coastal Environmental Rights Foundation
Democratic Club of Carlsbad Oceanside
Environmental Center of San Diego
Environmental Health Coalition
Escondido Chamber of Citizens
International Brotherhood of Electrical Workers Local 569
La Mesa City Councilmember Colin Parent
Mid-City Community Advocacy Network
National City Councilmembers Alejandra Sotelo-Solis and Mona Rios
Preserve Calavera
San Diego 350
San Diego City Councilmembers David Alvarez, Myrtle Cole, and Georgette Gomez
San Diego County Building and Construction Trades Council
San Diego Metropolitan Transit System
South Bay Democratic Club
Southwestern Community College District Governing Board Members Nora E. Vargas and Roberto C. Alcantar
State Building and Construction Trades Council, AFL-CIO
UNITE HERE, AFL-CIO

OPPOSITION:

Associated Builders and Contractors, San Diego Chapter
Associated General Contractors – San Diego
Building Industry Association of San Diego County
California Taxpayers Association
City of Del Mar
City of El Cajon
City of Escondido
City of La Mesa
City of National City
City of Oceanside
City of Ontario
City of Poway
City of San Marcos
City of Solana Beach
City of Vista
County of San Diego
Howard Jarvis Taxpayers Association
Metrolink

Mobility 21
Oceanside City Councilmember Jerome Kern
Riverside County Transportation Commission
San Bernardino County Transportation Authority
San Diego City Councilmember Lorie Zapf
San Diego County Board of Supervisors
San Diego County Regional Airport Authority (oppose unless amend)
San Diego Regional Chamber of Commerce
SANDAG
Southern California Association of Governments

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 857	**Hearing Date:**	7/11/2017
Author:	Ting		
Version:	7/3/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Manny Leon		

SUBJECT: State highways: property leases

DIGEST: This bill authorizes the California Department of Transportation (Caltrans) to lease to the City and County of San Francisco airspace under a freeway or other real property for park, recreational, or open-space purposes, as specified.

ANALYSIS:

Existing law:

1) Grants Caltrans broad authority to acquire by eminent domain any property necessary for state highway purposes.

2) Authorizes Caltrans to lease to public agencies or private entities the use of areas above or below state highways. Leases to private entities must be made on the basis of competitive bids.

3) Authorizes Caltrans to make land or airspace available, with or without charge, to a public entity to accommodate needed passenger, commuter, or high-speed rail, magnetic levitation systems, and highway and non-highway mass transit facilities.

4) Specifically authorizes Caltrans to lease to a local agency for park purposes all or any portion of land outside the boundary of a highway system when such use will preserve its view, appearance, light, air, and usefulness.

5) Authorizes Caltrans to lease to San Francisco, or a political subdivision, any airspace under a freeway or property for an emergency shelter or feeding program at a rate of $1 per month.

6) Authorizes Caltrans to lease non-operating right-of-way areas to municipalities or other local agencies for public purposes, and allows Caltrans to contribute

toward the cost of developing local parks and other recreational facilities on such areas. The lease may provide that the municipality or other local agency can offset the cost of the lease by providing maintenance or landscaping that would otherwise be the responsibility of the state.

This bill:

1) Authorizes Caltrans to lease up to 10 parcels of property within a priority development area, as defined, for parks, recreational, or open-space purposes to the City and County of San Francisco or a political subdivision thereof, for 10% of the average fair market lease value of the parcel.

2) Provides that Caltrans is to offer the City and County of San Francisco or political subdivision thereof the right of first refusal on a property parcel available for lease that is to be used for the abovementioned purposes.

3) Requires the lessee to fund and construct associated infrastructure, to accept full liability related to the infrastructure, and to fund all maintenance costs associated with the use.

4) Requires the lease to authorize the lessee, at its discretion, to subsidize its associated maintenance costs by generating revenue under a "limited revenue generation model" so long as at least half of any excess revenue is shared with Caltrans.

5) Authorizes Caltrans to include parcels leased under the provisions specified in this bill in a mitigation bank that may be used for future development or highway projects within the City and County of San Francisco.

COMMENTS:

1) *Purpose.* According to the author, “as one of the nation's most densely populated cities, San Francisco lacks the open space needed to implement its Sustainable Communities Strategy, which is required by the California Sustainable Communities and Climate Protection Act of 2008 (SB 375). As part of its compliance efforts, the City and County is looking to leveraged unused right-of-way and airspace below and adjacent to state freeways in order to develop green spaces, parks, and recreational facilities.”

2) *What are PDAs?* Priority Development Areas (PDA) are locally identified, infill-development opportunity areas within existing communities that are primed for a pedestrian- and bicycle-friendly environment served by transit. Specifically aimed for the development of new housing and job growth, PDAs are the foundation for sustainable regional growth and the Bay Area's SCS. To become a PDA, an area must be:

   a) Within an existing community

   b) Within walking distance of frequent transit service

   c) Designated for more housing in a locally adopted plan or identified by a local government for future planning and potential growth

   d) Nominated through a resolution adopted by a city council or county board of supervisors

3) *What is an SCS?* Senate Bill 375 (Steinberg, Chapter 728, Statutes of 2007) was enacted to reduce greenhouse gas emissions from automobiles and light trucks through integrated transportation, land use, housing, and environmental planning. Specifically, SB 375 requires regional transportation agencies to develop a Sustainable Community Strategy (SCS) for their respective regions. An SCS is envisioned to combine transportation and land-use elements in order to achieve emissions reduction targets. If the emissions reduction targets cannot be met through the SCS, an Alternative Planning Strategy (APS) may be developed that shows how the targets would be achieved through alternative development patterns, infrastructure, or additional transportation measures or policies. SB 375 also offers local governments regulatory and other incentives to encourage more compact new development and transportation alternatives.

4) *Existing practices.* Existing law provides a number of examples wherein Caltrans is directed to lease or sell property within its possession at well below market rate. For example:

   a) For emergency shelters or feeding programs in San Francisco, at a lease rate of $1 per month

   b) For emergency shelters, feeding programs, or day care centers in San Diego, for $1 per month

   c) For feeding programs in San Joaquin County for $1 per month

   This bill simply follows in these footsteps by providing San Francisco with the opportunity to enter into lease agreements with Caltrans, and additionally lease

up to 10 parcels of property under market-rate value that will help the city/county achieve their SB375/SCS targets.

RELATED LEGISLATION:

AB 2428 (Ting, 2016) — was similar to this bill. *AB 2428 was held on suspense in the Senate Appropriations Committee.*

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

Assembly Votes:
Floor: 53-24
Appr: 12-5
Trans: 9-4

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

City and County of San Francisco (Sponsor)
California Bicycle Coalition
San Francisco Parks Alliance
San Francisco Bicycle Coalition

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 964	**Hearing Date:**	7/11/2017
Author:	Calderon		
Version:	6/21/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: Economic development: Capital Access Loan Program: California Affordable Clean Vehicle Program

DIGEST: This bill establishes the California Affordable Clean Vehicle Program (CACVP) under the California Pollution Control Financing Authority (CPCFA).

ANALYSIS:

California Capital Access Loan Program (CalCAP)

Existing law establishes the CPCFA, consisting of the Director of Finance, the State Treasurer, and the State Controller. The CPCFA provides low-cost innovative financing to California businesses. CalCAP, administered by the CPCFA, encourages banks and other financial institutions in California to make loans to small businesses that have difficulty obtaining financing. The Electric Vehicle Charging Station Financing Program (EVCS), under CalCAP, is a $2 million financing program that provides incentives to small business owners and landlords to install electric vehicle charging stations for employees, clients, and tenants. EVCS is funded by the California Energy Commission (CEC). State Treasurer John Chiang announced in February 2017 that the Anza Electric Cooperative would be the first recipient of a state-supported loan under EVCS, pursuant to a partnership between CPCFA, the CEC, the cooperative, and the Pacific Enterprise Bank.

Enhanced Fleet Modernization Program (EFMP)

Existing law establishes EFMP, administered by the state Air Resources Board (ARB) and the Bureau of Automotive Repair. EFMP provides for the voluntary "retirement" (scrappage) of high-polluting passenger vehicles and light- and medium-duty trucks. The vehicle must be currently registered as operable and must have been continuously registered for two years prior to the application; unless the owner can demonstrate that the vehicle has been operated in California

during that period. EFMP is funded by an additional $1 surcharge on the vehicle registration fee. The program has a statewide component and a local component.

Under the statewide component of EFMP, ARB administers a program, authorized in the San Joaquin Valley and South Coast air districts, to replace high-polluting vehicles. In addition to the "retirement" vouchers described above, the local EFMP program offers a $2,500 "replacement" voucher to low-income vehicle owners to replace a high-polluting vehicle by either purchasing a vehicle eight years old or newer, or using the voucher toward public transit.

In addition, ARB administers EFMP Plus-Up in the San Joaquin and South Coast air districts. EFMP Plus-Up provides additional incentives above and beyond EFMP base incentives for individuals in disadvantaged communities (DACs) who retire high-polluting vehicles and replace them with used or new hybrid, plug-in hybrid, or zero emission vehicles. Eligible participants can receive additional incentives ranging from $1,500 to $5,000, depending on the vehicle type that is purchased. EFMP, EFMP Plus-Up, and Clean Vehicle Rebate Program (CVRP) rebates can be "stacked" for a total of up to $12,000.

Clean Vehicle Rebate Project (CVRP)

CVRP is administered by ARB's contractor, the California Center for Sustainable Energy. CVRP provides rebates to incentivize the purchase or lease of clean vehicles, as follows: $5,000 for a hydrogen fuel cell vehicle, $2,500 for a battery electric vehicle, $1,500 for a plug-in hybrid vehicle, and $900 for a zero emission motorcycle. In order to be eligible for a CVRP rebate (with the exception of fuel cell vehicles), an applicant's household income must not exceed $150,000 for single filers, $204,000 for head of household filers, or $300,000 for joint filers. In addition, individuals with household incomes of less than 300% of the federal poverty level are eligible for an additional rebate of $2,000. The income restrictions sunsetted on June 30, 2017 but legislation is pending to extend the sunset. There is no cap on the number of rebates that may be issued, but rebates are subject to funding availability and the program has more than once been forced to stop issuing rebates and create a wait list due to lack of funds.

Charge Ahead Initiative

In March 2012, Governor Brown issued an Executive Order setting a goal of 1.5 million zero emission vehicles (ZEVs) on California roads by 2025. SB 1275 of 2014 builds on this goal by establishing the Charge Ahead Initiative at ARB, which outlines a vision of placing one million electric cars, trucks, and buses on California's roads by 2023. SB 1275 directs ARB to provide incentives to increase

the availability of ZEVs and near-ZEVs for disadvantaged, low-income, and moderate-income communities and consumers. It also directs ARB to establish income limits for CVRP eligibility.

This bill:

1) Establishes the California Affordable Clean Vehicle Program (CACVP) under CalCAP. Requires the CPCFA to administer CACVP, consistent with the terms and conditions of CalCAP, in consultation with ARB, consistent with the Charge Ahead California Initiative, and coordinated with other incentive programs such as EFMP and CVRP.

2) Authorizes the CPCFA to contract with a financial institution to participate in CACVP. Requires CACVP, to the extent funding is available, to provide low-income individuals with financing mechanisms including, but not limited to:

    a) Establishing a loss reserve account with a participating financial institution to provide a loan or loan-loss reserve credit enhancement program to increase consumer access to ZEV and plug-in electric vehicle (PEV) financing and leasing options.
    b) Providing funds to participating financial institutions to reduce the interest rates charged on qualified loans for purposes of the CACRVP.
    c) Other methods established to increase the participation rate among low-income individuals in qualified loans, though CPCFA shall not provide grants or loans directly to low-income individuals.

3) Requires CACVP to comply with the following goals and objectives:

    a) Support California's air quality and climate change goals by reducing GHG and criteria pollutant emissions through the introduction of ZEVs or PEVs to low-income individuals.
    b) Encourage and accelerate the adoption of on-road light-duty ZEVs and PEVs for low-income individuals by providing targeted education and outreach including, but not limited to, financial and vehicle technology training through coordination with, but not limited to, community-based organizations, local air districts, and local school districts.

4) Establishes a California Affordable Clean Vehicle Fund in the State Treasury, which shall be the sole funding for the CACVP, upon appropriation by the Legislature.

5) Requires CPCFA to adopt regulations to implement the CACVP and sunsets the program on January 1, 2027.

COMMENTS:

1) *Purpose*. The author states that many working class families are unable to afford a ZEV. Although cost is still the primary barrier, lack of access to credit is just as challenging. Many low- and moderate-income consumers cannot take advantage of existing state and federal programs designed to increase access to clean vehicles because of limited access to capital. A statewide loan-loss reserve program could be a cost-effective way to increase access to both new and used ZEVs by leveraging private capital and recycling state funds. This bill builds upon the successful ARB pilot program in the Bay Area that began in 2016. This bill will help make low- and no-interest loans more affordable and widely available to low- and middle-income Californians.

2) *Background*. The Charge Ahead California Initiative directed ARB to provide incentives to increase the availability of ZEVs and near-ZEVs for disadvantaged, low-income, and moderate-income communities and consumers. One program established under this directive is the Light-Duty Financing Assistance in Disadvantaged Communities Pilot Project, upon which this bill is apparently based. This pilot program, which benefits Alameda, Contra Costa, San Francisco, Santa Clara, Santa Cruz, and Solano Counties, helps eligible lower-income consumers to access loans to purchase or lease new or used clean vehicles at a reduced price. This pilot program launched in June 2016.

3) *Implementation concerns.* The State Treasurer's Office (under which the CPCFA is housed) does not have an official position on this bill. Although the office expresses support for the overall goal of the program, it also expresses numerous concerns about the feasibility of implementing the CACVP, as well as its chances for success, including:

   a) Financing is not the primary way that low-income individuals purchase vehicles; individuals with no bank account or poor credit tend toward cash and trade.
   b) It is unlikely that lenders would be willing to make loans under the terms and restrictions of this bill.
   c) Requiring the CPCFA's review of the borrower's ability to afford debt payments would take at least 15 business days, which would change the car-buying process from a 2-4 transaction to a 2-4 week process.

d) Interest rate buy-down programs rarely achieve their purpose and are quite difficult to monitor, as lenders will add fees into the loan in order to achieve their expected rate of return on each loan.
e) Program administration would be extensive and more expensive than CPCFA's typical loan loss reserve programs.
f) This type of loan portfolio is very risky and contradictory to the standards of safe and sound lending.
g) The CPCFA would need to add an underwriting unit as well as contract with one or more non-profit entities in order to fully implement this bill.

In the Environmental Quality hearing on July 5th, the author committed to work with the Treasurer's Office to address these concerns.

4) *Where does the money come from?* Although this bill establishes a fund in the State Treasury dedicated to the CACVP, it does not specify a source of funding. It is unclear whether this program might siphon funds from other programs, or remain dormant until the Legislature specifically appropriates funds to it.

5) *Why a new program?* The state already administers a number of ZEV incentive programs. In particular, EFMP and EFMP Plus-Up, which offer incentives to low-income individuals to purchase or lease ZEVs, have been quite successful at reaching the population this bill intends to assist. In fact, EFMP Plus-Up, which started in the San Joaquin and South Coast air districts, is currently being expanded into additional areas of the state. Rather than creating an entirely new and quite complex program, it would seem more cost-effective and efficient to increase funding for existing programs such as EFMP Plus-Up. In addition, the author apparently seeks to take ARB's Light-Duty Financing Assistance in Disadvantaged Communities Pilot Project, statewide. However, that pilot program, which launched last year in the Bay Area, is already being expanded by ARB to other areas of the state. It is unclear what would be accomplished by creating a duplicative, more complex program under CPCFA.

