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# California State Senate

## TRANSPORTATION AND HOUSING



**JIM BEALL**  
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### AGENDA

Tuesday, June 12, 2018  
1:30 p.m. -- John L. Burton Hearing Room (4203)

### MEASURES HEARD IN FILE ORDER

Consent items indicated by \*

- |     |          |             |   |
|-----|----------|-------------|---|
| 1.  | AB 87    | Ting        | Vehicles: removal: autonomous vehicles.   |
| 2.  | AB 558*  | Quirk-Silva | Alternative fuel vehicles: flexible fuel vehicles.                                      |
| 3.  | AB 686   | Santiago    | Housing discrimination: affirmatively further fair housing.                             |
| 4.  | AB 1755* | Steinorth   | Bicycle operation.  |
| 5.  | AB 1768* | Steinorth   | The County of San Bernardino: housing authority: middle-income housing projects.        |
| 6.  | AB 1873* | Obernolte   | Driver's licenses: veteran designation.   |
| 7.  | AB 1925* | Choi        | Vehicles: unsafe, unsecured load.   |
| 8.  | AB 2026* | Lackey      | Used vehicle salespersons.  |
| 9.  | AB 2115* | Santiago    | Vehicles: passing and overtaking: waste service vehicles.                               |
| 10. | AB 2132  | Levine      | Building permit fees: waiver.   |
| 11. | AB 2135* | Acosta      | Gold Star Family specialized license plates.  |
| 12. | AB 2272* | Mayes       | State highways: relinquishment.   |
| 13. | AB 2357* | Voepel      | Driver's licenses: renewal.   |
| 14. | AB 2372* | Gloria      | Planning and zoning: density bonus: floor area ratio bonus.                             |
| 15. | AB 2473* | Bonta       | State Highway Route 185: relinquishment: City of San Leandro.                           |
| 16. | AB 2548  | Friedman    | Commute benefit policies: Los Angeles County Metropolitan Transportation Authority.     |
| 17. | AB 2615* | Carrillo    | State highway system: parks and recreation: accessibility for bicycles and pedestrians. |
| 18. | AB 2734* | Frazier     | California Transportation Commission.   |
| 19. | AB 2753* | Friedman    | Density bonuses: density bonus application.   |
| 20. | AB 2912  | Irwin       | Association finances.   |
| 21. | AB 2918  | Holden      | Vehicles: driver's handbook.  |
| 22. | AB 2955  | Friedman    | Traffic: Cities of Burbank, Glendale, and Los Angeles.                                  |
| 23. | AB 2982  | Gloria      | North County Transit District: City of San Diego.                                       |
| 24. | AB 2986* | Cunningham  | Transportation network companies: disclosure of participating driver information.       |
| 25. | AB 3168  | Rubio       | Outdoor advertising displays: publicly owned property.                                  |

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 87 **Hearing Date:** 6/12/2018  
**Author:** Ting  
**Version:** 6/4/2018 Amended  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Jeffery Song

**SUBJECT:** Autonomous vehicles

**DIGEST:** This bill allows law enforcement officials to remove and hold a vehicle that is operating in autonomous mode without an approved application or permit that is required to test, deploy, or otherwise operate the autonomous vehicle (AV) on public roads.

**ANALYSIS:**

*Existing law:*

- 1) Authorizes a peace officer or other specified public employees to remove a vehicle if the vehicle is found or operated upon a highway, public land, or an off-street parking facility, under specified circumstances.
- 2) Requires the release of these removed vehicles to the owner or person in control of the vehicle only after the owner or person provides the storing law enforcement agency with proof of current registration and a valid driver's license, with some specified exemptions.
- 3) Authorizes the operation of autonomous vehicles on public roads for testing and non-testing purposes under certain circumstances subject to regulations adopted by the Department of Motor Vehicles (DMV), as specified.
- 4) Defines autonomous technology as technology that has the capability to drive a vehicle without the active physical control or monitoring by a human operator.

**This bill:**

- 1) Authorizes a peace officer or other specified public employees to remove a vehicle if the vehicle is operating upon a highway, public land, or an offstreet parking facility that is using autonomous technology without an approved

application or permit that is required to test, deploy, or otherwise operate the autonomous vehicle on public roads

- 2) Specifies that this does not provide the authority to stop an autonomous vehicle for the sole purpose of determining whether the vehicle is operating without a permit.
- 3) Requires that the vehicle be released to the registered owner or driver only if the owner or driver provides proof of an approved application or permit required to test, deploy, or otherwise operate the autonomous vehicle on public roads.

## COMMENTS

- 1) *Purpose.* According to the author, autonomous vehicles can create new opportunities for disabled, elderly, and low-income people to be mobile. While this exciting technology has the potential to transform transportation, public safety should be the first priority. For the safe deployment of autonomous vehicles, it is essential that law enforcement has the tools to remove illegally operating autonomous vehicles from public roads. This bill gives law enforcement the authority to impound an autonomous vehicle operating without a valid permit and to hold onto that vehicle until a valid permit or certificate of planned non-operation is furnished.
- 2) *DMV's Autonomous Vehicle Permits.* All AVs require a permit to operate in the state. In 2012, SB. 1298 (Padilla) established conditions for the operation of AVs in California. In 2014, the DMV adopted regulations for the testing of AVs requiring a test driver and established an application and approval process for a testing permit. As of this date, there are 54 manufacturers that have this permit and are able to test on public roads in the state. In early 2018, the DMV adopted regulations for testing AVs without a driver and for deployment (e.g., the sale, lease, or providing rides for a fee) of AVs in the state. DMV began accepting applications for these permits on April 1, 2018. No manufacturers have obtained either permit to date.
- 3) *Manufacturers Operating Without Permits.* In December 2016, Uber was found testing unpermitted AVs in the City of San Francisco.<sup>1</sup> Due to the lack of clarity in the law, San Francisco Police Department was unable to impound the vehicles. In response, the DMV revoked the vehicle registration of Uber's AVs, though the vehicles themselves had no problems. This bill would give

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<sup>1</sup> <https://www.nytimes.com/2016/12/21/technology/san-francisco-california-uber-driverless-car-.html>

law enforcement the authority to impound AVs that are operating in the state and are found to have no testing or deployment permit.

- 4) *Definition of Autonomous.* The Society for Automotive Engineers International (SAE) has developed a framework to define increasing levels of driving automation:<sup>2</sup>
- a) Level 1: Automated system on the vehicle can assist the human driver with *one* part of driving (e.g., automatic brakes).
  - b) Level 2: Automated system can handle *both* steering and braking/accelerating in some circumstances (e.g., adaptive cruise control), but the driver must be engaged at all times and do the rest of the driving.
  - c) Level 3: Automated system can do *all* of the driving, in some circumstances. However, the driver must be able to take control when prompted by the system.
  - d) Level 4: Automated system can do all of the driving, in some circumstances. The driver or passenger does not need to pay attention.
  - e) Level 5: Automated system can do all of the driving under *all* circumstances.