6) *Double referred*. This bill was passed by the Environmental Quality Committee on July 5th on a 5-1 vote.

RELATED LEGISLATION:

AB 188 (Salas, 2017) — expands eligibility for light-duty pickup trucks as replacement vehicles under EFMP. *This bill passed out of this committee on a 12-0 vote and is scheduled to be heard in the Environmental Quality Committee on July 5th.*

AB 193 (Cervantes, 2017) — requires ARB to establish a Clean Reused Vehicle Rebate Program. *This bill is scheduled to be heard in the Environmental Quality Committee on July 5th.*

AB 630 (Cooper, 2017) — establishes EFMP Plus-Up in statute and renames it the Clean Cars 4 All Program. *This bill is scheduled to be heard in the Environmental Quality Committee on July 5th and in this committee on July 11th.*

AB 1184 (Ting, 2017) — Creates the California Electric Vehicle Initiative to be administered by ARB in coordination with the CEC and the state Public Utilities Commission.

AB 1259 (Calderon, 2017) — would have expanded the Capital Access Loan Program, overseen by the CPCFA, to include a financing program for EV purchases by low- and middle-income consumers and families. *This bill was held on the suspense file in the Assembly Appropriations Committee.*

SB 1275 (De Leon, Chapter 530, Statutes of 2014) — establishes the Charge Ahead Initiative to provide incentives to increase the availability of zero-emission vehicles and near-zero-emission vehicles, particularly to low-income and moderate-income consumers and disadvantaged communities.

Assembly Votes:

Floor:	**52-23**
Approps:	**12-5**
Nat Res:	**7-3**
Trans:	**10-3**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Environment California
Plug-In America

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1069	**Hearing Date:**	7/11/2017
Author:	Low		
Version:	6/28/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Local government: taxicab transportation services

DIGEST: This bill allows taxis to be regulated by specified county transportation agencies in the 10 largest counties in the state, and establishes specific consumer protections and regulatory flexibilities.

ANALYSIS:

Existing law:

1) Provides the California Public Utilities Commission (CPUC) with constitutional authority to fix rates and establish rules for the transportation of passengers and property by transportation companies, prohibit discrimination; and award reparation for the exaction of unreasonable, excessive, or discriminatory charges.

2) Establishes the CPUC's statutory authority to regulate categories of transportation companies including passenger-stage corporations (e.g., SuperShuttles), charter-party carriers of passengers (e.g., limousines), and transportation network companies (e.g., Lyft and Uber).

3) Exempts taxis from CPUC regulatory oversight.

4) Requires every city or county to adopt an ordinance or resolution to issue permits in regard to taxicab transportation service provided in vehicles, designed for carrying not more than nine people with the driver, which is operated within the city or county. Establishes minimum rules for drivers, including testing for controlled substances.

This bill:

1) Authorizes specified transportation agencies to administer taxi and taxi driver permits in the counties of Los Angeles, San Diego, Orange, Riverside, San Bernardino, Santa Clara, Alameda, Sacramento, Contra Costa, and Fresno. If the agency chooses to administer the permitting process, the county and the cities within that county shall enact ordinances adopting and enforcing the regulations developed by the transportation agency. If the agency chooses not to administer the permitting process, the county sheriff shall administer criminal background checks and drug testing for taxi drivers. The transportation agency may levy fees to pay for the cost of carrying out the regulation of taxicabs.

2) Provides that beginning January 1, 2019, taxi regulation is not permitted in the listed counties except through the specified county transportation agencies.

3) Requires all taxi drivers to be subject to drug testing and the passage of a fingerprint criminal background check using a live scan fingerprint.

4) Allows taxis to use any device approved by the California Division of Measurement Standards to calculate fares.

5) Requires taxi companies to disclose fares, fees or rates to customers, and to notify the passenger of the rate prior to the passenger accepting the ride for walkup rides and street hails.

6) Authorizes cities or counties to limit the number of taxicab companies or vehicles that may use taxistand areas or pick up street hails in its jurisdiction.

7) Prohibits a transportation agency or city or county from limiting prearranged trips within the county.

COMMENTS:

1) *Purpose.* The transportation industry has been rejuvenated with the emergence of transportation network companies (TNCs), such as Lyft and Uber. While this has created many benefits to consumers, it has been costly to the taxi industry. This bill is intended to simplify the regulation of taxis, giving them greater flexibility to compete.

2) *If at First You Don't Succeed …* TNCs are lightly regulated at the state level by the CPUC. Taxis are regulated by cities, with varying degrees of scrutiny. Last year the author tried to create a level regulatory playing field by also regulating taxis at the state, rather than local, level. That bill was vetoed, with the Governor stating that shifting taxi regulation to the state was unjustified. This bill is a modified version of last year's bill, making county-wide governments responsible for taxi regulation in California's ten largest counties.

3) *Unwanted.* Specified county-wide transportation agencies are responsible for taxi regulation, and they seem not to want the responsibility, putting them in the same company as the CPUC. Yet some government entity must be responsible for enforcing the protections that consumers expect, such as licensed and safe drivers, safe vehicles, fare transparency, and anti-discrimination protections. Ideally, putting the taxis and TNCs under the same state regulatory agency operating under the same rules would allow these companies to fairly compete. But as state regulation is off the table, the transportation agencies may be the next most reasonable alternative given the problems taxis are having with cities.

4) *Make Cities Great*. Taxis are concerned that some cities are inflexible in their regulation, making it hard for them to compete against TNCs. They believe they are also impaired by having to obtain licenses in every city they pick up passengers, an expensive regulatory headache. Creating regulatory flexibility can be as simple as constraining what the cities can do, but this does not deal with the requirement for multiple licenses.

5) *Not Us.* The transportation agencies identified in this bill do not want this responsibility as it is outside of the expertise and the authority of most of them, and the regulation will be costly. Some of these concerns can be addressed by placing limits on what the agencies can and cannot do, and by creating clear fee authority so that the agencies can recover their costs. These agencies could also be given authority to convene governmental agencies within their jurisdictions to collectively organize and, perhaps, create an entity to assume these responsibilities. One potential advantage of combining the transportation agencies with regulatory oversight of taxis is synergies resulting from the overlapping scope and mission of the taxi service and local public transportation systems.

6) *Regulatory Reforms Spelled Out.* The bill addresses three concerns of taxi operators. It allows taxis to price flexibly to respond to competition, subject to a maximum rate. It allows taxis to use any type of device approved by the Division of Measurement Standards to calculate fares, including a GPS device.

And it allows taxis to obtain one license and pay one fee to pick up passengers anywhere in a county.

7) *Consumer Protections Need Shoring Up*. The bill contains a few gaps in its consumer protections. First, it creates a circumstance where if a county transportation agency declines to administer a taxi permitting program, then no city within that county may administer a program, eliminating taxi regulation altogether. Also, the bill does not explicitly prohibit discrimination, require taxi companies to participate in the Department of Motor Vehicles program to regularly check the driving records of taxi drivers, ensure taxis are in a safe operating condition, and require adequate insurance against liability. These, and other, consumer protections were contained in the author's bill from last year, and should be included in the current bill.

8) *Double Referred.* This bill was heard by the Senate Governance and Finance Committee on July 5, 2017 and approved 7-0.

RELATED LEGISLATION:

SB 182 (Bradford, 2017) —provides that a TNC driver must only receive a business license in the jurisdiction where he or she resides, and that this business license is valid statewide. *This bill is pending in the Assembly Communications and Conveyance Committee.*

AB 650 (Low, 2016) — partially deregulated taxis subject to the transfer of taxi regulation to a state agency. *This bill was vetoed*.

Assembly votes:
Floor: 75-1
Appropriations: 16-0
Communications and Conveyance: 12-0

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Taxicab Paratransit Association of California (sponsor)
American Cab Inc.
Silicon Valley Cab Company

Taxi Workers Alliance of Silicon Valley
5 individuals.

OPPOSITION:

Alameda County Transportation Commission
CALCOG
City of Santa Monica
Contra Costa Transportation Authority
Riverside County Transportation Commission
San Francisco Taxi Workers Alliance

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1088	**Hearing Date:**	7/11/2017
Author:	Eggman		
Version:	7/5/2017 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Multifamily residential housing: energy programs

DIGEST: This bill seeks to increase access to various existing distributed energy resource and water programs, to the benefit of multifamily residential properties and their residents, especially low-income residents of such properties.

ANALYSIS:

Existing law:

1) Directs the California Energy Commission (CEC) to implement a comprehensive program to achieve energy savings in California's existing residential and nonresidential building stock.

2) Directs the CEC to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy, including the energy associated with the use of water, through the several actions, including regulation of lighting, insulation climate control system, and other building design and construction standards that increase the efficiency in the use of energy and water for new residential and new nonresidential buildings.

3) Directs the CEC, in collaboration with the California Public Utilities Commission (CPUC) and stakeholders, to establish annual targets for statewide energy efficiency savings and demand reduction that will achieve a cumulative doubling of statewide energy efficiency savings in electricity and natural gas final end uses of retail customers by January 1, 2030.

4) Requires the CEC to study and report to the Legislature the barriers low-income communities face in accessing renewable energy, energy efficiency, weatherization, and zero-emission transportation options.

This bill seeks to increase access to various existing distributed energy resource and water programs, to the benefit of multifamily residential properties and their residents, especially low-income residents of such properties. Specifically, this bill requires the CEC to:

1) Establish nonbinding statewide targets, by January 1, 2020, that are cost-effective to ratepayers to reduce greenhouse gasses from multifamily residential properties.

2) Convene the Department of Housing and Community Development (HCD), the Department of Community Services and Development (CSD), other specified public entities, electric and water utilities, and an advisory committee comprised of specified membership to develop, by May 1, 2019, statewide strategies and recommendations to better leverage existing and new programs and funding sources to accelerate integrated distributed energy resource, water, and health and safety improvement programs to multifamily residential properties and low-income multifamily properties. Best practices shall also be identified.

3) Develop strategies, along with HCD, CSD, and other public entities, by January 1, 2019, for standardized income eligibility verification process for distributed energy resources and water programs.

4) Report the strategies developed above, along with any recommendations for legislative action, by January 1, 2019.

COMMENTS:

1) *Purpose.* The author is concerned that California's energy efficiency and renewable energy efforts have fallen short for low-income residents and for those living in multifamily housing. This bill seeks to simplify access to existing programs by developing recommendations to integrate, harmonize, and streamline those programs.

2) *No Help for Renters*. California's longstanding and generally successful energy efficiency efforts have been less successful with multifamily rental housing. California's building code ensures that new multifamily housing is energy efficient. But retrofitting existing multifamily housing, by, say, replacing leaky single pane windows with energy efficient double-pane windows or adding building insulation, hasn't been occurring because the entity paying for the

energy efficiency measure, the building owner, doesn't pay the energy bill, and therefore does not benefit when the energy bill is reduced. Similarly, why should the building owner replace older appliances with energy efficient newer appliances? Looked at from the other direction, why would a tenant invest in an energy efficient refrigerator when the landlord is responsible for supplying the appliance. This is known as a "split incentive".

The CEC has analyzed the problem of encouraging energy efficiency in rental housing.[1] They note that most low-income Californians are renters, and that the split incentives are a significant barrier. They also note that low-income multifamily housing "faces unique barriers, such as diverse building characteristics and needs, complex ownership and financial arrangements, and limited budgets with restricted opportunities to take on additional debt."

This bill convenes a large group of public entities, energy and water utilities, and stakeholders to develop recommendations for overcoming the split incentives and to establish goals which will be reported to the Legislature, along with any recommendations for legislative action.

3) *Harmony.* California has many programs to encourage energy efficiency and the use of renewable energy. Those programs are administered by multiple entities, including the CPUC, the CEC, HCD, and the various publicly-owned energy and water utilities. There may be economies and efficiencies in the integration of these different programs, including how the programs are administered and the qualifications for each. The stakeholder group convened by this bill, which includes tenant organizations and low-income housing experts, will consider ways to accomplish this.

4) *Low Income Focus*. This bill considers all multifamily buildings, with an emphasis on low income multifamily buildings. The definition of low-income housing used in the bill will be unfamiliar to housing agencies, which could lead to unnecessary confusion. ***The author and committee may wish to consider*** replacing that definition with the definition used for housing purposes contained in Section 50079.5 of the Health and Safety Code, which is 80% of area median income adjusted for family size.

5) *Further Amendments Being Considered.* The author is considering amendments to require the CEC to 1) perform additional original studies of energy efficiency potential if it finds that existing studies are inadequate, 2)

[1] Low-Income Barriers Study, Part A: Overcoming Barriers to Energy Efficiency and Renewables for Low-Income Customers and Small Business Contracting Opportunities in Disadvantaged Communities; December 2016. CEC-3--2016-009-CMF

develop an action plan for implementing its recommendations, and 3) conduct an analysis to consolidate all residential building code requirements.

6) *Double referral.* This bill was heard by the Senate Energy, Utilities and Communications Committee on July 3, 2017 and approved 9-0.

RELATED LEGISLATION:

SB 350 (De Leon, Chapter 547, Statutes of 2015) — established the goal of receiving 50 of California's electricity from eligible renewable energy resources and of doubling of energy efficiency and requires the CEC to study and report to the Legislature the barriers low-income communities face in accessing renewable energy, energy efficiency, weatherization, and zero-emission transportation options.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Association for Energy Affordability
Build It Green
California Housing Partnership
California Solar Energy Industries Association
Green & Healthy Homes Initiative
Greenlining Institute
Menlo Spark
National Housing Law Project
National Resources Defense Council
Peninsula Interfaith Climate Action
Rising Sun Energy Center
Sierra Club California
Sustainable Silicon Valley
U.S. Green Building Council
350 Silicon Valley

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1222	**Hearing Date:**	7/11/2017
Author:	Quirk		
Version:	4/17/2017 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Mikel Shybut		

SUBJECT: Vehicles: electronic wireless communications devices

DIGEST: This bill removes "specialized mobile radio device" and "two way messaging device" as examples of an "electronic wireless communications device" that is prohibited from being used while driving.

ANALYSIS:

Existing law:

1) Prohibits driving a vehicle while holding and operating a handheld wireless telephone or an electronic wireless communications device unless the device is designed to allow voice-operated, hands-free operation and is used in that manner.

2) Defines an "electronic wireless communications device" to include, but not be limited to, a broadband personal communication device, a specialized mobile radio device, a handheld device or laptop computer with mobile data access, a pager, or a two-way messaging device.

3) Allows a driver to activate or deactivate a feature on the device with a single swipe or tap of the driver's finger if the device is mounted, as described.

4) Exempts manufacturer-installed systems that are embedded in the vehicle and also exempts emergency services professionals operating an emergency vehicle.

5) Treats violations as an infraction punishable by a base fine of $20 for a first offense and $50 for subsequent offenses.

This bill removes "specialized mobile radio device" and "two way messaging device" as examples of an "electronic wireless communications device."

COMMENTS:

1) *Purpose*. According to the author, "Last year I authored a bill to update our distracted driving laws so that statute is reflective of the various activities smartphones can do. Until last year, California law was silent on whether or not a driver could hold a smartphone to scroll through a music playlist, take a selfie or play video games – even though these activities are equally, if not more, distracting than texting (which, along with holding a phone to make a call, was the only activity explicitly prohibited). AB 1222 seeks to correct a potential unintended consequence regarding two-way communication devices commonly used by trained professionals for brief, verbal communications with their dispatch offices or with other trained professionals. These devices do not possess the myriad distractions of cellular phones. These devices are essential tools operated by trained professionals in accordance with company safety policies. For example, dispatch and coordination is essential during emergencies or in hazardous or remote locations. The types of conversations facilitated by these two-way communication devices are brief and utilitarian in nature."

2) *Smarter phones*. Ten years ago in 2007, SB 28 (Simitian, Chapter 270 of 2007) made it illegal to read, write, or receive a text message while driving, expanding on existing prohibitions on wireless telephone use passed the year before. That same year, the iPhone was introduced and released to the public. Since then, simple cellular phones have become GPS-equipped and broadband-enabled computers with large touch screens that fit in a pocket. The "phone" part of smartphone has become almost an afterthought, second to the slew of interactive apps and more advanced messaging available. According to the National Highway Traffic Safety Administration's (NHTSA's) National Occupant Protection Use Survey (NOPUS), while the percentage of drivers holding phones to their ears has declined overall since 2006, the percentage of drivers seen visibly manipulating handheld devices, including texting, mapping, emailing, etc., has been trending up. This is especially notable for drivers aged 16-24, increasing from 0.4% in 2006 to 4.9% in 2015. According to the Centers for Disease Control (CDC), drivers under 20 have the highest proportion of distraction-related fatal crashes.

3) *Legal history*. In 2014, the California Court of Appeals for the 5th District reviewed a case in which a driver was pulled over and cited for using a cell phone behind the wheel. In court, the driver argued that he was only using his phone to check a map application. The court concluded that the intent of the Legislature in enacting existing prohibitions at the time was only to prohibit the use of a wireless telephone for carrying on a conversation, not for any other

purpose. This decision made it difficult for law-enforcement agencies to enforce the prohibition.

4) *Updating the code.* Last year, AB 1785 (Quirk, Chapter 660 of 2016) was passed with the intent of addressing the use of the ever more intelligent and distracting features of smartphones while driving, updating the telephone and texting-centric statute. To incorporate the new technology, the statute was broadened to not only include a "handheld wireless telephone" but also an "electronic wireless communication device" including mobile, broadband devices. The statute requires drivers to mount their devices to the center console, dashboard, or windshield and only permitted minimal interaction, including a single tap or swipe to initiate or deactivate a feature, such as mapping.

5) *Installing a patch.* AB 1785 defined an "electronic wireless communication device" to include, but not be limited to, a broadband personal communication device, a specialized mobile radio device, a handheld device or laptop computer with mobile data access, a pager, or a two-way messaging device. While the intent was to prohibit the use of smartphones while driving beyond phone calls and texting, it inadvertently created uncertainties for other radio-related devices, including specialized mobile radio devices and two-way messaging devices, often used by drivers for utilities companies. Writing in support, many utilities groups state that radio devices are essential to their employees' jobs and emphasized that their use typically involves brief, verbal communications. They write that the radios are often used in emergency situations, communicating on dispatch to coordinate and to relay the status of the situation. This bill clarifies the intention of the language by removing "specialized mobile radio device" and "two-way messaging device" from the listed examples of an "electronic wireless communication device." While this bill no longer explicitly lists the two devices, it does retain the phrase "including, but not limited to," which provides some flexibility.

6) *Wired radios not considered wireless.* The California Highway Patrol (CHP) released an enforcement letter, to be added to their Traffic Enforcement Policy Manual, clarifying their stance regarding certain radios. CHP stated that they do not consider radios with wired hand microphones, such as business band or citizen band (CB) radios, to be a wireless communication device or a specialized mobile radio device. Therefore, current statute does not apply to wired radios from an enforcement standpoint. Writing in opposition, three California amateur radio operators state their concerns with several provisions implemented as part of AB 1785, including the exemption for emergency services professionals and device definitions used. They recommend

broadening the exemption to emergency services "personnel" instead of professionals and suggest using the term "personal wireless communications device" in the exemption, which is the term used in the federal Moving Ahead for Progress in the 21st Century Act (MAP-21). The author notes these concerns but states that it is not the intent of this bill to modify the existing exemption for emergency services professionals and that the language in this bill was tailored to be specific, with trained professionals in mind.

RELATED LEGISLATION:

AB 1785 (Quirk, Chapter 660, Statutes of 2016) — replaced prohibitions on texting while driving with broader provisions limiting the use of mobile phones and electronic wireless communications devices while driving.

AB 1646 (Frazier, 2014) — would have imposed a violation point for convictions related to the use of a cellular phone while driving, and required the driver's license examination to assess knowledge of the dangers of using handheld devices while driving. *AB 1646 was vetoed by the Governor*.

AB 1536 (Miller, Chapter 92, Statutes of 2012) — allowed drivers to dictate, send, or listen to text-based communications as long as they do so using technology specifically designed and configured to allow voice-operated and hands-free operation.

SB 28 (Simitian, Chapter 270, Statutes of 2007) — prohibited a person from writing, sending, or reading text-based communications while operating a motor vehicle, even if the device is equipped with a hands-free device.

SB 1613 (Simitian, Chapter 290, Statutes of 2006) — made it an infraction for any person to drive a motor vehicle while using a wireless phone, unless it is designed and configured to allow hands-free listening and talking and is used in that manner while driving

Assembly Votes:

Floor:	**77-0**
Appr:	**16-0**
Trans:	**14-0**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Bus Association
California Delivery Association
California Municipal Utilities Association
California Special Districts Association
California Trucking Association
City of Sacramento
Coalition of California Utility Employees
Motorola Solutions
Northern California Power Agency
Pacific Power
PG&E
SMUD
Southern California Edison

OPPOSITION:

BARA/California Amateur Radio Operators

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1239	**Hearing Date:**	7/11/2017
Author:	Holden		
Version:	7/5/17 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Building standards: electric vehicle charging infrastructure

DIGEST: This bill requires the Department of Housing and Community Development (HCD) and the California Building Standards Commission (CBSC) to research, propose, and adopt mandatory building standards regarding the installation of electric vehicle (EV) capable parking spaces in existing multifamily housing projects and commercial buildings when those buildings are being reconstructed, as specified.

ANALYSIS:

Existing law:

1) Authorizes the CBSC to approve and adopt building standards. Every three years, CBSC undertakes building standards rulemaking to revise and update the California Building Standards Code.

1) Requires proposed building standards that are submitted to CBSC for consideration to be accompanied by an analysis, completed by the appropriate state agency, that justifies approval based on the following criteria:

   a) The building standard does not conflict with, overlap, or duplicate other building standards;

   b) The proposed standard is within the parameters of the agency's jurisdiction;

   c) The public interest requires the adoption of the building standard;

   d) The standard is not unreasonable, arbitrary, unfair, or capricious;

   e) The cost to the public is reasonable, based on the overall benefit to be derived from the building standard;

f) The standard is not unnecessarily ambiguous or vague; and

g) The applicable national specifications, published standards, and model codes have been appropriately incorporated into the standard.

2) Requires CBSC to receive proposed building standards from a state agency for consideration in the triennial code adoption cycle. Requires CBSC to adopt regulations governing the procedures for the triennial adoption cycle, which must include adequate provision of the following:

a) Public participation in the development of standards;

b) Notice in written form to the public of the proposed building standards with justifications;

c) Technical review of the proposed building standards and accompanying justification by advisory boards of CBSC; and

d) Time for review of recommendations by the advisory boards prior to CBSC taking action.

3) Requires HCD to propose the adoption, amendment, or repeal of building standards to CBSC for residential buildings, including hotels, motels, lodging houses, apartment houses, dwellings, buildings, and structures.

4) Requires CBSC to publish the California Green Building Standards Code (CALGreen) in its entirety once every three years. The CALGreen Code is a part of the California Code of Regulations, also referred to as the California Building Standards Code.

5) Pursuant to the CALGreen Code, requires the installation of EV charging infrastructure in new multifamily dwellings for at least 3% of the total parking spaces to be capable of supporting future electric vehicle supply equipment.

This bill requires the HCD and the CBSC to research, propose, and adopt, as appropriate, mandatory building standards regarding the installation of EV capable parking spaces in existing multifamily housing projects and commercial buildings when those buildings are being reconstructed.

COMMENTS:

1) *Purpose.* The author introduced this bill to facilitate the installation of EV charging stations in existing multifamily housing. By requiring EV charging infrastructure to be added when other construction is already occurring, the author intends to take advantage of the resultant economies.

2) *Getting Ready*. Creating EV capable parking spaces involves installing underground conduit between the parking space and the electrical panel. This is relatively inexpensive for new construction as the marginal costs for trenching and a larger electrical panel are low; HCD notes that some homebuilders charge as little as $250 for this in new homes. But this cost rises significantly when the infrastructure is retrofit into existing structures as the asphalt must be excavated and repaired and the electrical panel may need to be replaced. This bill takes advantage of the opportunity to significantly reduce the retrofit costs by requiring the installation when other repairs or reconstruction are already occurring. The bill directs HCD, for multifamily dwellings, and CBSC, for commercial buildings, to use their regulatory processes to determine the specific circumstances when such retrofits would be most appropriate. These processes require the solicitation of input from the public and relevant public agencies.

3) *Our EV Future.* If California's goals of having 1.5 million Zero Emission Vehicles on the road by 2023 and reducing petroleum use by 50% by 2030 are to be met, much more work will need to be done to electrify the transportation system. EV infrastructure is already required for new homes and multi-family dwellings; extending this mandate to existing homes and multi-family dwellings in a cost effective way is a necessary next step.

RELATED LEGISLATION:

AB 1452 (Muratsuchi, 2017) — authorizes local governments to designate public spaces for EV parking. *This bill is pending in the Senate Appropriations committee.*

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

CalETC
Southern California Edison

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1397	**Hearing Date:**	7/11/2017
Author:	Low		
Version:	7/3/2017 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Alison Hughes		

SUBJECT: Local planning: housing element: inventory of land for residential development

DIGEST: This bill makes several changes to housing element law by revising what may be included in a locality's inventory of land suitable for residential development.

ANALYSIS:

Existing law:

1) Requires every city and county to prepare and adopt a general plan containing seven mandatory elements, including a housing element. The housing element must identify and analyze existing and projected housing needs, identify adequate sites with appropriate zoning to meet the housing needs of all income segments of the community, and ensure that regulatory systems provide opportunities for, and do not unduly constrain, housing development.

2) Requires local governments located within the territory of a metropolitan planning organization (MPO) to revise their housing elements every eight years following the adoption of every other regional transportation plan. Local governments in rural non-MPO regions must revise their housing elements every five years.

3) Requires, prior to each housing element revision, that each council of governments (COG), in conjunction with the Department of Housing and Community Development (HCD), prepare a regional housing needs assessment (RHNA) and allocate to each jurisdiction in the region its fair share of the housing need for all income categories. Where a COG does not exist, HCD determines the local share of the region's housing need.

4) Requires the housing element to contain an assessment of housing needs and an inventory of resources and constraints relevant to the meeting of those needs.

5) Requires a locality's inventory of land suitable for residential development to be used to identify sites that can be developed for housing within the planning period and that are sufficient to provide for the locality's share of the regional housing need for all income levels. Defines "land suitable for residential development" as including the following:
    a) Vacant sites zoned for residential use
    b) Vacant sites zoned for nonresidential use that allows residential development.
    c) Residentially zoned sites that are capable of being developed at a higher density, including airspace sites owned or leased by a locality.
    d) Sites zoned for nonresidential use that can be redeveloped for, and as necessary, rezoned for residential use, including above sites owned or leased by a locality.

6) Requires the inventory of land to include, among other things, a listing of parcels of properties by parcel number or other unique reference, the size of each property and the general plan designation and zoning of each property, and a general description of existing or planned water, sewer, and other dry utilities supply including the availability and access to distribution facilities.

7) Requires the non-vacant sites in the inventory of land to specify the additional development potential for each site within the planning period and an explanation of the methodology used to determine the development potential.

8) Requires, where the inventory of sites does not identify adequate sites to accommodate the need for groups of all household income levels, rezoning of those sites shall be completed in a specified time period. Requires this rezoning to accommodate 100% of the need for housing for very low and low-income households for which site capacity has not been identified in the inventory of sites on sites that that shall be zoned to permit rental multifamily residential housing by right during the planning period.

This bill strengthens state Housing Element Law by limiting the reliance of local governments on sites that do not have a realistic capacity for the development of housing. Specifically, this bill:

1) Clarifies that the inventory of land suitable and available for residential development shall include vacant sites and sites having realistic and

demonstrated potential for redevelopment during the planning period to meet a portion of the locality's housing need for a designated income level.

2) Requires "land suitable for residential development" to include sites zoned for nonresidential use that can be redeveloped for residential use, and for which the element includes a program to rezone the site, as necessary, to permit residential use.

3) Requires parcels in the inventory to have sufficient water, sewer, and dry utilities supply available and accessible to support housing development or be included in an existing general plan program or other mandatory program or plan.

4) Requires the inventory of land to specify for each site the number of units that can realistically be accommodated on that site and whether the site is adequate to accommodate lower-income housing, moderate-income housing, or above moderate-income housing.

5) Prohibits the following sites that were identified in a prior housing element and not approved to develop a portion of the housing need from being deemed adequate to accommodate a portion of the housing need for lower-income households that must be accommodated in the current housing element planning period, unless the site is zoned at existing residential densities in housing element law and the site is subject to a program in the housing element requiring rezoning within three years of the beginning of the planning period to allow residential use by right for housing developments that are 100% affordable to lower-income household except for a manager's unit:
    a) Residentially zoned sites that are capable of being developed at a higher density, or
    b) Sites zoned for nonresidential use that can be redeveloped for residential use.

6) Prohibits a site smaller than one-half acre from being deemed adequate to accommodate lower-income housing need unless the locality can demonstrate that sites of equivalent number of lower income housing units or unless the locality provides other evidence to HCD that the site is adequate to accommodate lower-income housing.

7) Prohibits a site larger than 10 acres from being deemed adequate to accommodate lower housing income need unless the locality can demonstrate that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower income housing units as

projected for the site or unless the locality provides other evidence to HCD that the site can be developed at lower-income housing.

8) Prohibits a non-vacant site from being deemed realistic for development to accommodate lower-income housing need unless it is subject to a program in the housing element requiring the site to be rezoned within three years of the beginning of the planning period to residential densities consistent with densities in existing housing element law and to allow residential use by right for housing developments that are 100% affordable to lower income households, except for a manager's unit.

9) Permits a site to be presumed to be realistic for development to accommodate lower income housing need if, at the time of the adoption of the housing element, a development affordable to lower income households has been proposed and approved for development on the site.

10) Requires the methodology used to specify additional development potential on non-vacant sites to demonstrate that the existing use does not constitute an impediment to additional residential development during the period covered by the element. An existing use shall be presumed to impede additional residential development, absent findings based on substantial evidence that the use is likely to be discontinued during the planning period.

11) Requires, in addition to the requirements in (10), sites that currently have residential uses, or within the past five years have had residential uses that have been vacated or demolished, that are or were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low income, subject to any other form of rent or price control, or occupied by low or very low income households, shall be subject to a policy requiring replacement of all those units affordable to the same or lower income level as a condition of any development on the site.