DMV regulations define a vehicle as autonomous, and thus in need of a permit to operate, if it achieves at least Level 3. This means that vehicles with Level 2 or partial automotive technology, such as any driver-assistance feature, like Tesla Autopilot, do not have to have a permit to operate. The difference between a Level 2 and Level 3 vehicle may become blurred in future years, as more vehicles have the technology to operate in some form of “autonomous mode”. There is a question of how law enforcement will be able to determine if a vehicle has the level of autonomous technology, such that it requires a permit and would be in violation of operating without one.

- 5) *Checks and Balances.* This bill provides law enforcement with the authority to impound any unpermitted AVs in the state until manufacturer provides a valid permit from the DMV. There is some concern that this bill will make AVs subject to surprise impounding (e.g., impounded if the AV has a recently expired permit) and difficult to get back. However, the bill specifies that law enforcement officials cannot pull over AVs just to check for a permit. Law enforcement officials can check for a permit only in the event that they are already interacting with the vehicle (e.g., if it breaks a traffic law). Also, there is the general expectation that manufacturers and owners of AVs should be keeping their operating AVs under permit. This bill will hopefully serve as a deterrent for those who may try to circumvent the DMV’s permitting process and ensure that all AVs operating in the state are permitted.

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<sup>2</sup> <https://www.nhtsa.gov/technology-innovation/automated-vehicles-safety>

**RELATED LEGISLATION:**

**SB 1298 (Padilla, Chapter 570, Statutes of 2012)** — established conditions for the operation of autonomous vehicles upon public roadways.

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

California Police Chiefs Association  
Consumer Attorneys

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 558 **Hearing Date:** 6/12/2018  
**Author:** Quirk-Silva  
**Version:** 6/4/2018 Amended  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Randy Chinn

**SUBJECT:** Alternative fuel vehicles: flexible fuel vehicles

**DIGEST:** This bill requires the State Air Resources Board (ARB) to develop specified information regarding E85 fuel distribution and flexible fuel vehicle registration, and to develop supporting policy recommendations.

**ANALYSIS:**

*E85 fuel and flexible fuel vehicles.* Flexible Fuel Vehicles (FFVs) are vehicles that can run on both gasoline and E85, which is a mixture that is approximately 85% ethanol and 15% gasoline. E85 is not a suitable fuel for standard vehicles. The actual ethanol content of E85 can vary depending upon the month of the year and geographical location, and may contain only 70% ethanol. In contrast, California's gasoline contains about 6-10% ethanol. FFVs are not zero emission vehicles.

*Existing law:*

- 1) Establishes the ARB as the air pollution control agency in California and requires the ARB, among other things, to control emissions from a wide array of mobile sources and implement the Federal Clean Air Act (FCAA).
- 2) Requires ARB to adopt and implement technologically feasible emission standards for new motor vehicles to, among other things, ensure compliance with state air quality laws and the FCAA, and prohibit vehicles that do not comply with those emissions standards from being certified for use in the state.
- 3) Requires, under the California Global Warming Solutions Act of 2006 (also known as AB 32), ARB to determine the 1990 statewide greenhouse gas (GHG) emissions level and approve a statewide GHG emissions limit that is equivalent to that level to be achieved by 2020.

- 4) Establishes the Alternative and Renewable Fuel and Vehicle Technology Program to develop and deploy technology that transforms California's fuel and vehicle types to help attain the state's climate change policies.

**This bill:**

- 1) Requires ARB, by April 1, 2019, to develop a factual summary of E85 distribution data from 2012 to 2017 and existing Department of Motor Vehicle data on the number of flexible fuel vehicles registered in 2017. This summary shall be formally conveyed to the Administrator of the United States Environmental Protection Agency, and posted to ARBS website.
- 2) Requires ARB to develop policy recommendations to maximize the use of E85 in flexible fuel vehicles and to consider adopting those regulations no later than October 1, 2019.

**COMMENTS**

- 1) *Purpose.* According to the author, incentives for auto manufacturers to bring their FFV models to California have diminished because of a misunderstanding at the federal Environmental Protection Agency (EPA) of how much E85 is sold in state. This bill will produce the information necessary to correct the EPA's misunderstanding, resulting in more choices for California drivers. This bill will also encourage ARB to develop policy recommendations to maximize the use of E85 in FFVs to maximize the GHG reduction potential from these vehicles.
- 2) *A Green Alternative to Gas.* Ethanol has a lower energy density than regular gasoline, meaning FFVs using E85 will get fewer miles per gallon, typically 20-30% less. E85 is usually priced lower than gasoline, but because of its lower energy density it only makes economic sense to use when it is priced 20-30% less than gasoline. The total GHG lifecycle impact of using E85 is currently about 20% less GHG emissions compared to gasoline, however, so it is a low-carbon fuel alternative to gasoline and therefore preferable from a greenhouse gas emissions perspective.

Ethanol is the alcohol contained in wine, beer, spirits, and other alcoholic beverages. As such, the ethanol used for fuels is typically derived from the fermentation and distillation of corn. This makes E85 somewhat controversial. Opponents argue that arable land and water supplies should be used only for food production, not fuel production. Supporters counter that most corn grown in the USA is fed to livestock, which cannot digest the starchy material used to

make corn-based ethanol.

E85 is more common in the Midwest, where corn is more abundant, than in California. The US Department of Energy website indicates that there are 126 E85 stations in California which are typically located in major population centers. As such, an FFV located in suburban or rural California is likely to run exclusively on gasoline. An FFV located in the Bay Area, Los Angeles, Sacramento, or San Diego may be more likely to use E85 if a driver seeks out a station offering E85 for sale, but the vehicle could more easily run entirely on gasoline.

- 3) *Low Carbon Fuel Standard (LCFS)*. The LCFS is designed to encourage the use and production of cleaner low-carbon fuels in California in order to reduce GHG emissions. The LCFS is performance-based and fuel-neutral, allowing the market to determine how the carbon intensity of California's transportation fuels will be reduced. E85 benefits from the LCFS because it has less carbon than gasoline. At current rates the value of the LCFS credit is about \$0.15/gallon, though this varies with the market price for the credits.
- 4) *Double Referral*. This bill was heard on May 16, 2018 by the Senate Environmental Quality Committee and approved 7-0.

#### **RELATED LEGISLATION:**

**SB 1275 (de León, Chapter 530, Statutes of 2014)** — established the Charge Ahead California Initiative to place in service at least 1.0 million zero-emission and near-zero-emission vehicles by January 1, 2023, with a focus on disadvantaged and low-and-moderate-income communities.

**AB 118 (Núñez, Chapter 750, Statutes of 2007)** — created the Alternative and Renewable Fuel and Vehicle Technology Program administered by the California Energy Commission.