12) Requires, in a locality's rezoning program to accommodate its low-income RHNA, that the requirement under existing law that the sites shall be zoned to permit owner-occupied and rental multifamily residential use by right is limited to developments that are 100% affordable to lower-income households.

COMMENTS:

1) *Purpose of the bill.* According to the author, "California remains one of the most expensive housing markets in the United States and has a well-documented shortage of affordable units available to lower-income families.

The loss of redevelopment agencies and reductions in state and federal housing funding have dramatically exacerbated this shortage, but money is only one part of the equation. One of the greatest barriers to addressing California's affordable housing crisis is the lack of appropriate sites on which new multifamily housing can be built in many communities. AB 1397 helps address this by tightening the standards for what constitutes an 'adequate site' under Housing Element Law for purposes of meeting some portion of a jurisdiction's RHNA."

2) *Housing elements and inventories of sites.* Every city and county in California is required to develop a general plan that outlines the community's vision of future development through a series of policy statements and goals. Each community's general plan must include a housing element, which outlines a long-term plan for meeting the community's existing and projected housing needs. The housing element demonstrates how the community plans to accommodate its "fair share" of its region's housing needs. To do so, each community establishes an inventory of sites designated for new housing that is sufficient to accommodate its fair share. Communities also identify regulatory barriers to housing development and propose strategies to address those barriers.

   Each community's fair share of housing is determined through the RHNA process, which has three main steps: 1) Department of Finance and HCD develop regional housing needs estimates; 2) regional councils of governments allocate housing within each region; and 3) cities and counties incorporate their allocations into their housing elements. Cities and counties enact zoning ordinances to implement their general plans. Zoning determines the type of housing that can be built.

   California's Housing Element Law requires every local government to identify sufficient sites, with appropriate zoning, to accommodate enough housing to meet its share of the regional housing need at all income levels. The law recognizes that local governments are not generally in the housing construction business, but do have substantial control over whether or not there are opportunities for housing developers to build in their jurisdiction. When done properly, this site identification can be an effective tool in facilitating the construction of new housing at all income levels.

3) *Need for the bill.* At an Assembly Housing and Community Development Committee hearing on February 22, 2017, the Executive Director of Mutual Housing California testified that there are two main barriers for affordable housing developers to build affordable housing. The first is that there are

inadequate sites to build housing (*i.e.* areas zoned for multifamily over single family). The second is the lack of funding for building affordable housing. Even if financial resources become available to produce housing affordable to all in need, the non-profit sector could not build for that need without adequate planning by local communities.

According to the author, current law has a number of gaps that allow jurisdictions to circumvent this critical planning obligation, relying on sites that are not really available or feasible for residential development, especially multifamily development. For example, the law permits local governments to designate very small sites that cannot realistically be developed for their intended use, or designate non-vacant sites with an ongoing commercial or residential use, even though the current use is expected to continue indefinitely. Even after many years of relying on these sites that never end up as new housing, the law allows jurisdictions to continue to count them as a potential location for housing.

A recent *Los Angeles Times* article[1] provided the following example:

> "Four years ago, city leaders wrote a plan to make room for multifamily housing in several sections of the city. But, to discourage developers, they chose areas already occupied by single-family homes and, in one case, a big-box retailer. As a result, developers would have needed to buy up the homes one by one or, in the case of the retailer, purchase the commercial real estate and force the store out. In devising the plan, city officials assured concerned residents that it would be prohibitively expensive for developers.
>
> "'Everybody on this dais and that's here is on the same page,' Planning Commission Chairman Rick Gunter told the audience at a November 2013 hearing on the housing plan. 'We like living here. We like the way it is now.'
>
> "Herand Der Sarkissian, a former La Cañada Flintridge planning commissioner who approved the city's housing plan, said in an interview it didn't make sense for the state to try to force low-income housing into La Cañada Flintridge because the city's high land costs made it fiscally irresponsible. He added that any state efforts to integrate housing of all income levels into wealthy communities are doomed. 'People like people of their own tribe,' Der Sarkissian said. 'I think the attempt to change it is

[1] Dillon, Liam. *California lawmakers have tried for 50 years to fix the state's housing crisis. Here's why they've failed.* Los Angeles Times, June 29, 2017. Available at: http://www.latimes.com/projects/la-pol-ca-housing-supply/

ludicrous. Be it black, be it white. People want to be with people who are like them. To force people through legislation to change in that way is impractical.'

"None of the multifamily housing called for in the La Cañada Flintridge housing plan has been built."

These practices have led to a scarcity of land that increases housing costs and makes it difficult or impossible for affordable housing developers to find developable land in locations where affordable housing is badly needed. They also place an unfair burden on neighboring jurisdictions that do identify sites that are genuinely suitable for development.

This bill strengthens state Housing Element Law by limiting the reliance of local governments on sites that do not have a realistic capacity for the development of housing. Specifically the bill would:

a) Establish higher standards and require a stronger analysis before allowing sites with existing uses to be considered suitable for residential development.
b) Limit reliance on sites that are too large or too small.
c) Limit reliance on sites that have been recycled across multiple Housing Elements without developing as housing.

4) *Department of Corrections.* The committee proposes making the following technical amendments:
   - Page 15, line 14, insert "housing" before the word "element"
   - Page 16, line 24, insert "housing" before the word "element"
   - Page 22, line 14, insert "housing" before the word "element"
   - Page 23, line 24, insert "housing" before the word "element"

5) *Opposition.* The American Planning Association – California Chapter (APA) has an opposed unless amended position and notes that while this bill includes a number of changes proposed by the APA, it still has concerns. The APA states that the bill would place restrictions on the ability of localities to designate non-vacant sites as suitable for housing development and includes a list of new mandates without any funding to accomplish these detailed changes. APA supports the provisions in the bill that make it easier for affordable housing to be built and the APA is willing to deal with specific deficiencies in existing law and have suggested additional amendments to do that, but is concerned that without these amendments, cities and counties will not be able to identify enough sites to meet the RHNA requirements. The League of California Cities,

writing in opposition to the introduced version, states that the requirement for localities to identify sites that have a realistic and demonstrated potential for development is nearly impossible. The League is also opposed to requiring that cities bring utilities to each site identified in the housing element and states that this bill provides unnecessary restriction on previously identified housing sites.

Assembly Votes

Floor: 51-25
Appr: 11-5
L.Gov: 6-0
H&CD: 5-2

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Rural Legal Assistance Foundation (co-sponsor)
Public Advocates (co-sponsor)
Western Center on Law and Poverty (co-sponsor)
American Council of Engineering Companies - California
California Apartment Association
California Housing Consortium
Housing California
Non-Profit Housing Association of Northern California
Planning and Conservation League
SV@Home

OPPOSITION:

American Planning Association – California Chapter
City of Camarillo (prior version)
City of Orange (prior version)
League of California Cities (prior version)

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1407	**Hearing Date:**	7/11/2017
Author:	McCarty		
Version:	4/3/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Erin Riches		

SUBJECT: California New Motor Voter Program: voter registration

DIGEST: This bill ensures that the California New Motor Voter Program includes automatic voter pre-registration for 16- and 17-year-olds applying for a driver's license or identification card, unless they opt out.

ANALYSIS:

Existing federal law, the NVRA — also known as the "Motor Voter Act" — requires states to provide the opportunity to register to vote through various methods, including at motor vehicle agencies, by mail-in application, and by designating "other offices" within the state as voter registration agencies.

Existing state law (AB 1461 of 2015) establishes the California New Motor Voter Program. Under this program, every individual who applies for a driver's license or state identification card and who is eligible to register to vote, is automatically registered to vote at DMV at the time of application, unless he or she opts out. AB 1461 requires DMV to electronically transmit specified information to the Secretary of State (SOS), including the applicant's name, date of birth, address, digitized signature, email address, telephone number, language preference, and other information related to voter registration. The 2016-17 state budget provided DMV with one-time funds of $3.9 million and 3.7 staff to prepare for implementation, and the recently approved state budget includes $3.2 million in 2018-19 as well as 12 ongoing positions and two-year limited-term funding for two positions.

Existing state law permits an individual who is a United States citizen, a resident of California, not in prison or on parole for the conviction of a felony, and at least 18 years of age at the time of the next election to register to vote. State law also permits an individual who is at least 16 years of age, and who otherwise meets all eligibility requirements to vote, to submit his/her affidavit of registration, which

shall be deemed effective as of the date that the affiant will be 18 years of age (known as "pre-registration").

This bill ensures that the California New Motor Voter Program includes automatic voter pre-registration for 16- and 17-year-olds who are applying for a driver's license or identification card, unless they opt out.

COMMENTS:

1) *Purpose*. The author states that the 2015 Motor Voter Program was a huge step in removing barriers to voter registration and encouraging civic engagement. Building upon past legislative efforts, this bill will give 16- and 17-year-olds the opportunity to pre-register to vote. Voters who are engaged early are much more likely to become consistent voters and active citizens, something that is vital to the continued success of California.

2) *Background*. State law was recently amended to lower the age at which an individual can pre-register to vote, from 17 to 16 years of age (SB 113 of 2014). Although it is implied that the California New Motor Voter Program includes pre-registration for 16- and 17-year-olds, statute does not explicitly address pre-registration. This bill closes that loophole.

3) *Bringing in the youth vote*. A September 2016 report, *California's Likely Voters*, by the Public Policy Institute of California, notes that young adults aged 18 to 34 make up 33% of the population but only 18% of likely voters, while adults aged 35 to 54 are proportionally represented. Another September 2016 report, *Path to the Polls: Preregistering California's Youth to Build a More Participatory Democracy,* coauthored by CalPIRG, notes that fewer than 16% of eligible 18- to 24-year-olds voted in 2014, and only about half actually registered to vote. The report states that to obtain a provisional driver's license, a 16-year-old must visit the DMV, which provides an important opportunity for the state to offer pre-registration. (The same report notes, however, that more and more teens are waiting until much later to get a license and might not visit DMV before they reach voting age.) The CalPIRG report points to numerous studies that show that preregistration increases youth voter turnout.

4) *What about AB 60 applicants?* Pursuant to AB 60 (Alejo, Chapter 524, Statutes of 2013), DMV began, on January 2, 2015, to issue driver's licenses to individuals who are ineligible for a social security number but can provide additional specified documentation. Pursuant to the federal REAL ID Act of 2005, these licenses cannot be used for identification purposes. An individual must be able to establish proof of identity and of legal presence in the U.S. in

order to obtain an AB 60 license, but does not have to be a U.S. citizen; therefore, these individuals are not eligible to vote. To register to vote in California, however, an individual must be a U.S. citizen; thus, the California New Motor Voter Program excludes AB 60 applicants.

5) *Double referral*. This bill passed out of the Committee on Elections and Constitutional Amendments on June 20th on a 4-1 vote.

RELATED LEGISLATION:

ACA 10 (Low, 2017) — would lower the minimum voting age from 18 to 17. *This bill is pending on the Assembly Floor.*

ACA 2 (Mullin, 2016) — would have allowed an individual who will be 18 years old at the time of the next general election, to vote in any intervening primary or special election that occurs before the next general election. *This bill died on the Assembly Inactive File.*

AB 1461 (Gonzalez, Chapter 729, Statutes of 2015) — establishes the California New Motor Voter Program, which provides for every individual who has a driver's license or identification card and who is eligible to register to vote, to be automatically registered to vote at the DMV, unless he or she opts out.

SB 113 (Jackson, Chapter 619, Statutes of 2014) — allows a person who is 16 years of age to pre-register to vote.

AB 30 (Price, Chapter 364, Statutes of 2009) — allowed an individual who is 17 years of age to pre-register to vote.

Assembly Votes:

Floor:	**53-24**
Appr:	**12-5**
Elecs:	**5-2**

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Secretary of State Alex Padilla (sponsor)
California Association of Student Councils
CALPIRG

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1515	**Hearing Date:**	7/11/2017
Author:	Daly		
Version:	5/1/2017 Amended		
Urgency:	No	**Fiscal:**	No
Consultant:	Alison Hughes		

SUBJECT: Planning and zoning: housing

DIGEST: This bill states that a housing development project or emergency shelter shall be deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirement, or other similar provision if there is substantial evidence that would allow a reasonable person to conclude that the housing development project or emergency shelter is consistent, compliant, or in conformity.

ANALYSIS:

Existing law, under the Housing Accountability Act (HAA):

1) Requires cities and counties, under existing planning and zoning law, to prepare and adopt a general plan, including a housing element, to guide the future growth of a community. The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, objectives, financial resources and scheduled programs for the preservation, improvement, and development of housing.

2) Requires the local jurisdiction, to the extent that it does not have adequate sites within its existing inventory of residentially zoned land, to adopt a program to rezone land at appropriate densities to accommodate the community's housing need for all income groups.

3) Prohibits a local agency from disapproving a housing project containing units affordable to very low-, low- or moderate income renters, or conditioning the approval in a manner that renders the housing project infeasible, unless it makes makes one of the following findings, based upon substantial evidence in the record:

a) The jurisdiction has adopted an updated housing element in substantial compliance with the law, and the jurisdiction met its share of the regional housing need for that income category.
b) The project will have a specific, adverse impact on the public health or safety and there is no feasible method to mitigate or avoid the impact without rendering the housing development unaffordable to very low-, low- or moderate income renters.
c) The denial or imposition of conditions is required to comply with state or federal law.
d) The project is located on agricultural or resource preservation land that does not have adequate water or wastewater facilities.
e) The jurisdiction has identified sufficient and adequate sites to accommodate its share of the regional housing need and the project is inconsistent with both the general plan land use designation and the zoning ordinance.

4) Provides that if a locality denies approval or imposes restrictions, design changes, a reduction of allowable densities or the percentage of a lot that may be occupied by a building or structure under the applicable planning and zoning in force at the time the application is deemed complete, that have a substantial adverse effect on the viability or affordability of housing development for a very low-, low- or moderate-income households, and the denial of that development or the imposition of restrictions on the development is the subject of a court action which challenges the denial, then the burden of proof shall be on the locality to show that its decision is consistent with its findings disapproving the development.

5) "Disapprove the housing development project" includes any instance in which the local jurisdiction does either of the following:

a) Votes on a proposed housing development project application and the application is disapproved.
b) Fails to comply with time periods for approving or disapproving of projects under existing law.

6) Defines "housing development project" as any of the following:

a) Residential units only.
b) Mixed-use developments consisting of residential and nonresidential uses in which nonresidential uses are limited to neighborhood commercial uses and to the first floor of the buildings that are two or more stories.
c) Transitional or supportive housing.

7) "Housing for very low-, low-, or moderate-income households" means that either:

   a) At least 20% of the total units shall be sold or rented to lower income households, or
   b) 100% of the units shall be sold or rented to persons and families of moderate income or middle-income.

8) Defines "very low-income" as persons and families whose income does not exceed 50% area median income (AMI).

9) Defines "low-income" as persons and families whose income does not exceed 80% AMI.

10) Defines "moderate-income" as persons and families whose income does not exceed 120% of AMI.

11) Defines "above moderate-income" as persons and families whose income exceeds 120% of AMI.

This bill states that a housing development project or emergency shelter shall be deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirement, or other similar provision if there is substantial evidence that would allow a reasonable person to conclude that the housing development project or emergency shelter is consistent, compliant, or in conformity.

COMMENTS:

1) *Purpose.* According to the author, the HAA fosters and respects responsible local control by providing that once a local government establishes its planning rules, housing projects that are consistent with those rules receive the reasonable certainty of not being denied or reduced in density unless there are significant health and safety impacts that cannot be mitigated. The HAA's intent is to provide appropriate certainty to all stakeholders in the local approval process and prevent NIMBYism from successfully pressuring local officials to reject or downsize compliant housing projects. This bill is intended to strengthen the provisions of the HAA and to provide the courts with clear standards for interpreting the HAA in favor of building housing.

2) *HAA Background.* The purpose of the HAA, also known as the "Anti-NIMBY Act", is to limit the ability of local agencies to reject or make infeasible housing

developments without a thorough analysis of the economic, social, and environmental effects of the action. The HAA provides for a judicial remedy that allows a court to issue an order to compel a city to take action on a development project. An applicant, a person who would be eligible to apply for residency in the development or emergency shelter, or a housing organization, may bring an action to enforce the HAA. In such a case, the local government bears the burden of proof that its decision has conformed to all of the requirements in the HAA, including, if applicable, any findings that the development was not consistent with general plan and zoning standards. Many provisions of the HAA are limited to lower-income housing developments.

3) *Consistency with general plan and zoning standards.* Regardless of whether a housing development is affordable, in order to qualify for the HAA's protections a development must be consistent with the local government's general plan and zoning standards in effect at the time that the application is determined to be complete. In land use cases, courts tend to give a great deal of deference to local governments when determining whether a project is consistent with general plan and zoning standards. A consistency determination is generally upheld unless the court determines the local government has acted arbitrarily, capriciously, or without evidentiary basis. For example, "[a]city's findings that [a] project is consistent with its general plan can be reversed only if [they are] based on evidence from which no reasonable person could have reached the same conclusion."(*A Local & Regional Monitor v. City of Los Angeles* (1993) 16 Cal.App.4th 630, 648, as cited by *San Franciscans Upholding the Downtown Plan v. City & County of San Francisco* (2002) 102 Cal.App.4th 656, 677) In other words, a local government's decision will be upheld unless no reasonable person could have made the same decision.

   This bill would require courts to give less deference to a local government's consistency determination. It would change the standard of review by providing that a project is consistent if there is substantial evidence that would allow a reasonable person to find it consistent. As zoning and planning consistency is a threshold requirement for the HAA, this bill would potentially expand the number of housing developments that are afforded the protections of the HAA. Additionally, this bill could extend the consistency analysis beyond the question of consistency with a zoning ordinance or general plan element. The standard would apply if the jurisdiction rejected or conditioned a project on inconsistency with a local plan, program, policy, ordinance, standard, requirement, or other similar provision (*i.e.* any local law, plan, or policy).

4) *Double-referral*. This bill was double-referred to the Senate Governance and Finance Committee

5) *Opposition.* The American Planning Association – California Chapter writes that this new standard is no different than the "fair argument" standard applied in CEQA, but is a "new and undefined review requirement for land use decisions. It would essentially allow applicants to determine whether a project is consistent with local zoning and general plan." The APA further states that this standard would ignore existing requirements in the HAA that limit the agency to requiring compliance with "objective" development standards and policies which must be applied to facilitate the density permitted on the site. APA suggests that the bill be amended to insert the following: "the local agency's finding is assumed to be correct unless no reasonable person could reach that conclusion." **The committee may wish to consider adopting this proposed language, which would retain the "reasonable person" standard found in the bill without allowing developers to begin making what are clearly local determinations or take a local agency to court over every finding.**

RELATED LEGISLATION:

AB 678 (Bocanegra, 2017) — makes several changes to the Housing Accountability Act (HAA). *This bill is pending in the Senate Transportation and Housing Committee.*

SB 167 (Skinner, 2017) — makes several changes to the Housing Accountability Act (HAA). *This bill is pending in the Assembly Housing and Community Development Committee.*

Assembly Votes:
Floor: 68-1
L.Gov: 7-1
H&CD: 7-0

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Building Industry Association (sponsor)
Bay Area Council
California Apartment Association

California Chamber of Commerce
YIMBY Action

OPPOSITION:

Aperican Planning Association – California Chapter

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1521	**Hearing Date:**	7/11/2017
Author:	Bloom		
Version:	7/3/17 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Alison Hughes		

SUBJECT: Land use: notice of proposed change: assisted housing developments

DIGEST: This bill strengthens the law regarding the preservation of assisted housing developments by requiring an owner of an assisted housing development to accept a bona fide offer to purchase from a qualified purchaser, if specified requirements are met, and by giving the Department of Housing and Community Development (HCD) additional enforcement authority.

ANALYSIS:

Existing law:

1) Requires, at least 12 months prior to the anticipated date of the termination of a subsidy contract, the expiration of rental restrictions, or prepayment on an assisted housing development, the owner proposing the termination or repayment of governmental assistance or the owner of an assisted housing development in which there will be the expiration of rental restrictions to provide a notice of the proposed change to each affected tenant household residing in the assisted housing development at the time the notice is provided to the affected public entities.

2) Prohibits the owner of an assisted housing development from terminating a subsidy contract or repaying the mortgage unless the owner has first provided tenant associations, local public entities, local, regional or national nonprofit organizations, and profit-motivated housing organization or individuals with an opportunity to submit an offer to purchase the development.

    a) Defines "local nonprofit organizations" means non-profits that have as their principal purpose the ownership, development, or management of housing or community development projects for persons and families of low- or moderate-income and very low-income, and which have a broadly representative board, a majority of whose members are

community-based and have a proven track record of local community service.

b) Defines "local public agencies" as housing authorities, redevelopment agencies, or any other agency of a city, county, or city and county, whether general law or chartered, which are authorized to own, develop, or manage housing or community development projects for persons and families of low- or moderate-income and very low income.
c) Defines "regional or national organizations" as nonprofit, charitable corporations organized on a multicounty, state, or multistate basis that have as their principal purpose the ownership, development, or management of housing or community development projects for persons and families of low- or moderate-income and very low income.
d) Defines "regional or national public agencies" as multicounty, state, or multistate agencies that are authorized to own, develop, or manage housing or community development projects for persons and families of low- or moderate-income and very low-income.
e) Defines "profit-motivated organizations and individuals" means individuals or two or more persons that carry on as a business for profit.

3) Requires the initial notice of a bona fide opportunity to submit an offer to purchase shall contain all of the following:
   a) A statement addressing: whether the owner intends to maintain the current number of affordable units and level of affordability; whether the owner has an interest in selling the property; whether the owner has executed a contract or agreement of at least five years' duration with a public entity to continue or replace subsidies to the property and to maintain an equal or greater number of units at an equal or deeper level of affordability and, if so, the length of the contract or agreement.
   b) A statement that each of qualified entities has the right to purchase the development under this section.
   c) A statement that the owner has satisfied all notice requirements

This bill:

1) Requires an owner of an assisted housing development that is within three years of a scheduled expiration of rental restrictions to also provide notice of the scheduled expiration of rental restrictions to any prospective tenant at the time he or she is interviewed for eligibility, and to existing tenants by posting the notice in an accessible location of the property. This paragraph is applicable to only owners of assisted housing developments where the rental restrictions are scheduled to expire after January 1, 2021.

2) Permits an affected tenant who does not receive adequate notice to be entitled to injunctive relief that may include, but is not limited to, re-imposition of the prior restrictions until any required notice is provided and the required notice period has elapsed and restitution of any rent increases collected without compliance. The court may award attorney's fees and costs to a prevailing plaintiff.

3) Revises the definition of a "regional or national organizations" and "regional or national public agencies" to required that it be headquartered in California and is limited to agencies and organizations that own and operate at least three comparable rent- and income-restricted affordable rental properties governed under a regulatory agreement with a federal or state entity, as specified.

4) Revises the definition of "profit-motivating housing organizations and individuals" as individuals or two or more persons that carry on as a business for profit and operate at least three comparable rent- and income-restricted affordable rental properties.

5) Requires that, to qualify as a purchaser of an assisted housing development, an entity shall be certified by HCD, based on demonstrated relevant prior experience in California and current capacity, as capable of operating the housing facilities for its remaining life. HCD shall establish a process for certifying qualified entities and maintaining a list of entities that are certified. That list shall be updated at least annually.

6) Requires a qualified entity, if it elects to purchase an assisted housing development, to make a bona fide offer to purchase the development at the market value. The bona fide offer to purchase shall: (a) be submitted within 180 days of the owner's notice of the opportunity to submit an offer; (b) identify whether it is a qualifying entity; and (c) certify under penalty of perjury that is certified by the HCD as capable of operating the housing facilities and will obligate itself to maintain the affordability of the assisted housing development for very low-, low-, and moderate-income for a specified period of time.

7) Requires, if an owner receives an offer from a qualified entity within the first 180 days, the owners shall not accept offers from any other entity and shall accept the bona fide offer to purchase or declare under penalty of perjury that it will not sell the property for at least five years from the date of the declaration. Once a bona fide offer is made, the owner shall take all steps reasonably required to renew any expiring housing assistance contract, or extend any available subsidies or use restrictions, if feasible, prior to the effective date of

any expiration or termination. In the event that the owner declines to sell the property to the qualified entity, the owner shall record the declaration with the county in which the property is located. Once the owner has recorded the declaration, the owner shall be deemed to have fulfilled all obligations under this section.

8) Requires the owner, when a bona fide offer to purchase has been made that meets the requirements of this section and the owner wishes to sell, to accept the offer and execute a purchase agreement within 90 days of receipt of the offer.

9) Requires the market value of the property to be determined by negotiation and agreement between the parties. If the parties fail to reach an agreement regarding the market value, the market value shall be determined by an appraisal process initiated by the owner's receipt of the bona fide offer, which shall specifically reference the appraisal process provided by this subdivision as the means for determining the final purchase price. Either the owner or the qualified entity, or both, may request that the fair market value of the property's highest and best use, based on current zoning, be determined by an independent appraiser qualified to perform multifamily housing appraisals, who shall be selected and paid by the requesting party.

10) Requires HCD to monitor compliance with required notice provisions and report to the Legislature on or before March 31, 2019, and on or before March 31st each year thereafter.

11) Provides that provisions related to the purchase offer shall not apply to housing developments built using density bonus law or pursuant to a local inclusionary ordinance, and in which 25% or fewer of the units are subject to affordability restrictions.

COMMENTS:

1) *Purpose of the bill*. According to the author, "The housing crisis is hitting Californians at all income levels, but it is being felt the hardest by lower-income households, many of whom are being displaced as real estate speculators purchase apartment buildings, in some cases converting properties to market rate that were previously reserved as affordable rentals. AB 1521 strengthens the state's existing preservation notice law, which ensures that tenants in deed-restricted affordable units have notice that those units may soon convert to market rate. The existing law also provides an opportunity for affordable housing organizations to step in and preserve our existing affordable

housing stock. This bill enhances the notice provisions of the law and requires owners of affordable rental properties who intend to sell upon the expiration of deed restrictions to accept any market-rate purchase offer from an entity that intends to maintain the property's affordability.

2) *Preservation Notice Law.* The California Housing Partnership Corporation (CHPC) annually assesses the loss and the risk of loss of affordable rental properties that receive financing from the U.S. Department of Housing and Urban Development (HUD), the Low-Income Housing Tax Credit Program, and the U.S. Departments of Agriculture. As of March of this year, CHPC determined that California has already lost 25,152 affordable homes, of which 14,559 had HUD Section 8 subsides. Another 31,988 affordable rental homes are now at risk in the next five years. CHPC reports that California still has 118,144 affordable rental homes that are supported by Section 8, however these are also at risk of conversion to market rate. The loss of Section 8-assisted housing has the potential to significantly impact low-income residents because 83% of Section 8-assisted properties house extremely low-income renters.

   Since the 1960s, developers have constructed at least 425,000 units of affordable rental housing in California with the assistance of federal, state, and local subsidies that require owners to maintain rents at affordable levels for specified periods of time. Examples of such subsidy programs include project-based Section 8, Federal Housing Administration (FHA) mortgages, low-income housing tax credits, the state's Multifamily Housing and Farmworker Housing Grant programs, and city and county redevelopment funds. The affordability restrictions on assisted units typically last 30 to 55 years, depending on the program. Once affordability obligations expire, owners may preserve the affordability of the units by renewing assistance or by refinancing with new public subsidies, or they may convert the development to market rate. Under some federal programs, owners can also terminate affordability restrictions early by prepaying the underlying mortgage or opting out of the rental assistance contract.

   Existing law requires that a property owner cannot convert an affordable property to market rate without first providing notice to tenants, local and state governments, and potential preservation purchasers (*i.e.,* those who may wish to purchase the development in order to preserve the affordability restrictions). The owner must provide a first notice at least 12 months prior to conversion informing recipients of the possibility that the development will convert, that affordability restrictions may be lost, whether other governmental assistance will be available to tenants at the time of conversion, and that the owner will provide more detailed information at least six months prior to conversion. An

owner may satisfy this 12-month notice requirement by providing recipients with a federally-required notice.

At least six months prior to conversion, the owner must then provide these same recipients with a second, more detailed notice that includes:

a) The anticipated date of conversion.
b) The current rent and the anticipated rental rate for the first year after conversion.
c) A statement of the owner's intention to participate in any replacement subsidy program.
d) Contact information for the local government, HCD, and legal services organizations for tenants to obtain more information about their rights.

In addition, the owner must provide HCD and the locality with information on the number of affected units, bedrooms, and tenants and on the ages and incomes of these tenants.

During this one-year notice period, current law also provides preservation purchasers with limited priority to purchase the property if the owner is inclined to sell. Prior to or concurrent with the delivery of the 12-month notice described above, the owner must notify prospective preservation purchasers who have contacted the owner directly or who are on a list maintained by HCD of the opportunity to submit a purchase offer. The owner is not required to accept any offer but may only accept offers from preservation purchasers for 180 days after the purchase offer notice. If the owner rejects a purchase offer during this time, the owner must give the preservation purchaser who made the offer an opportunity to match and preempt any offer from a non-preservation purchaser accepted during the second 180 days after the purchase offer notice. These requirements and priorities also apply if an owner seeks to sell or otherwise dispose of a property that is eligible for conversion in the next five years. In general, an owner is exempt from both the notice requirements and priority purchase provisions if he or she or a successor owner agrees to retain existing tenants and extend the affordability of the units for at least 30 years.

3) *Strengthening Preservation Notice Law*. This bill amends Preservation Notice Law to require owners of expiring affordable rental properties to accept any market-rate purchase offer from a qualified preservation entity that intends to maintain the property's affordability restrictions. Owners who receive a market-rate purchase offer from a qualified preservation entity who choose not to sell must extend affordability restrictions for an additional five years, at which point they are free to convert all units to market rate. The bill additionally requires HCD to monitor compliance with the law, allows affected

tenants and local governments the right to enforce the law, and requires notice to affected tenants three years before expiration, in addition to the one-year and six-month notices already required by law. These changes can increase the chances that thousands of affordable homes at risk of conversion will be preserved, reduce the displacement of existing low-income residents, and prevent the state's already large shortage of affordable rental homes from growing. According to the author, similar provisions are incorporated in preservation and anti-displacement laws in other places in various forms, including Illinois. They are considered to be best practices to prevent loss of affordability and displacement.