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

**ASSEMBLY VOTES:** Not relevant; new bill.

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)



**SUPPORT:**

Pearson Fuels (sponsor)  
California Independent Oil Marketers Association  
California New Car Dealers Association

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 686 **Hearing Date:** 6/12/2018  
**Author:** Santiago  
**Version:** 6/4/18 Amended  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Erin Riches

**SUBJECT:** Housing discrimination: affirmatively further fair housing

**DIGEST:** This bill requires a public agency to administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing.

**ANALYSIS:**

*Existing federal law:*

- 1) Requires, pursuant to the Fair Housing Act (FHA), that all executive branch departments and agencies administering housing and urban development programs and activities must administer these programs in a manner that affirmatively furthers fair housing.
- 2) Requires, pursuant to the FHA, that United States Department of Housing and Urban Development (HUD) programs and activities must be administered in a manner affirmatively furthering the policies of the FHA.
- 3) Requires, pursuant to the Affirmatively Furthering Fair Housing regulation (AFFH Rule) issued pursuant to the FHA, that specified state and local agencies that contract with, or receive funding from, HUD must certify they will affirmatively further fair housing by completing an assessment of fair housing and submitting it to HUD.
- 4) Declares the practice of discrimination because of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, or genetic information to be against public policy; and that every person has a civil right to be given the opportunity to seek, obtain, or hold employment and housing without facing discrimination based on these protected classes.

*Existing state law:*

- 5) Declares it unlawful, pursuant to the California Fair Employment and Housing Act (FEHA), for any housing accommodation owner to inquire about, make known any preference or limitation as to, discriminate, or harass a person based on the person's race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, or genetic information.
- 6) Prohibits discrimination through public or private land use practices, decisions, and authorizations because of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income, or ancestry. Discrimination includes, but is not limited to, restrictive covenants, zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law that make housing opportunities unavailable.
- 7) Establishes the state Department of Fair Employment and Housing (DFEH) with the powers and duties to, among other things, receive, investigate, and conciliate complaints relating to housing discrimination.
- 8) Requires every city and county to prepare and adopt a general plan containing seven mandatory elements, including a housing element.
- 9) Requires a jurisdiction'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.

**This bill:**

- 1) Requires a public agency to administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and prohibits a public agency from taking any action relating to housing and community development that is materially inconsistent with that obligation.
- 2) Provides that this bill's requirements shall be interpreted consistent with the Affirmatively Furthering Fair Housing (AFFH) Rule. Provides that subsequent amendment, suspension, or revocation of the AFFH Final Rule by the federal government shall not impact the interpretation of this bill.

- 3) Provides that in selecting meaningful actions to fulfill the obligation to affirmatively further fair housing, a public agency is not required to take, nor is a public agency prohibited from taking, any one particular action.
- 4) Defines “public agency” as the state; a city, county, or redevelopment agency; a regional transportation planning agency (RTPA), council of governments (COG), or any other political subdivision of the state that is required to adopt a sustainable communities strategy (e.g., metropolitan planning organizations, or MPOs); a public housing authority; a public housing agency; and any other political subdivision of the state that receives certain HUD funds.
- 5) Defines “affirmatively furthering fair housing” as taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, AFFH means taking meaningful actions that together address segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to AFFH extends to all of a public agency’s activities and programs relating to housing and community development.
- 6) Requires a city’s or county’s housing element to promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act and any other state and federal fair housing and planning law.
- 7) Also requires a city’s or county’s housing element to affirmatively further fair housing in accordance with the provisions of this bill. The program shall include an assessment of fair housing in the jurisdiction that shall include all of the following components:
  - a) A summary of fair housing issues in the jurisdiction and an assessment of the jurisdiction’s fair housing enforcement and fair housing outreach capacity.
  - b) An analysis of available federal, state, and local data and knowledge to identify integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and

- disproportionate housing needs within the jurisdiction, including displacement risk.
- c) An assessment of the contributing factors for the fair housing issues identified under (b).
  - d) An identification of the jurisdiction's fair housing priorities and goals, giving highest priority to those factors identified in (c) that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance, and identifying the metrics and milestones for determining what fair housing results will be achieved.
  - e) Strategies and actions to implement those priorities and goals, which may include but are not limited to, enhancing mobility strategies and encouraging development of new affordable housing in areas of opportunity, as well as place-based strategies to encourage community revitalization, including preservation of existing affordable housing, and protecting existing residents from displacement.
- 8) Requires a city's or county's inventory of land suitable for residential development shall be used to identify sites throughout the community, consistent with the requirements of (7).
- 9) Requires a jurisdiction that completes an assessment of fair housing or an analysis of impediments to fair housing choice pursuant to federal regulations may incorporate relevant portions of that assessment or analysis into its housing element.
- 10) Provides that this bill applies to housing elements due to be revised by existing state law on or after January 1, 2021.

## COMMENTS

- 1) *Purpose.* According to the author, this bill "reinforces California's commitment to fair and equal housing by requiring public agencies to administer their programs and activities related to housing and community development in a manner that affirmatively furthers fair housing. Actions taken under this bill can help overcome patterns of segregation, promote fair housing choice, address environmental justice, foster inclusive communities free from barriers that restrict access to opportunities, and protect residents from displacement."
- 2) *Affirmatively furthering fair housing.* Since its enactment in 1968, the federal FHA has directed HUD, other federal agencies, and program participants to affirmatively further the FHA's goals of promoting fair housing and equal

opportunity. To that end, subsequent federal laws required HUD grantees to certify that they are taking steps to affirmatively further fair housing in their jurisdictions, such as measures to reduce patterns of segregated housing.

In 2015, the Obama administration issued the AFFH Rule, pursuant to FHA, to clarify what it means to “affirmatively further fair housing.” According to HUD, the federal agency charged with writing the rules for the FHA, the purpose of the AFFH Rule is to “set out a framework for local governments, States and Insular Areas, and public housing agencies to take meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. The AFFH Rule is designed to help program participants better understand what they are required to do to meet their AFFH duties and enables them to assess fair housing issues in their communities and then to make informed policy decisions.” The AFFH rule incorporates an “Assessment of Fair Housing” (Assessment) process into broader existing planning processes.

Under the AFFH rule, HUD grantees must use the Assessment process to examine barriers to fair housing choices and access to opportunity within their jurisdictions. The Assessment Tool, which includes instructions and data provided by HUD, consists of a series of questions designed to help program participants identify issues such as fair housing issues pertaining to patterns of integration and segregation; racially and ethnically concentrated areas of poverty; disparities in access to opportunity; and disproportionate housing needs, as well as the contributing factors for those issues. HUD grantees must submit their Assessments to HUD for review and acceptance. Completion of the Assessment process does not automatically mean that the grantee has met its obligation to affirmatively further fair housing under the FHA; rather it means the grantee has met its obligations under the AFFH Rule. Failure to submit an Assessment could result in the loss of HUD funding.

- 3) *California FEHA*. California’s FEHA prohibits employment and housing discrimination based on the protected classes of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, or genetic information. FEHA further provides that it is a civil right to be able to pursue and maintain housing or employment without facing discrimination. If a dispute is not resolved, DFEH may take legal action if evidence supports a finding of discrimination. In housing discrimination cases, an individual also has the right to file a lawsuit on his or her own behalf. It is not necessary to file a complaint with DFEH before filing a lawsuit or to get a “right-to-sue” letter.

While FEHA does not explicitly include an AFFH obligation, it does prohibit discrimination through public or private land use practices, decisions, and authorizations because of membership in a protected class. Discrimination includes restrictive covenants, zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law that make housing opportunities unavailable.