RECENT LEGISLATION:

AB 1216 (Fuentes, 2011) — would have given tenants and affected public entities the ability to enforce the provisions of law requiring owners of assisted housing developments to give affordable housing developers and others the right to make an offer to purchase the development in order to preserve its affordability when the owner does not intend to extend or renew participation in a subsidy program. *This bill was vetoed by the Governor. The veto message stated:*

> "This bill would give affected tenants and public entities the right to sue owners of assisted housing developments who are ending their participation in a subsidy program. I strongly support preserving assisted housing units. Unfortunately, the bill fails to specify clearly the remedies available. This could lead to unnecessary litigation and delays."

Assembly Votes

Floor: 50-24
Appr: 12-5
H&CD: 5-2

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Coalition for Rural Housing (co-sponsor)
California Housing Partnership Corporation (co-sponsor)
California Rural Legal Assistance Foundation (co-sponsor)
Western Center on Law and Poverty (co-sponsor)
CA Institute for Rural Studies

Coalition for Economic Survival
Greenbelt Alliance
LeadingAge CA
MidPen Housing
Non-Profit Housing Association of Northern CA
Public Advocates
Public Counsel
San Diego Housing Federation
Sierra Business Council
Southern California Association of Non-Profit Housing

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1598	**Hearing Date:**	7/11/17
Author:	Mullin		
Version:	7/5/2017 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Alison Hughes		

SUBJECT: Affordable housing authorities

DIGEST: This bill permits a locality to establish an affordable housing authority (AHA) to fund affordable housing.

ANALYSIS:

Existing law:

1) Establishes community revitalization investment authorities (CRIA), which allowed local government entities, excluding schools, to form a CRIA to collect property tax increment and issue debt. The CRIA could use its powers to invest in disadvantaged communities with a high crime rate, high unemployment, and deteriorated and inadequate infrastructure, commercial, and residential buildings.

2) Defines "low-income" as persons and families whose income does not exceed 80% AMI.

3) Defines "moderate-income" as persons and families whose income does not exceed 120% of AMI.

This bill:

1) Permits a locality to adopt a resolution to create an affordable housing authority (AHA) that is limited to providing low- and moderate income housing and affordable workforce housing. "Affordable Workforce Housing" means housing with an affordable costs or affordable rent for households whose gross income does not exceed 120% AMI. Permits the boundaries of the AHA to be identical to the boundaries of the locality that created it.

2) Prohibits a school entity from participating in the AHA. Prohibits a successor agency from participating in, or receiving funding from, any AHA established under this bill.

3) Requires the governing board to contain at least three members of the city council or board of supervisors, appointed by the city council or board of supervisors. In the case of an AHA created by a city and county authority jointly, at least three members of the city council and three members of the board of supervisors. The governing board must also contain at least one member of the public who lives or works within the boundaries of the city or county that created the AHA.

4) Requires the AHA by resolution to create a Low and Moderate Income Housing Fund (L&M Fund) and to adopt an affordable housing investment plan (Plan) that may include either or both of the following: (a) provision for the receipt of property tax increment funds generated within the area, (b) provision for the receipt of any tax revenues allocated to the AHA, including revenues from local sales and use taxes or transaction and use taxes provided that the use of those revenues by the AHA for purposes of this division is consistent with the purposes for which that tax was imposed.

5) Requires the Plan to include the following:
    a) A statement of the principal goals and objectives of the Plan.
    b) An affordable housing program that describes how the AHA will fulfill its objective and if duties and activities will be assigned to a city or county housing department or public housing authority.
    c) The estimated amount that will be deposited in the L&M Fund during each of the next five years.
    d) Estimates of the number of new, rehabilitated, or price restricted residential units to be assisted during each of the five years and estimates of moneys from the L&M Fund during each of the five years.
    e) A description of how the program will implement the requirements for expenditures of fund in the L&M Fund over a 10-year period at various income levels.
    f) Estimates of the number of units to be developed by the AHA for very low-, low-, and moderate-income households during the next five years.

6) Permits at any time before or after the adoption of the Plan, a locality that receives ad valorem property taxes from property located within an area may adopt a resolution directing the county auditor-controller to allocate its share of the property tax increment funds within the area covered by the Plan to the AHA.

7) Permits, at any time before the adoption of the Plan, for a locality to adopt a resolution to allocate tax revenues to the AHA, including revenues from local sales and use taxes or transactions and use taxes provided that the use of those revenues by the AHA is consistent with the purpose for which that tax was imposed and the boundaries of the authority are coterminous with the locality that established the AHA

8) Permits an AHA to do the following:
   a) Provide for low- and moderate-income housing and affordable workforce housing.
   b) Remedy or remove a release of hazardous substances.
   c) Provide for seismic retrofits of existing buildings.
   d) Acquire and transfer real property.
   e) Issue bonds.
   f) Borrow money, receive grants, or accept financial or other assistance or investment from the state or federal government or any other public agency or private lending institution for any project within its area of operation and comply with any conditions of a loan or grant.
   g) Receive funds allocated to it pursuant to a resolution adopted by a locality.
   h) Adopt an affordable housing Plan.
   i) Make loans or grants for owners or tenants to improve, rehabilitate, or retrofit buildings or structures within the Plan area.
   j) Construct foundations, platforms or other like structural forms necessary for the provision or utilization of air rights sites for buildings to be used for purposes of providing affordable housing.

9) Requires an AHA to prepare a feasible method or Plan for relocation of all of any families and persons to be temporarily or permanently displaced from housing facilities as a result of actions by the AHA.

10) Permits an AHA to:
   a) Purchase, lease, obtain an option upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal property, any interest in property, and any improvements on it, including repurchase of developed property previously owned by the AHA.
   b) Accept, at the request of the legislative body of the community, a conveyance of real property, located either within or outside the Plan area, owned by a public entity and declared surplus by the public entity, or owned by a private entity.

c) Sell, lease, grant, or donate real property owned or acquired by the AHA in a Plan area to a housing authority or to any public agency for public housing projects.
d) Offer for resale property acquired by an AHA for rehabilitation and resale within one year after completion of rehabilitation.

COMMENTS:

1) *Purpose of the bill.* According to the author, "Over the past six years, cities and counties in California have lost nearly 70% of all state and federal funding formerly available for affordable housing, and even deeper cuts to the US Department of Housing and Urban Development (HUD) are anticipated. According to the California Housing Partnership, there is a shortfall of over 1.54 million homes affordable to lower-income families and not one county in the state has a sufficient number of affordable rental homes. This bill builds on AB 2 (Alejo, 2015), which created CRIAs. For many communities, the 'blight' findings and indices of crime and unemployment required under AB 2 are not applicable metrics. Many cities in the Bay Area, for example, are not lacking in private investment in commercial and office development, but are, instead, seeing a wide and ever-growing job-housing gap that far outpaces the production of new affordable homes. Therefore, localities need a tool to capture the growth in tax increment produced by new commercial development and invest those revenues in the production of homes affordable to the local workforce. AB 1598 provides local governments with a critical tool needed to address the housing affordability crisis across our state without raising taxes."

2) *Background of Community Redevelopment Law (CRL).* Historically, the CRL allowed a local government to establish a redevelopment area and capture all of the increase in property taxes generated within the area (referred to as "tax increment") over a period of decades. The law required redevelopment agencies to deposit 20% of tax increment into a Low and Moderate Income Housing Fund (L&M fund) to be used to increase, improve, and preserve the community's supply of low- and moderate-income housing available at an affordable-housing cost.

   In 2011, the Legislature enacted two bills, AB 26X (Blumenfield) and AB 27X (Blumenfield), Chapters 5 and 6, respectively, of the First Extraordinary Session. AB 26X eliminated redevelopment agencies (RDAs) and established procedures for winding down the agencies, paying off enforceable obligations, and disposing of agency assets. AB 26X established successor agencies, typically the city that established the agency, to take control of all RDA assets, properties, and other items of value. Successor agencies are to dispose of an

agency's assets as directed by an oversight board, made up of representatives of local taxing entities, with the proceeds transferred to the county auditor-controller for distribution to taxing agencies within each county.

AB 26X also included provisions allowing the host city or county of a dissolving RDA to retain the housing assets and functions previously performed by the agency, except for funds on deposit in the agency's L&M fund, and thus become a housing successor. If the host city or county chooses not to become the housing successor, a local housing authority or the state's HCD takes on that responsibility.

AB 27X allowed RDAs to avoid elimination if they made payments to schools in the current budget year and in future years. In December 2011, the California Supreme Court in *California Redevelopment Association v. Matosantos* upheld AB 26X and overturned AB 27X. As a result, all of the state's roughly 400 redevelopment agencies dissolved on February 1, 2012, and local jurisdictions began implementing AB 26X's provisions to distribute former redevelopment assets and pay the remaining obligations.

3) *Infrastructure Financing Districts (IFDs)*. Cities and counties can create IFDs and issue bonds to pay for community scale public works: highways, transit, water systems, sewer projects, flood control, child care facilities, libraries, parks, and solid waste facilities. To repay the bonds, IFDs can divert property tax increment revenues. However, IFDs can't divert property tax increment revenues from schools (SB 308, Seymour, 1990). In 2014, in response to RDAs' dissolution, legislators enacted SB 628 (Beall) to allow local officials to create Enhanced Infrastructure Financing Districts (EIFDs), which augment the tax increment financing powers that are available to local government under the IFD statutes. City or county officials can create an EIFD, which is governed by a public finance authority, to finance public capital facilities or other specified projects of communitywide significance that provide significant benefits to the district or the surrounding community.

4) *Community Revitalization Investment Authorities (CRIAs)*. Over the last 60 years, redevelopment agencies used tax increment to finance affordable housing, community development, and economic development projects. The dissolution of redevelopment agencies created a void in community and economic development. In an effort to create new tools, the Legislature allowed local government entities, excluding schools, to form a CRIA to collect property tax increment and issue debt (AB 2, Alejo, 2015). The CRIA could use its powers to invest in disadvantaged communities with a high crime rate, high unemployment, and deteriorated and inadequate infrastructure,

commercial, and residential buildings. Three of these four conditions would constitute "blight." The area where the CRIA could invest would also be required to have an annual median household income that is less than 80% of the statewide annual median income. This is different from redevelopment agencies that were required to conduct a study and make a finding that blight existed in a project area before they could use their extraordinary powers, like eminent domain, to eradicate blight.

Like redevelopment agencies, AB 2 allowed CRIAs to freeze the property taxes at the time the plan for revitalizing the area is approved. The CRIA collects all the property tax increment or the increase in property taxes that is generated after that point and uses it on specified activities. Unlike redevelopment agencies, AB 2 specified that the taxing entities in the area, including the county, city, special districts must agree to divert property tax increment to the CRIA. Local government entities that initially participate can opt out by giving the auditor-controller sixty days' notice; however, the auditor controller will continue to collect the local government entities' portions of property tax increment until any debts issued up until then have been repaid. No portion of the local schools' share of tax increment may go to the CRIA.

5) *Housing provisions and planning.* Prior to their dissolution, RDAs generated up to $1 billion per year for affordable housing in the state. CRIA added to the affordable housing provisions of existing community redevelopment law in three ways. First, it increased from 20 to 25% the amount of tax increment revenue that an CRIA must deposit into its L&M fund. Because tax increment accruing to a CRIA is less (e.g., it does not contain the schools' share), this is 25% of a smaller number. Second, a community revitalization and investment plan adopted by a CRIA must ensure that housing affordable to and occupied by extremely low-, very low-, and low-income households within an area does not decrease during the life of the area plan. Third, CRIA must provide replacement housing in two rather than four years. CRIA are allowed to transfer the funds collected for affordable housing to a housing authority within the project area or to the successor agency to a former redevelopment agency. CRIA have to make a finding that transferring the funds and combining them with other funding for housing would reduce administrative costs or expedite the construction of affordable housing.

Under the provisions of this bill, the AHA's authority is limited to providing low- and moderate-income housing and affordable workforce housing up to 120% AMI; CRIA on the other hand, restricts investments to households that earn less than 80% AMI, consistent with other state and federally funded housing programs. The AHA must adopt an affordable housing investment

plan that includes an affordable housing program that describes how the AHA will fulfill its objectives, the estimated amount that will be deposited in the L&M fund during each of the next five years, estimates of the number of units to be assisted and estimates of the expenditures from the L&M Fund during each of the next five years, a description of how the program will implement the requirements of expenditures of funds in the L&M Fund over a 10-year period at various income levels, and estimates of the number of units to be developed by the AHA for very low-, low-, and moderate-income households. AHA's must allocate at least 95% of the tax revenues generated to increase, improve, and preserve the community's supply of housing, and up to 5% may be utilized for administrative purposes.

6) *Antidisplacement and replacement housing.* CRIAs and EIFDs are subject to specific provisions to prevent displacement. Specifically, CRIA must prepare a feasible method or plan for the relocation of families or persons to be temporarily or permanently displaced from housing facilities in the plan area. The CRIA cannot displace families unless and until there is suitable housing units ready and available for occupancy at rents comparable to those at the time of their displacement. Families and persons displaced shall receive priority in newly constructed units financed by the CRIA. If insufficient suitable housing units are available for those to be displaced, the CRIA shall assure sufficient land is made available, and permanent housing shall be made available within two years from displacement.

   Similar provisions are required for the destruction of housing units available to persons and families of low- or moderate-income, as part of a revitalization project. The CRIA must, within two years of the destruction or removal, rehabilitation, development or construction, an equal number of replacement units that have equal or greater number of bedrooms as those destroyed or removed shall be available. An authority shall provide relocation assistance. All replacement units must be subject to affordability covenants. The authority may replace, destroy, or remove units with a fewer number of replacement dwelling units if the replacement units meet the following criteria:

   a) The total number of bedrooms in the replacement dwelling units equals or exceeds the number of bedrooms in the destroyed or removed units. Destroyed or removed units having one or no bedroom are deemed for this purpose to have one bedroom.
   b) The replacement units are affordable to and occupied by, the same income level of households as the destroyed or removed units.

The author has agreed to accept amendments that require AHA to contain similar displacement and replacement unit protections.

7) *Oversight, covenants, and auditing*. This bill requires the AHA to contract for an independent audit every five years, beginning in the calendar year in which the authority has allocated a cumulative total of $1 million or more in property tax increment or other revenues. An AHA must prepare a feasible method or plan for the relocation of all of any families and persons to be temporarily or permanently displaced from housing facilities as a result of actions by the authority. This bill allows an AHA to transfer its housing responsibilities to a housing authority or city or county housing department if it determines that combining funding streams will reduce administrative costs or expedites the construction of affordable housing, and its requires all housing assisted by an authority to remain affordable for at least 55 years for rental units and 45 years for owner-occupied units. Further, this bill requires the AHA to retain controls and establish restrictions or covenants running with land sold or leased for private use and under the Plan.

   This bill requires an authority to obligate lessees or purchasers of property acquired in an affordable housing project to:

   a) Use the property for the purpose designated in the Plan.
   b) Begin the project within the period of time in which the authority sets as reasonable.
   c) Comply with the covenants, conditions, or restrictions that the authority deems necessary to prevent speculation or excess profit taking in undeveloped land, including right of reverter to the authority. The covenants, conditions, and restrictions imposed by an authority may provide for the reasonable protection of lenders.
   d) Comply with other conditions that the authority deems necessary to carry out the purposes of the bill's provisions.