- 4) *Increased litigation?* One consequence of this bill is that it could result in increased litigation. It is not disputed that this bill would create new causes of action against public agencies under FEHA, but the sponsors point out that since the FHA was enacted 49 years ago, only about 200 cases have been brought nationally, in part because investigating a potential AFFH violation for the purposes of formulating a complaint is a specialized and onerous process. The sponsors assert that few attorneys in the state have the capacity to undertake such investigations and that under the federal enforcement structures, AFFH claims are almost always brought in conjunction with claims that other laws have been violated.
- 5) *Federal AFFH Rule v. this bill.* The author and sponsors introduced this bill last year to ensure that public agencies in California are meeting their fair housing obligations. On January 5, 2018, HUD published a notice in the Federal Register suspending most local governments' obligation to submit an Assessment, effectively postponing implementation of the AFFH Rule until 2025.

The initial version of this bill was much broader than the AFFH Rule. In response to opposition concerns, the author parked this bill in the Transportation and Housing Committee last year to provide more time to work with stakeholders. Extensive negotiations led to the current (June 4<sup>th</sup>) version of this bill, most of which is verbatim, or close, to the federal AFFH Rule. Differences include:

- a) *This bill refers to "housing and community development" while the federal regulation references "housing and urban development."* The author and sponsors note that "housing and community development" is consistent with established terminology in California law.
- b) *This bill includes language (in the housing element provisions) about protecting residents from displacement.* The author and sponsors note that although the displacement concept is included generally in the federal regulation, the prevalence of displacement pressures in California makes it important to elevate displacement requirements in this bill.

- c) *This bill covers all cities, counties, RTPAs, MPOs, and COGs, while the federal regulations apply only to recipients of certain HUD funds.* The author and sponsors note that this expansion recognizes the fact that a broad array of agencies engage in activities related to housing and community development that can have the effect of either increasing fair housing choice or perpetuating segregation or inequality in housing opportunity.
- 6) *Amendments.* Two additional amendments will be accepted by the author in this hearing. The first addresses concerns expressed by the California Association of Councils of Government (CalCOG) and was negotiated too late to be included in the June 4<sup>th</sup> amendments. The second corrects a drafting error in the June 4<sup>th</sup> language. The amendments:
- a) Remove RTPAs, MPOs, and COGs from the definition of “public agency” (page 22, lines 11-14).
- b) Correct a drafting error as follows:
- A public agency shall administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing and take no action relating to housing and community development that is materially inconsistent with its obligation to affirmatively further fair housing* (page 22, lines 28-32).
- 7) *Opposition removed.* Because the current version of this bill is so close to the wording of the federal AFFH rule, and because the author is taking the amendment in (6)(a), most opponents and concerned parties have moved to a neutral position.
- 8) *Double-referral.* This bill has also been referred to the Senate Judiciary Committee.

**Assembly Votes:**

**Floor:** 55-21  
**Appr:** 12-5  
**Jud:** 8-2  
**H&CD:** 5-2

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



**POSITIONS:** (Communicated to the committee before noon on Wednesday,  
June 6, 2018.)

**SUPPORT:**

National Housing Law Project (co-sponsor)  
Public Advocates (co-sponsor)  
Western Center on Law & Poverty (co-sponsor)  
AFSCME, AFL-CIO  
Alliance of Californians for Community Empowerment  
Asian Americans Advancing Justice—California  
Bay Area Legal Aid  
California Alliance for Retired Americans  
California Bicycle Coalition  
California Environmental Justice Alliance  
California Housing Partnership Corporation  
California Reinvestment Coalition  
California Rural Legal Assistance Foundation  
ClimatePlan  
Communities for a Better Environment  
Community Water Center  
Courage Campaign  
Disability Rights California  
Enterprise Community Partners  
Equal Justice Society  
Fair Housing Advocates of Northern California  
Fair Housing Council of Orange County  
Grounded Solutions Network  
Housing and Economic Rights Advocates  
Housing Equality Law Project  
Law Foundation of Silicon Valley  
Lawyers' Committee for Civil Rights Under Law  
Leadership Counsel for Justice and Accountability  
Legal Aid Association of California  
Legal Aid Foundation of Los Angeles  
Legal Aid Society of San Diego, Inc.  
Legal Services of Northern California  
Little Tokyo Service Center  
Migrante Northern San Mateo County  
Mission Economic Development Agency  
National Association of Social Workers - CA Chapter  
Non-Profit Housing Association of Northern CA

PolicyLink

Project Sentinel

Public Counsel

Public Interest Law Project

64 individuals

**OPPOSITION:**

CSAC Excess Insurance Authority

**-- END --**

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 1755

**Hearing Date:** 6/12/2018

**Author:** Steinorth

**Version:** 4/4/2018

**Urgency:** No

**Fiscal:** Yes

**Consultant:** Howard Posner

**SUBJECT:** Bicycle operation

**DIGEST:** This bill subjects a person operating a bicycle on a Class I bikeway to all of the accident-related Vehicle Code provisions that apply to the driver of a vehicle on a highway.

**ANALYSIS:**

*Existing law:*

- 1) Subjects a person operating a bicycle on a highway (i.e., a publicly maintained facility open to public vehicular traffic) to all of the accident-related Vehicle Code provisions that apply to the driver of a vehicle on a highway.
- 2) Requires the driver of a vehicle involved in an accident that injures a person other than himself or herself, or results in the death of a person, to immediately stop the vehicle at the scene of the accident.
- 3) Requires the driver to give his or her name and current residence address to the person struck or the driver or occupants of any vehicle collided with, and to give the information to any traffic or police officer at the scene of the accident.
- 4) Requires the driver to render reasonable assistance to any person injured in the accident, including transporting, or making arrangements for transporting, any injured person for medical treatment if it is apparent that treatment is necessary or if such transportation is requested by any injured person.
- 5) Requires the driver, upon being requested, to exhibit his or her driver's license to the person struck or to the driver or occupants of any vehicle collided with, and to any traffic or police officer at the scene of the accident.

- 6) Requires the driver, in the event of death of any person resulting from the accident, and if there is no traffic or police officer at the scene of the accident, to report without delay the accident to the nearest office of the California Highway Patrol (CHP) or the office of a duly authorized police authority.
- 7) Punishes a driver who violates these provisions by imprisonment in state prison or county jail for not more than one year, or by a fine of not less than \$1,000 or more than \$10,000, or by both such imprisonment and fine.
- 8) Punishes a driver who violates these provisions, if the accident results in death or the loss or permanent impairment of function of a bodily member or organ, by imprisonment in the state prison for two, three, or four years, or in a county jail for not less than 90 days nor more than one year, or by a fine of not less than \$1,000 nor more than \$10,000, or by both such imprisonment and fine.
- 9) Subjects a driver who flees the scene of the crime after committing vehicular manslaughter or gross vehicular manslaughter while intoxicated to a term of five years in state prison if the allegation is admitted by the defendant or found to be true by the trier of fact.
- 10) Defines a Class I bikeway as a bike path with completely separated right-of-way for the exclusive use of bicycles and pedestrians.