8) *Voter thresholds and eminent domain*. CRIA permit local governments the power to take private property through eminent domain and pay for it using tax increments. CRIA may also issue bonds. CRIA may adopt a resolution, after holding three hearings, to adopt a plan by ordinance if no more than 25% but less than 50% of property owners and residents file protests. EIFDs do not give districts the power of eminent domain and require a 55% voter approval for EIFD bonds. This bill does not include a voter threshold requirement for bond approvals but bonds issued must be backed by tax increment revenues. AHA additionally do not have the power of eminent domain.

9) *Use of existing tools.* According to the League of California Cities, 13 jurisdictions are currently contemplating using EIFDs/CRIAs in California. This would be an additional tool for locals to use to finance housing.

10) *Opposition.* The Howard Jarvis Taxpayers Association (HJTA) writes this bill would permit a locality to issue bonds without any voter approval. According to HJTA, given that these bonds could subject voters to 40 years of debt service, surpassing the tenure of most members of the AHA, meaningful public debate should be required prior to bond sales.

11) *Incoming!* This bill was heard in the Senate Governance and Finance Committee and received a vote of 4-1.

RELATED LEGISLATION:

AB 2493 (Alejo, Chapter 524, Statutes of 2016) — Made changes to allow greater flexibility for the creation of CRIA and allowed a CRIA to receive funding from the same sources as an EIFD.

AB 2 (Alejo, Chapter 319, Statutes of 2015) — Allowed CRIA to use tax increment revenue to improve the infrastructure, assist businesses, and support affordable housing in disadvantaged communities.

SB 628 (Beall, Chapter 785, Statutes of 2014) — Allowed local agencies to create EIFDs to finance specified infrastructure projects and facilities.

Assembly Votes
Floor: 52-23
Appr: 12-5
H&CD: 5-2
L.Gov: 7-2

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Alameda County Board of Supervisors
BRIDGE Housing
California Apartment Association

California Association of Realtors
California Housing Partnership Corporation
City of Union City
EAH Housing
HCL Architecture
John Stewart Company
Non-Profit Housing Association of Northern CA
Resources for Community Development

OPPOSITION:

Howard Jarvis Taxpayer Association

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	AB 1625	**Hearing Date:**	7/11/2017
Author:	Rubio		
Version:	7/3/2017 Amended		
Urgency:	No	**Fiscal:**	No
Consultant:	Mikel Shybut		

SUBJECT: Inoperable parking meters.

DIGEST: This bill prohibits a local authority from prohibiting or restricting, by ordinance or resolution, the parking of a vehicle in a space regulated by an inoperable parking meter or parking payment center but allows cities to implement a four hour cap if notice is given at broken meters with no posted time limit.

ANALYSIS:

Existing law:

1) Allows a vehicle to park, for up to the posted time limit, at a parking space regulated by an inoperable parking meter or an inoperable parking payment center.

2) Allows local authorities to prohibit or restrict, by ordinance or resolution, the parking of vehicles in spaces regulated by inoperable parking meters or payment centers.

3) Requires that a local ordinance or resolution prohibiting or restricting parking in spaces regulated by inoperable meters or payment centers not go into effect until adequate notice has been given, as specified.

4) Defines "inoperable parking meter" to mean a meter located next to and designated for an individual parking space, which has become inoperable and cannot accept payment in any form or cannot register that a payment in any form has been made.

5) Defines "inoperable parking payment center" to mean an electronic parking meter or pay station serving one or more parking spaces that is closest to the space where a person has parked and that cannot accept payment in any form, cannot register that a payment in any form has been made, or cannot issue a

receipt that is required to be displayed in a conspicuous location on or in the vehicle.

This bill:

1) Allows a vehicle to park without a time limit in any parking space that does not have a posted time limit and that is regulated by an inoperable parking meter or payment center, subject to any other applicable regulations.

2) Allows a local authority to limit parking to four hours at a space that does not have a posted time limit and that is regulated by an inoperable meter or payment center but only if the local authority posts signs clearly providing notice of the time limitation for the broken meter.

3) Prohibits a local authority from issuing a citation for nonpayment at a broken meter that does not physically accept payment, even if the meter would accept other, nonphysical forms of payment.

4) Except as provided in (2), prohibits a local authority from prohibiting or restricting, by ordinance or resolution, the parking of a vehicle in a space regulated by an inoperable parking meter or inoperable parking payment center.

COMMENTS:

1) *Purpose.* According to the author, "Assembly Bill 1625 will protect consumers from receiving unjust parking violations at broken parking meters. Currently, cities have various local ordinances and provide different policies across the state. This is inconsistent and unfair to both motorists and businesses that rely on accessible parking spaces. When cities cite motorists at broken parking meters it can hurt businesses, which rely on local governments to have consistent and fair rules that do not scare consumers away. My bill will create that needed consistency across California, protecting both consumers and businesses."

2) *Broken parking meters*. SB 1388 (DeSaulnier, 2012) established a uniform rule that a vehicle may park at a broken parking meter up to the posted time limit, without penalty. However, SB 1388 included a provision allowing local jurisdictions to adopt different rules, as long as signs or markings are placed with adequate notice at the meter. As a result, some jurisdictions began banning or restricting parking at inoperable meters. To address this, AB 61 (Gatto, 2013) prohibited local jurisdictions from prohibiting or restricting

parking at broken meters. AB 61, however, sunset on January 1, 2017, once again allowing local jurisdictions to ban or restrict parking at broken meters. This bill prohibits local jurisdictions from banning or restricting parking at broken meters, which had been the law from 2014 through 2016, but allows cities to limit parking to four hours if notice is given at broken meters with no posted time limit.

3) *Breaking parking meters.* Writing in opposition, the League of California Cities express concern about meter vandalism, stating that several cities reported vandalized parking meters in high traffic areas. If parking at a broken meter is "free," a driver has a financial incentive to disable a meter. However, it is not clear how often this occurs and vandalism of public property is itself a crime that carries a much higher penalty than a parking citation: a base fine of up to $1,000, up to one year in jail, or both. On the other hand, this bill may provide an incentive for cities to repair meters in order to return to collecting revenue from them.

4) *Parking cap.* Addressing concerns that broken meters without a posted time limit would allow unlimited parking, the author's latest amendments allow local authorities to limit parking to four hours at broken meters with no posted time limit. However, for cities that wish to enforce the time limit, this bill requires that clear notices be posted on the meters advertising the time limit when broken. Such a solution may represent a middle ground of sorts for meters without a posted time limit, addressing concerns that cars could indefinitely park for free at certain meters while still ensuring the ability to park at a broken meter.

5) *Three day law.* Current law requires drivers to observe the posted time limit, if any, at broken meters, unless otherwise prohibited or restricted by a local ordinance. This bill maintains that requirement to observe the posted time limit. Cars parked at broken meters with no posted time limits would also likely be subject to California's 72 hour limit, which states that a car cannot be parked or left standing on a highway, streets included, for 72 or more consecutive hours.

6) *Extended meters*. Some California cities have incorporated tiered rate extended parking meters that have signage including a number followed by a plus sign (e.g. 1+, 2+, 3+, 4+ hours). These meters have a base price for the posted number of hours but allow drivers to extend their parking at higher rates for each hour thereafter. Under this bill, cities would be able to limit parking to four hours if such a meter was broken, so long as the time limit is advertised.

7) *Pay by phone*. Some parking meters allow payment via smartphone app or phone call. In the case of a broken parking meter, such meters could make it confusing for a person as to whether they could get cited if the meter wouldn't take cash or card but would still allow payment by phone. This bill prohibits a person from being cited for nonpayment if the meter will not accept physical payment such as cash, coin, or credit, even if the meter allows nonphysical payment by app or phone call, for example.

8) *Arguments in support.* Writing in support, the Howard Jarvis Taxpayers Association states that cities had been unfairly writing tens of thousands of tickets per year for parking at broken meters prior to AB 61, including 17,000 tickets in Los Angeles alone. They state that it's not necessary to cite drivers for something that is out of their control and that the bill incentivizes local governments to quickly repair the broken meters and kiosks.

9) *Arguments in opposition*. Writing in opposition, the League of California Cities questions the need for a statewide solution, since not every city in California has parking meters and broken meters make up a small portion of the overall number of meters. Also writing in opposition, the California Public Parking Association (CPPA) expresses concerns that the bill removes local control to regulate parking and shares the concern that this bill may incentivize meter vandalism. Writing in opposition, the SFMTA states that 99% of parking meters in the state are limited to two hours or less. They also state that meters without time limits are primarily located in San Francisco and request a limit of two hours specifically at broken meters without posted limits. In response to these concerns, the author amended the bill to include an optional four hour time limit, which they felt was a reasonable amount of time, so long as the limit is advertised with signage.

RELATED LEGISLATION:

AB 2586 (Gatto, 2016, Vetoed) — allowed vehicles to park at any broken parking meter or payment center for up to two hours, prohibited local authorities from limiting parking at broken meters, and required local authorities to permit parking after street sweeping is complete. The veto message only addressed the street sweeping provisions of the bill.

AB 61 (Gatto, Chapter 71, Statutes of 2013) — prohibited, until January 1, 2017, a city or county from citing vehicles for parking at an inoperable parking meter or parking payment center for up to the posted time limit.

SB 1388 (DeSaulnier, Chapter 70, Statutes of 2012) — established a general rule

that a vehicle may park without penalty in any parking space for up to the posted time limit if the parking meter or parking payment center is inoperable, but allows a city or county to adopt a different rule if it provides adequate notice of the rule at parking locations, parking meters, or parking payment centers.

ASSEMBLY VOTES:
Floor: 76-0
Local Government: 9-0

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Howard Jarvis Taxpayers Association (Sponsor)
AAA Northern California, Nevada, and Utah
Automobile Club of Southern California

OPPOSITION:

California Public Parking Association
The League of California Cities
San Francisco Municipal Transportation Agency

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 2	**Hearing Date:**	7/11/2017
Author:	Mayes		
Version:	2/9/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Katie Bonin		

SUBJECT: Police Officer Jose "Gil" Vega and Police Officer Lesley Zerebny Memorial Highway.

DIGEST: This resolution will designate a road segment on State Route 111 at Overturn Dr (PM 58.478) to West San Rafeal Drive (PM 54.955) in Palm Springs as the Police Officer Jose "Gil" Vega and Police Officer Lesley Zerebny Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution will designate a road segment on State Route 111 at Overturn Dr (PM 58.478) to West San Rafeal Drive (PM 54.955) in Palm Springs as the Police Officer Jose "Gil" Vega and Police Officer Lesley Zerebny Memorial Highway.. It also requests that the Department of Transportation to erect appropriate signs upon receiving sufficient donations from non-state sources to covers the costs.

COMMENTS:

1) *Purpose.* The author introduced this resolution to honor the service of Police Officer Jose "Gil" Vega and Police Officer Lesley Zerebny.

2) *Background on Jose "Gil" Vega.* Officer Vega was nearing his planned retirement date of December 28, 2016 after a long, distinguished 34-year career in law enforcement. Officer Vega had been twice named the Palm Springs Police Department's Officer of the Year, first in 1992 and then again in 2011, and was set to receive a Special Recognition Award for his many years of exemplary and dedicated service.

3) Background on Lesley Zerebny. Officer Zerebny was just beginning her career in law enforcement, having been hired by the Palm Springs Police Department in 2014. In 2016 she was returning to work after giving birth to her daughter. Officer Zerebny came from a law enforcement family, with her father having served in the California Highway Patrol and her husband currently serving as a deputy in the Riverside County Sherriff's Department.

Both Officer Vega and Officer Zerebny were fatally shot while responding to a domestic disturbance call and this memorial Highway will be placed in their honor for making the ultimate sacrifice while serving their community of Palm Springs.

4) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Palm Springs Police Department
Palm Springs Police Officers Association
City of Palm Springs
City of Indian Wells
Coachella Valley Association of Governments
Peace Officers Research Association of California (PORAC)

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 9	**Hearing Date:**	7/11/2017
Author:	Gonzalez Fletcher		
Version:	2/9/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Officer Jonathan M. De Guzman Memorial Bridge

DIGEST: This resolution designates the Palomar Street Bridge in the City of Chula Vista, California as the Officer Jonathan M. De Guzman Memorial Bridge.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates the Palomar Street Bridge on Interstate 805 in the city of Chula Vista as the Officer Jonathan M. De Guzman Memorial Bridge. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from non- state sources, to erect those signs.

COMMENTS:

1) *Purpose.* The purpose of this resolution is to honor the life and service of Officer Jonathan M. De Guzman.

2) *Background on Officer De Guzman*. Jonathan M. De Guzman was a 16-year veteran of the San Diego Police Department, a member of the Gang Suppression Unit, and a member of the Special Weapons and Tactics Unit. He received the San Diego Police Department's Purple Heart award and the Meritorious Service Award. Officer De Guzman was fatally shot in the line of duty on July 28, 2016.

3) *Consistent with committee policy*. This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Honorable Mary Salas, City of Chula Vista Mayor
Peace Officers Research Association of California
Port of San Diego
San Diego Police Officers Association, Inc.

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 22	**Hearing Date:**	7/11/2017
Author:	Baker		
Version:	2/14/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Katie Bonin		

SUBJECT: Detective Sergeant Thomas A. Smith, Jr. Memorial Highway.

DIGEST: This resolution designates a portion of I-680 from Bollinger Canyon Road to Crow Canyon Road in the City of San Ramon and the County of Contra Costa as the "Detective Sergeant Thomas A. Smith, Jr. Memorial Highway."

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution would designate a specified portion of I-680 from Bollinger Canyon Road to Crow Canyon Road in the City of San Ramon and the County of Contra Costa as the "Detective Sergeant Thomas A. Smith, Jr. Memorial Highway." It also requests that the Department of Transportation to erect appropriate signs upon receiving sufficient donations from non-state sources to covers the costs.

COMMENTS:

1) *Purpose.* The author introduced this resolution to honor the service of Detective Sergeant Thomas A. Smith, Jr.

2) *Background on Thomas A. Smith Jr.* Detective Sergeant Smith was a 23-year veteran of the San Francisco Bay Area Rapid Transit (BART) Police Department. Detective Sergeant Smith was born in Hayward, California in 1971 and graduated from Moreau Catholic High School and later attended the police academy at the Alameda County Regional Training Center to train for the BART Police Department. He joined the BART Police Department at age 19 as a cadet and rose through the ranks serving as a K-9 handler, field training officer, and recruit training officer before becoming a detective and promoting to the rank of sergeant. Detective Sergeant Smith was killed on January 21, 2014 during a probation search of a suspect involving several robberies on BART property.

   Mr. Smith is survived by his wife Kellie and daughter Summer.

   Upon driving home one evening Summer noticed that an exit number had been added to the Bollinger Canyon Road exit along Interstate 680. The Bollinger Canyon Road exit is now number "34." Number 34 was Detective Sergeant Tommy Smith's badge number, so it seems fitting to designate this section of the highway.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Los Angeles County Professional Peace Officers Association
Peace Officers Research Association of California

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 23	**Hearing Date:**	7/11/2017
Author:	Bocanegra		
Version:	3/7/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Ritchie Valens Memorial Highway

DIGEST: This resolution designates a portion of Interstate 5 in the County of Los Angeles as the Ritchie Valens Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates Interstate 5 from State Route 118 to State Route 170 in the County of Los Angeles as the Ritchie Valens Memorial Highway. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from non- state sources, to erect those signs.