This bill subjects a person operating a bicycle on a Class I bikeway to all the responsibilities and penalties (described above) that apply to the driver of a vehicle in the event of an accident that causes injury or death, except where those provisions that have no application by their very nature.

## COMMENTS

- 1) *Genesis of this Legislation.* In June of 2017, a Sacramento runner was hospitalized with serious injuries after being hit by a bicyclist on a local bike trail. The bicyclist fled the scene, leaving the injured runner on the trail. The bicyclist did not report the accident or render assistance to the runner. Under current law, if this accident had occurred on a public roadway, the offender would have been subject to prosecution for a hit-and-run offense. However, since this accident occurred on a Class I bikeway (a trail with a completely separated right of way that is exclusively reserved for bicyclists and pedestrians), it was theorized that the bicyclist - had he or she been identified - could not be charged with hit-and-run. The Sacramento County District Attorney's Office noted at the time of the incident that their investigation was

hindered because the California Vehicle Code is not clear on whether the case would qualify as a hit-and-run.

While current law generally subjects bicyclists to all of the “rules of the road” and treats them in the same manner as vehicular drivers, those rules do not clearly apply to bicyclists operating on Class I bikeways. This bill removes any ambiguity about the responsibilities of bicyclists on these Class I bikeways.

- 2) *Author’s Statement.* “This unfortunate incident exposes a glaring hole in our current vehicle code, particularly during a time in which the state is transitioning to more active forms of transportation infrastructure – none of the rights or responsibilities regarding a hit-and-run applies to a bicyclist if they are on a bike path. They are not legally required to stop and exchange information when involved in a collision on a trail. They cannot be prosecuted for fleeing the scene of an accident when it occurs on a bike path or trail, and law enforcement cannot pursue a search warrant when investigating the collision. This disparity in law makes it almost impossible to prosecute hit-and-run collisions on trails, and makes resolving future incidents seemingly unachievable.”
- 3) *The need is likely to increase.* California has thousands of miles of separated bikeways and trails, and current state policies encourage and fund their continued development. In fact, the 2017 State Bicycle and Pedestrian Plan set a target to triple bicycling and double walking by 2020, and also to reduce bicycle and pedestrian fatalities by 10% per year. To achieve these goals, one of the recommendations in the plan is to increase local and regional networks of high-quality bicycle and pedestrian facilities, including Class I fully separated bike paths and trails. Additionally, with the passage of SB 1 (Beall), Chapter 5, Statutes of 2017, funding for the state’s Active Transportation Program (ATP), which funds bikeway projects, nearly doubled. As the state continues to champion a move to more active transportation policies and programs, enforcement laws must evolve to keep pace. This bill would simply bring bikeways and trails in line with public roadways for the purposes of a hit-and-run accident.
- 4) *Support expressed by law enforcement.* Writing in support of the bill, the California Police Chiefs Association states, “This bill would bring parity to our current hit-and-run statutes and improve law enforcement’s ability to prosecute future incidents. In doing so, AB 1755 would allow local law enforcement to hold individuals accountable for their reckless behavior.”

**ASSEMBLY VOTES:**

Floor: 74-0

Transportation: 12-0

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday,  
June 6, 2018.)

**SUPPORT:**

California Police Chiefs Association

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 1768

**Hearing Date:** 6/12/2018

**Author:** Steinorth

**Version:** 1/4/2018

**Urgency:** No

**Fiscal:** No

**Consultant:** Erin Riches

**SUBJECT:** The County of San Bernardino: housing authority: middle-income housing projects

**DIGEST:** This bill expands a pilot program that allows certain local housing authorities to provide gap financing for housing projects that include middle-income units.

**ANALYSIS:**

Existing law establishes public housing to provide decent and safe rental housing for eligible low-income families, seniors, and individuals with disabilities. The US Department of Housing and Urban Development (HUD) administers federal aid to local housing authorities that manage public housing for low-income individuals at affordable rents. Housing authorities determine an applicant's eligibility for public housing based on income limits developed by HUD. HUD sets income limits as a percentage of the median income for the county or metropolitan area (area median income, or AMI) as follows:

- 1) Extremely low-income: 0-30% AMI
- 2) Very low-income: 31-50% AMI
- 3) Moderate income: 51-80% AMI
- 4) Above moderate income: 121% AMI and above

Existing law requires a housing authority to rent or lease only to low-income individuals and "to provide safe and sanitary accommodations to the occupants, without overcrowding." At least 20% of all units in housing projects assisted by a housing authority must be available for occupancy on a priority basis to low-income individuals with incomes of up to 80% AMI.

Existing law (AB 1637, Gloria, Chapter 801, Statutes of 2017) authorizes a housing authority in the City of San Diego or the County of Santa Clara to implement a pilot program to develop and provide gap financing for a middle-

income housing project, defined as one in which at least 40% of units are designated low-income (up to 80% AMI) and at least 10% of units are designated middle-income (up to 150% AMI). Gap financing must first be approved by the housing authority's legislative body by resolution after a public hearing that is noticed in accordance with existing law. The housing authority must submit a report to the Legislature as specified; the pilot program will sunset on January 1, 2022.

This bill includes San Bernardino County in the pilot project that allows housing authorities in the City of San Diego and County of Santa Clara to provide gap financing for middle-income housing units.

### COMMENTS

- 1) *Purpose.* The author states that we must take an “all-of-the-above” approach to tackling the housing crisis in California and make sure we address the growing “missing middle” that is often forgotten in policy discussions. Allowing San Bernardino County to produce additional mixed-income projects gives it the flexibility to make costs pencil out by incorporating market rate and even middle-income housing to help pay for low-income, affordable housing. The author states that under this proposal, everyone is given the opportunity to succeed.
- 2) *Background on the pilot program.* Historically, the primary purpose of public housing authorities has been to serve low- and very low-income households. Existing state law allows authorities to finance and develop single-family housing up to 150% AMI and to own mixed-income housing developments under certain circumstances. However, existing law does not specifically authorize housing authorities to help finance the higher end portions of these developments. To address this concern, AB 1637 of 2017 established a pilot program to allow authorities in two localities to finance middle-income housing units. The pilot is intended to enable these authorities to leverage funding for projects that might not otherwise get built due to funding issues, as well as to spur growth of “missing” middle-income units. To address potential concerns about possibly depleting funds for low-income housing units, AB 1637 requires at least 40% of the units in a development funded by a housing authority to be low-income.
- 3) *Expanding to San Bernardino.* The pilot program currently includes only the City of San Diego and the County of Santa Clara. The author states that it is appropriate to expand the pilot to San Bernardino County as its population is largely underserved due to the economic conditions necessary to build middle-



income housing. San Bernardino County states that it has significantly different housing market conditions than the current pilot program regions.

The pilot program requires any participating housing authority to submit reports to the Legislature by January 1, 2020 and January 1, 2022, on the number of housing units produced using gap financing, the amount of gap financing per regulated unit, and the levels and term of affordability of the units produced using gap financing. While it may be appropriate to expand the pilot program to a third area, after this year the committee may wish to consider refraining from further expansions until reports are submitted and the effectiveness of the pilot can be evaluated.

**RELATED LEGISLATION:**

**AB 1637 (Gloria, Chapter 801, Statutes of 2017)** — authorized local housing authorities to provide gap financing for development of projects in which at least 40% of housing units will be occupied by low-income individuals and at least 10% of units are affordable to, and will be occupied by, middle-income individuals.

**Assembly Votes:**

**Floor: 77-0**

**H&CD: 7-0**

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

California Council for Affordable Housing  
San Bernardino County

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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<b>Bill No:</b>	AB 1873	<b>Hearing Date:</b>	6/12/2018
<b>Author:</b>	Obernolte		
<b>Version:</b>	5/9/2018		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Howard Posner		

**SUBJECT:** Driver's licenses: veteran designation

**DIGEST:** This bill requires the Department of Motor Vehicles (DMV) to waive the one-time \$5 fee charged to a person applying for a veteran's designation to be displayed on their driver's license or identification (ID) card.

**ANALYSIS:**

*Existing law:*

- 1) Requires DMV's in-person application for a driver's license or ID card to allow an applicant to request the word "VETERAN" to be printed on the face of the driver's license or ID card.
- 2) Requires a verification form to be developed by the Department of Veterans Affairs in consultation with the DMV and the California Association of County Veterans Service Officers to acknowledge verification of veteran status.
- 3) Requires a county veteran's service office to verify the veteran's status as a veteran, sign the verification form, and return it to the veteran.
- 4) Requires DMV, upon payment of a \$5 fee, to accept the signed verification form as proof of veteran status, to print the word "VETERAN" on the face of a driver's license or ID card in a location determined by DMV, and to issue it to the person who made this request and presented the verification form to the department.
- 5) Authorizes DMV to increase the fee to not more than \$15 to cover its reasonable costs.

This bill requires DMV to waive the one-time \$5 fee charged to a person applying for a veteran's designation to be displayed on their driver's license or ID card.

## COMMENTS

- 1) *Author's statement.* "AB 1873 allows a fee waiver for a veteran to receive a veteran designation on a driver's license or ID card. These veterans made significant sacrifices to serve our country and they should not be forced to pay for a 'veteran' designation, a distinction they earned."
- 2) *Background.* In 2014, Governor Brown signed AB 935 (Frazier), Chapter 644, Statutes of 2014, requiring DMV to issue driver's licenses and identification cards with a veteran designation to eligible applicants, beginning November 2015. The purpose of the designation was to give veterans an efficient means of proving their eligibility for benefits and discounts instead of carrying their discharge papers, the DD-214, on their persons at all times. It further provided incentive for veterans to visit their County Veteran Service Officer, who could in turn help them determine what, if any, benefits they may be eligible for. At the time, the San Diego Union Tribune found that California veterans may be losing out on \$400 million in federal benefits.
- 3) *Program performance.* The original goals of the program are coming to fruition. California is currently home to 1.7 million veterans. Between November 2015 and December 2017, 62,140 driver's licenses with veteran designations have been issued. According to the California Department of Veteran Affairs, 18,000 of those veterans ended up applying for federal veteran's benefits. As a result, \$17 million in benefits were awarded retroactively. An additional \$31 million were awarded to veterans prospectively, and they will receive these awards on an annual basis.
- 4) *Who pays?* In order to pay for the costs of administering the veteran designation program, DMV charges a one-time \$5 fee. This fee is currently waived for veterans who are either homeless or meet income eligibility requirements for public assistance programs like CALWORKS, MEDI-CAL and CalFresh. This particular waiver will reduce DMV revenues by an estimated \$150,000 per year.

## ASSEMBLY VOTES:

<b>Floor:</b>	<b>76-0</b>
<b>Veterans Affairs:</b>	<b>10-0</b>
<b>Transportation:</b>	<b>13-0</b>

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday,  
June 6, 2018.)

**SUPPORT:**

American G.I Forum of California  
American Legion-Department of California  
AMVETS-Department of California  
California Association of County Veterans Service Officers  
California State Commanders Veterans Council  
Los Angeles County Professional Peace Officers Association  
Military Officers Association of America-The California Council of Chapters  
Riverside Sheriff's Association

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 1925 **Hearing Date:** 6/12/2018  
**Author:** Choi  
**Version:** 1/24/2018  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Jeffery Song

**SUBJECT:** Vehicles: unsafe, unsecured load

**DIGEST:** This bill requires the Department of Motor Vehicles (DMV) to include at least one question on unsecured vehicle loads in at least 20% of written tests for people seeking to obtain or renew a driver's license.

**ANALYSIS:**

*Existing law:*

- 1) Requires applicants applying for an original driver's license to take a written test that assesses an applicant's knowledge and understanding of the provisions of the vehicle code governing the operation of vehicles on the highways, the ability to understand English used in highway traffic and directional signs, and the ability to understand traffic signs and signals.
- 2) Allows DMV to require a test upon the renewal of a license.
- 3) Requires DMV to include on its test at least one question on the table of blood alcohol concentration published in the California Driver's Handbook.
- 4) Requires DMV to include on its test at least one question on the risk and punishments associated with eluding a pursuing officer's motor vehicle.
- 5) Requires DMV, on at least 20% of its tests, to include a question testing the applicant's knowledge on the abandonment or dumping of an animal on the road.
- 6) Requires vehicle loads to be covered or secured, as specified, so the load cannot escape the vehicle.

This bill requires the DMV, on at least 20% of its tests, to include at least one question testing the applicant's knowledge on unsecured vehicle loads.

**COMMENTS**

- 1) *Purpose.* According to the author, due to the continuing prevalence of accidents related to unsecured cargo loads, it is important that public awareness is enhanced on the issue and best practices heeded. This bill directs the DMV to include a question on the driving test that tests the applicant's knowledge that driving with an unsafe and unsecured load in the back of a pickup truck is a violation of state law.
- 2) *Dangers of Unsecured Loads.* Debris-related crashes are defined as crashes in which a vehicle is struck by an object that fell or became detached from another vehicle, struck a non-fixed object on the roadway, or crashed after swerving to avoid an object on the roadway. From 2011 to 2014, the American Automobile Association (AAA) found that there were around 50,000 debris-related crashes per year in the United States, resulting in 10,000 injuries and 125 deaths annually.<sup>1</sup> In comparison to non-debris-related crashes, these crashes are more likely to result in property damage only and less likely to result in injury or death. Debris-related fatalities account for a very small percentage of the total number of motor vehicle fatalities per year in the United States, which was about 32,000 in 2014.<sup>2</sup>
- 3) *DMV's Driving Test.* Any applicant for an original driver's license in the state is required to take a written test on their knowledge of traffic laws and signs. This test contains 36 questions. There are two questions mandated by statute in all tests, on blood alcohol content and the risks of eluding the police. There is also a third question regarding the abandonment or dumping of animals on roads, which is required to appear on at least 20% of exams. This bill would similarly add an additional question on unsecured vehicle loads to be required to appear on at least 20% of exams. There is concern that requiring too many questions on the exam by statute will restrict DMV's ability to appropriately design tests to ensure driving safety.
- 4) *Best Way to Raise Awareness?* The author states that more public awareness is needed about the dangers of unsecured vehicle loads. DMV does already include in its driver's handbook a section alerting drivers that it is against the law and punishable by fine to drive with an unsecured load in the vehicle. This bill would shed some light on this issue by requiring a question on it to appear on some of the written driving tests. However, a test question won't necessarily

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<sup>1</sup> *The Prevalence of Motor Vehicle Crashes Involving Road Debris, United States 2011-2014*  
[http://newsroom.aaa.com/wp-content/uploads/2016/08/RoadDebris\\_REPORT\\_2015.pdf](http://newsroom.aaa.com/wp-content/uploads/2016/08/RoadDebris_REPORT_2015.pdf)

<sup>2</sup> <https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812234>

make the public comply with the law. Greater education and enforcement will be needed to achieve that goal.