COMMENTS:

1) *Purpose*. The purpose of this resolution is to honor the life and service of Ritchie Valens.

2) *Background on Mr. Valens.* Richard Steven Valenzuela, who would be known as Ritchie Valens, was born in Pacoima, California and went to school at San Fernando High School. Mr. Valens was discovered by a talent scout in 1958, signing a contract that same year and issuing a record featuring the song "La Bamba", which sold over one million copies. Mr. Valens appeared on "American Bandstand" and began touring. In 1959 he passed away in a private airplane accident along with fellow musicians Buddy Holly and J.P. "The Big Bopper" Richardson. He was 17.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Hi-Tone Five Corporation/the Estate of Richie Valens
Pacoima Chamber of Commerce
RaspadoXpress

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 24	**Hearing Date:**	7/11/2017
Author:	Dahle		
Version:	2/16/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: California Highway Patrol Officer Nathan Taylor Memorial Overcrossing

DIGEST: This resolution designates the Interstate 80 overcrossing at Baxter Road in Placer County as the California Highway Patrol Officer Nathan Taylor Memorial Overcrossing.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates the Interstate 80 overcrossing at Baxter Road in the Village of Alta in Placer County as the California Highway Patrol Officer Nathan Taylor Memorial Overcrossing. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from non- state sources, to erect those signs.

COMMENTS:

1) *Purpose.* The purpose of this resolution is to honor the life and service of California Highway Patrol Officer Nathan Taylor.

2) *Background on Officer Taylor.* Nathan Daniel Taylor graduated from Del Oro High School in Loomis, California and was a machinist and construction worker before becoming a California Highway Patrol Officer in 2010. Officer Taylor was assigned to the San Jose Area Office later transferring to the Gold Run Area. On March 12, 2016 Officer Taylor was directing traffic near Donner Summit when he was struck and seriously injured by a moving vehicle. He succumbed to his injuries the following day.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

California Association of Highway Patrolmen
County of Placer Board of Supervisors

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 29	**Hearing Date:**	7/11/2017
Author:	Dahle		
Version:	2/27/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Deputy Sheriff Jack Hopkins Memorial Highway

DIGEST: This resolution designates a portion of State Highway Route 395 in the County of Modoc as the Deputy Sheriff Jack Hopkins Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates the portion of State Highway Route 395 from the South Fork Pit River Bridge to a portion of the Modoc National Wildlife Refuge at post mile 20.000 in the County of Modoc as the Deputy Sheriff Jack Hopkins Memorial Highway. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from non- state sources, to erect those signs.

COMMENTS:

1) *Purpose.* The purpose of this resolution is to honor the life and service of Deputy Sheriff Jack Hopkins.

2) *Background on Deputy Hopkins.* Jack Hopkins was born in Livermore California and raised in rural Shasta Valley, graduating from Yreka High School. He began his law enforcement career with the Alturas police Department and transferred to the Modoc County Sheriff's Office. Deputy Sheriff Hopkins was killed in the line of duty on October 19, 2016.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Modoc County Board of Supervisors
Peace Officers Research Association of California

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 31	**Hearing Date:**	7/11/2017
Author:	Lackey		
Version:	4/3/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Katie Bonin		

SUBJECT: Los Angeles County Sheriff's Sergeant Steven C. Owen Memorial Highway.

DIGEST: This resolution designates a portion of the State Highway 14 in the City of Palmdale from E. Ave. R to E. Ave. S in Los Angeles County as the as "Sheriff's Sergeant Steven C. Owen Memorial Highway."

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates the portion of State Highway 14 in the County of Los Angeles, from E. Ave. R to E. Ave. S as "Sheriff's Sergeant Steven C. Owen Memorial Highway." It also requests that the Department of Transportation to erect appropriate signs upon receiving sufficient donations from non-state sources to covers the costs.

COMMENTS:

1) *Purpose.* The author introduced this resolution to honor the service of Sheriff Sergeant Steven C. Owen.

2) *Background on Steven C. Owen.* Sergeant Owen began his career in law enforcement with the Los Angeles County Sheriff's Department in 1987. In June of 1996 he began working in Lancaster and served residents of the area on the department's mounted enforcement detail as both a deputy and a sergeant. Sergeant Owen received numerous accolades during his career including commendations from the Federal Bureau of Investigation, the Los Angeles County Board of Supervisors, the United States Marine Corps, the California Attorney General, and the Massachusetts State Police. In 2014, Sergeant Owen was awarded the Medal of Valor, the department's highest honor. Sergeant Owen was killed in the line of duty in Lancaster on October 5, 2016, while responding to a residential burglary call.

   Sergeant Owen is survived by his family, including his wife, Tania, a detective assigned to the department's Arson/Explosives Detail, and their three children, Chadd, Brandon, and Shannon.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Peace Officers Research Association of California

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 43	**Hearing Date:**	7/11/2017
Author:	Wood		
Version:	3/23/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Katie Bonin		

SUBJECT: Humboldt County Sheriff's Office Corporal Rich Schlesiger Memorial Highway.

DIGEST: This resolution designates the portion of State Route 101 located between milepost marker 68.00 near Hookton Road and milepost marker 64.50 near the Ferndale exit in the County of Humboldt as the Humboldt County Sheriff's Office Corporal Rich Schlesiger Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution would designate the portion of State Route 101 located between milepost marker 68.00 near Hookton Road and milepost marker 64.50 near the Ferndale exit in the County of Humboldt as the Humboldt County Sheriff's Office Corporal Rich Schlesiger Memorial Highway. It requests that the Department of Transportation to erect appropriate signs upon receiving sufficient donations from non-state sources to covers the costs.

COMMENTS:

1) *Purpose.* The author introduced this resolution to honor the service and contributions of Rich Schlesiger.

2) *Background on Rich Schlesiger.* Mr. Schlesiger began his law enforcement career with the Siskiyou County Sheriff's Office as a Deputy Sheriff in 1991. In July 1995, Rich returned to his childhood home to accept a job as a Deputy with the Humboldt County Sheriff's Office; he was assigned to the Willow Creek/Hoopa community working patrol operations protecting the citizens of Humboldt County for four years before moving to the Superior Court as a bailiff. In August 2001, Rich became a detective with the Sheriff's Criminal Investigation Division, where he was assigned to felony assault and homicide cases, and where, because of his hard and diligent work, he was promoted to investigator with the division, quickly becoming the senior investigator taking on the most complex homicide and high profile felony cases in the county. In April 2013, Rich made the decision to transfer to patrol operations and work back in the area where he grew up, Loleta, California. Mr. Schlesiger accepted the Eel River Valley Deputy position which was funded by the Bear River Tribe, and he worked with the tribe and citizens of Loleta and Eel River Valley to stop escalating crime that was reported in the area.

   In January 2014, Rich was diagnosed with a rare form of brain cancer, and on December 30, 2014, he was forced to medically retire at the rank of Corporal.

   On September 7, 2015, on his 45th birthday, surrounded by his loving wife Morgan, his three children, Chaz, Cade, and Callee, and friends, Rich passed away, which was a devastating loss to his family, friends, and the Humboldt County community.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

American Federation of State, County and Municipal Employees
Humboldt County Board of Supervisors

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 46	**Hearing Date:**	7/11/2017
Author:	Gray		
Version:	3/28/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: The Modesto Police Officer Leo Volk, Jr., and Modesto Police Sergeant Steve May Memorial Highway

DIGEST: This resolution designates a portion of State Highway Route 132 in the City of Modesto as the Modesto Police Officer Leo Volk, Jr. and the Modesto Police Sergeant Steve May Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates the portion of State Highway Route 132 from 6th Street to Yosemite Meadows Drive in the City of Modesto as the Modesto Police Officer Leo Volk, Jr. and Modesto Police Sergeant Steve May Memorial Highway. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from non- state sources, to erect those signs.

COMMENTS:

1) *Purpose.* The purpose of this resolution is to honor the life and service of Modesto Police Officer Leo Volk, Jr. and Modesto Police Sergeant Steve May.

2) *Background on Officer Volk.* On May 21, 1973, Officer Leo Volk, Jr., a three-year veteran of the Modesto Police Department, began pursuing a fugitive vehicle and, during the pursuit, became a victim to a serious collision from which he died. Officer Volk was the first officer to die in the line of duty in the history of the Modesto Police Department.

3) *Background on Sergeant May*. On July 29, 2002 a suspect fleeing from police was speeding through a residential neighborhood, ramming the patrol car of Sergeant Steve May, causing severe injuries. In 2009 Sergeant May died from complications resulting from the injuries. Sergeant May was a 23 year veteran of the department.

4) *Revisions necessary to be consistent with committee policy.* This named section of the freeway exceeds the five mile limit established by committee policy. *The author will accept an amendment* to change the designation to Route 132 from 6th Street to Garner Road at Post Mile 19.010. With that amendment this resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

AFSCME
Modesto Police Officers' Association

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 47	**Hearing Date:**	7/11/2017
Author:	Gray		
Version:	3/28/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: CalFire Firefighter Andrew Maloney Memorial Highway

DIGEST: This resolution designates a portion of State Route 165 in the County of Merced as the CalFire Firefighter Andrew Maloney Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates State Route 165 between Berkeley Drive and Pioneer Road in the County of Merced as the CalFire Firefighter Andrew Maloney Memorial Highway. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from non-state sources, to erect those signs.

COMMENTS:

1) *Purpose.* The purpose of this resolution is to honor the life and service of CalFire Firefighter Andrew Maloney.

2) *Background on Mr. Maloney.* Andrew Maloney worked for CalFire from 2003 until his death on June 12, 2016, serving at the Los Banos, Santa Nella, and Hornitos stations. Mr. Maloney was also involved in fire safety programs in Merced and Mariposa Counties. On June 9, 2016, while riding his motorcycle, Mr. Maloney was hit by a distracted driver who was under the influence of alcohol and cannabis, dying three days later of his injuries.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

AFSCME
CalFire Local 2881
California Professional Firefighters
Department of Forestry and Fire Protection; Madera-Mariposa-Merced Unit

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 49	**Hearing Date:**	7/11/2017
Author:	Frazier		
Version:	3/29/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Katie Bonin		

SUBJECT: Police Sergeant Scott Lunger Memorial Highway

DIGEST: This resolution designates the portion of State Highway 4 located between Laurel Road and Balfour Road in the County of Contra Costa as the Police Sergeant Scott Lunger Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution would designate the portion of State Highway 4 located between Laurel Road and Balfour Road in the County of Contra Costa as the Police Sergeant Scott Lunger Memorial Highway. It requests the Department of Transportation to erect appropriate signs upon receiving sufficient donations from non-state sources to covers the costs.

COMMENTS:

1) *Purpose.* The author introduced this resolution to honor the service and contributions of Scott Lunger.

2) *Background on Scott Lunger.* Mr. Lunger was a sergeant in the Hayward Police Department, serving in the department for 15 years as a member of various specialty units, including the special duty unit, gang task force, and Special Weapons and Tactics team. Mr. Lunger was killed during a traffic stop on July 22, 2015, at the age of 48.

   Mr. Lunger is survived by his two beloved daughters, Ashton and Saralyn; his father and stepmother, Paul and Donna; and his siblings, Mike, Todd, Michelle, and Ciara.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

None received.

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 70	**Hearing Date:**	7/11/2017
Author:	Salas		
Version:	4/20/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Staff Sergeant Ricardo "Ricky" Barraza Memorial Highway

DIGEST: This resolution designates a portion of State Route 43 in the City of Shafter in the County of Kern as the Staff Sergeant Ricardo "Ricky" Barraza Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates State Route 43 from Fresno Avenue to East Los Angeles Street in the City of Shafter in the County of Kern as the Staff Sergeant Ricardo "Ricky" Barraza Memorial Highway. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from non- state sources, to erect those signs.

COMMENTS:

1) *Purpose.* The purpose of this resolution is to honor the life and service of Staff Sergeant Ricardo "Ricky" Barraza.

2) *Background on Sergeant Barraza.* Ricardo Barraza was born in Washington State, moving at a young age to Shafter, California and attending Shafter High School. Mr. Barraza enlisted in the United States Army in 1999, deploying three times in support of Operation Iraqi Freedom and three times in support of Operation Enduring Freedom in Afghanistan. Staff Sergeant Barraza received various awards and decorations during his service including the Army Commendation Medal with two Oak Leaf Clusters, the Army Achievement Medal with Oak Leaf cluster, and the Army Good Conduct Medal with a two-knot rope. On March 18, 2006 Staff Sergeant Barraza will killed in the line of duty during a combat mission in western Iraq. He was posthumously awarded the Bronze Star Medal for valor, the Purple Heart Medal, and the Meritorious Service Medal.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

None received.

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 76	**Hearing Date:**	7/11/2017
Author:	Calderon		
Version:	6/27/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Officer Keith Boyer Memorial Highway

DIGEST: This resolution designates a specified portion of Interstate 605 in the County of Los Angeles as the Officer Keith Boyer Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates a specified portion of Interstate 605 in the County of Los Angeles from the junction of Interstate 5 to the Obregon Street overcrossing as the Officer Keith Boyer Memorial Highway. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from non- state sources, to erect those signs.

COMMENTS:

1) *Purpose.* The purpose of this resolution is to honor the life and service of Officer Keith Boyer.

2) *Background on Officer Boyer.* Keith Wayne Boyer was born in San Gabriel, California, served in the Whittier Police Department for 27 years, and was a lifelong resident of Whittier. Officer Boyer was a dedicated mentor to other officers in the Whittier Police Department and was instrumental as a Police Explorer adviser. Officer Boyer was killed in the line of duty on February 20, 2017.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

Los Angeles District Attorney

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING
Senator Jim Beall, Chair
2017 - 2018 Regular

Bill No:	ACR 88	**Hearing Date:**	7/11/2017
Author:	Cunningham		
Version:	7/5/2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Randy Chinn		

SUBJECT: Charles I. Walter Memorial Highway

DIGEST: This resolution designates a portion of State Route 1 in the county of San Luis Obispo as the Charles I. Walter Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.

2) The person being honored must be deceased.

3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.

4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.

5) The segment of highway being named must not exceed five miles in length.

6) The proposed designation must reflect a community consensus and be without local opposition.

7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates State Route 1 from Kansas Avenue to Canet Road in the county of San Luis Obispo as the Charles I. Walter Memorial Highway. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from non- state sources, to erect those signs.

COMMENTS:

1) *Purpose.* The purpose of this resolution is to honor the life and service of Charles I. Walter.

2) *Background on Mr. Walter.* Charles I. Walter was born and raised near the former United States Army Camp San Luis Obispo, where parts of the California Polytechnic State University now exist. Charles I. Walter and his brother started the Walter Brothers Construction Company, which played a significant role in the construction of over 200 miles of freeway and expressway in the State of California, including portions of Highway 1 in San Luis Obispo County. Mr. Walters was very involved with the San Luis Obispo County Historical Society, the Special Olympics, and other local endeavors.

3) *Consistent with committee policy.* This resolution is consistent with the provisions of the committee's policy on highway designation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2017.)

SUPPORT:

San Luis Obispo County Supervisors Bruce Gibson and Adam Hill
San Luis Obispo Council of Governments
State of California Military Department Headquarters, Camp San Luis Obispo
Walter Brothers Construction Co., Inc.
Katcho Achadjian, Assemblyman (ret.)
38 individuals

OPPOSITION:

None received.

-- END --