**RELATED LEGISLATION:**

**AB 1907 (Choi, 2017)** — would increase the fines for driving with an unsecured load. *This bill was held in Assembly Transportation.*

**Assembly Votes:**

**Floor: 74-0**  
**Approps: 15-0**  
**Trans: 11-0**

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

AAA of Northern California, Nevada, and Utah  
Automobile Club of Southern California  
Western States Trucking Association  
1 individual

**OPPOSITION:**

None

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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<b>Bill No:</b>	AB 2026	<b>Hearing Date:</b>	6/12/2018
<b>Author:</b>	Lackey		
<b>Version:</b>	6/6/2018 Amended		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Randy Chinn		

**SUBJECT:** Used vehicle salespersons

**DIGEST:** This bill requires a person licensed by the Department of Motor Vehicles (DMV) as a salesperson for a dealer of used vehicles to complete an education program before they can perform their duties, activities and functions.

**ANALYSIS:**

*Existing law:*

- 1) Prohibits any person from acting as a dealer, manufacturer, distributor, transporter, or salesperson of motor vehicles without first procuring a license or temporary permit issued by DMV.
- 2) Requires a person applying for a dealer's license for the purpose of selling used vehicles to complete a written examination and an educational program covering specified topics before being issued that license, and to successfully complete, every two years after that license is issued, a four-hour educational program in order to maintain or renew that license.
- 3) Requires a salesperson employed by a dealer to receive a license with the DMV and to renew their license every three years.

**This bill:**

- 1) Prohibits a person who is licensed as a salesperson for a dealer of used vehicles from performing the duties, activities, and functions of a sales person unless they have completed an education program in the last three years.
- 2) Requires a person who is licensed as a salesperson for a dealer of used vehicles to complete an educational program within the first six months of employment, and then every three years thereafter.



- 3) Requires the education program to be not less than four hours, and cover the following topics:
  - a) Motor vehicle financing;
  - b) Truth in lending;
  - c) Sales and use taxes;
  - d) Advertising;
  - e) Odometers;
  - f) Vehicle licensing and registration;
  - g) Branch locations;
  - h) Offsite sales;
  - i) Unlawful dealer activities;
  - j) Air pollution control requirements;
  - k) Regulations of the Bureau of Automotive Repair;
  - l) Handling, completion, and disposition of departmental forms; and,
  - m) The equipment of vehicles
- 4) Requires a salesperson to provide evidence of completion of the education program to their employer unless the educational program was provided by the employer.
- 5) Exempts the following salespersons from the requirement:
  - a) A person employed by a new vehicle dealer that sells only new vehicles or a combination of new and used vehicles.
  - b) A person who holds a license as an automobile dismantler.
  - c) A person who holds a motorcycle only dealer's license.
  - d) A person who holds a trailer only dealer's license.
  - e) A person who holds an all-terrain only dealer's license.
- 6) Allows a dealer that sells used vehicles and operates a minimum of 10 branches of the business within the state to provide the education class to their employees.
- 7) Requires dealers to compensate the salesperson for the cost of the education program and for the time taken in the class unless the salesperson opts to take a

class at a time or place not prescribed by the employer, as long as the employer provides reasonable opportunity for the employee to take the educational program at the employer's expense.

## COMMENTS

- 1) *Author's Statement.* Although used car dealers are required to take an educational course that covers topics such as vehicle financing, advertising, odometers, air pollution requirements, and department forms, used car salespeople, who often handle the entire car purchasing transaction, are not required to complete any education courses. AB 2026 resolves this educational disparity by mandating that used car dealership staff enroll in an educational class and maintain the certification on a tri-annual basis.
- 2) *Teach Me.* Dealers have educational requirements as part of the qualifications for their license. This bill extends those same requirements to many salespeople, though salespeople working at new car dealers are exempt.
- 3) *Not Too Tough.* The education requirements in this bill are relatively modest, requiring about four hours of effort and costing less than \$100, which is often reimbursed by the dealer. The DMV website indicates 38 different providers of this type of education program.

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

### Assembly Votes:

**Transportation:** 14-0

**Appropriations:** 16-0

**Floor:** 73-0

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

### SUPPORT:

Becks Auto Sales

Cost U Less Cars

Guy Strohmeir's Auto Center

Hibdon Auto Center

I-Deal Cars Inc.

Independent Automobile Dealers Association of California

JustBetterCars.com

Pacific Auto  
Park Marina Motors  
TriStar Motors LLC  
One individual

**OPPOSITION:**

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

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**Bill No:** AB 2115

**Hearing Date:** 6/12/2018

**Author:** Santiago

**Version:** 5/2/2018

**Urgency:** No

**Fiscal:** Yes

**Consultant:** Manny Leon

**SUBJECT:** Vehicles: passing and overtaking: waste service vehicles

**DIGEST:** This bill provides certain safety requirements for vehicles that approach and overtake a waste service vehicle displaying amber flashing lights, as specified.

**ANALYSIS:**

*Existing law:*

- 1) Requires a person driving a vehicle on a freeway approaching a stationary authorized emergency vehicle displaying emergency lights, or a stationary tow truck or Department of Transportation (Caltrans) vehicle displaying flashing amber warning lights, to approach, with due caution, and before passing in a lane immediately adjacent to any of these vehicles, do one of the following:
  - a) Make a lane change into an available lane not immediately adjacent to the authorized emergency vehicle, tow truck, or Caltrans vehicle, with due regard for safety and traffic conditions, if practicable and not prohibited by law.
  - b) If the maneuver described in paragraph 1) would be unsafe or impracticable, slow to a reasonable and prudent speed that is safe for existing weather, road, and vehicular or pedestrian traffic conditions.
- 2) Allows a driver of a vehicle to overtake another vehicle proceeding in the same direction and requires the vehicle to pass to the left at a safe distance without interfering with the safe operation of the overtaken vehicle.
- 3) Requires a driver of a motor vehicle overtaking and passing a bicycle that is proceeding in the same direction on a highway to pass at a distance of not less than three feet between any part of the motor vehicle and any part of the bicycle or its operator, unless traffic or roadway conditions make it impossible to do so, in which case the vehicle shall slow down to a speed that is reasonable and

prudent, and may pass only when doing so would not endanger the safety of the operator of the bicycle.

**This bill:**

- 1) Requires the driver of a vehicle on a public street or highway approaching and overtaking a stopped and readily apparent waste service vehicle displaying flashing amber lights to make a lane change onto an available lane adjacent to the waste service vehicle and pass at a safe distance without interfering with the safe operation of the waste service vehicle if practical and not prohibited by law.
- 2) Specifies that, when approaching and overtaking the waste service vehicle, the motorist is to consider due regard for safety and traffic conditions.
- 3) Specifies that if passing and overtaking a waste service vehicle would be unsafe or impractical, the motorist is to slow to a reasonable and prudent speed that is safe for existing weather, road and vehicular or pedestrian traffic conditions.
- 4) Defines "waste service vehicle" as a refuse collection vehicle, including a vehicle collecting recyclables or yard waste that is used for curbside collection, and sewer and catch basin maintenance vehicles.
- 5) Provides that the safety requirements specified in this bill apply when a waste service vehicle is readily identifiable with the appropriate vehicle configurations and markings and displays flashing amber lights.
- 6) Provides that these provisions do not apply if the waste service vehicle is located on a private driveway or highway, when the waste service vehicle is not adjacent to the street or highway, or is separated from the street or highway by a protective physical barrier.

**COMMENTS**

- 1) *Purpose.* According to the author, "Today, we have nearly 14,000 sanitation truck drivers working to keep California clean. Current law provides protections to police, firefighter, and Department of Transportation vehicles, as well as to tow truck drivers, by requiring passing drivers to do so at a safe and prudent speed. Although sanitation truck drivers have the 5<sup>th</sup> most dangerous job in the U.S., there are little to no protections in law to keep them safe from passing vehicle traffic. AB 2115 simply extends these same protections and requirements to apply to sanitation truck drivers in order to reduce their risk of injury or death while they are picking up waste off of our streets."

2) *Slow Down*. “Slow Down to Get Around” is a national safety campaign aimed at reminding motorists to drive carefully near waste and recycling collection vehicles. Led by the Solid Waste Association of North America (SWANA), SWANA has initiated a variety of safety campaigns such as “Five to Stay Alive,” “Safe and Sound,” and the “slow down” campaign. These efforts are aimed to address safety issues in an industry that has the fifth highest fatal injury rate per 100,000 employees of any profession according to the Bureau of Labor Statistics. Currently, 17 other states have enacted laws that require drivers to be more cautious around waste and recycling trucks. These laws generally either impose higher penalties for motorist that strike sanitation workers or call for slowing down and moving over when passing waste service vehicles.

In California, similar protections are provided for other occupations that have seen high fatality rates on the roads. For example, tow trucks and Caltrans vehicles are allowed to use flashing amber lights when on the freeway if their vehicles are stationary. Approaching vehicles are required to slow down and move around in order to protect these workers lives. This bill takes a similar approach for sanitation workers, and allows waste service vehicles to display flashing amber lights on local roadways when stationary to alert drivers to their presence.

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

**Assembly votes:**

<b>Floor:</b>	<b>73-0</b>
<b>Approps:</b>	<b>16-0</b>
<b>Trans:</b>	<b>14-0</b>

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

Service Employees International Union (Sponsor)  
 American Federation of State and Municipal Employees  
 Athens Services  
 California Refuse Recycling Council  
 California Special Districts Association  
 Inland empire disposal Association

Los Angeles County Waste Management Association  
Los Angeles County Solid Waste Management Committee/Integrated Waste  
Management- Taskforce  
Recology  
Republic Services, Inc.  
Safer Streets L.A.  
Solid Waste Association of Orange County  
Waste Connections, Inc.  
Waste Management

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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<b>Bill No:</b>	AB 2132	<b>Hearing Date:</b>	6/12/2018
<b>Author:</b>	Levine		
<b>Version:</b>	4/16/2018		
<b>Urgency:</b>	No	<b>Fiscal:</b>	No
<b>Consultant:</b>	Erin Riches		

**SUBJECT:** Building permit fees: waiver

**DIGEST:** This bill authorizes cities and counties to waive or reduce all building permit fees for improvements to the home of a senior with a qualifying disability that are made to accommodate that disability.

**ANALYSIS:**

*Existing law:*

- 1) Requires each locality to collect a fee from any applicant for a building permit, assessed at the rate of \$4 per \$100,000 in valuation, with appropriate fractions but not less than \$1.
- 2) Prohibits the locality from retaining more than 10% of the fees collected for related administrative costs for code enforcement and requires transmitting the remainder to the Building Standards Commission for deposit in the Building Standards Administration Special Revolving Fund.
- 3) Permits the commission to reduce the rate of the fee upon determining that a lesser amount is sufficient to maintain the programs established.

**This bill:**

- 1) Authorizes cities and counties to waive or reduce all building permit fees for improvements to the home of a senior with a qualifying disability, that are made to accommodate that disability.
- 2) Requires the city or county to adopt an ordinance establishing a standard application form, including the requirements for proof of a qualifying disability.



- 3) Defines “qualifying disability” as a physical disability as defined in existing law.

## COMMENTS

- 1) *Purpose.* The author states that California’s elderly population is growing at a rapid rate. According to a 2016 study published in the *American Journal of Preventive Medicine*, “Older Adult Falls Seen by Emergency Medical Service Providers,” falls are the leading cause of emergency medical service visits among individuals 65 and older. In addition, a report published in 2015 by California Retirement Security for All finds that 29% of California’s seniors lives below 200% of the poverty level. The author states that this bill would alleviate the financial burden of building permit fees for seniors with disabilities so they can alter their homes to better accommodate these disabilities.
- 2) *What’s covered.* SB 330 of 2017, which this committee approved last year, allows a locality to waive or reduce building permit fees for improvements to the home of a disabled veteran. Those improvements could include converting steps to ramps, converting showers and bathtubs, adjusting countertop heights, vision or hearing improvements, adding wheelchair lifts, and widening door frames to be wheelchair accessible. This bill expands this waiver to seniors with disabilities. Similar to SB 330, this bill would authorize, not require, localities to waive the fees – something localities can currently choose to do under existing law.
- 3) *Need for the bill?* Existing law authorizes building permit fees to be assessed at a rate of \$4 per \$100,000 in valuation. The author states, however, that all local permit fees far exceed that amount. The author notes that the City of Sausalito’s Age Friendly Home Adaptation Grant Program, which was launched earlier this year, has provided partial permit waivers to two applicants. The total permit fee for one project was \$450, but was reduced to \$301 under this program. A second project had a total cost of \$770, which was reduced to \$650. The author states that if Marin chose to adopt the program in this bill, fees could be waived even further. As noted above, localities are not prevented under existing law from adopting fee waiver programs – as shown by Sausalito’s decision to adopt the Age Friendly Home Adaptation Grant Program.
- 4) *Concerns.* The Association of Regional Center Agencies, which has taken a “support if amended” position, asks for an amendment to expand the bill to individuals of all ages who have a qualifying disability. The Commission on Aging states that this bill should limited to homeowners with incomes at or

below the area median income. Since the bill authorizes, rather than requires, cities and counties to institute a fee waiver program, localities could opt in their own programs to expand them to all homeowners with disabilities, include a means test, or both.

- 5) *Amendments.* Disability Rights California, which supported the introduced version of this bill, raised concerns with the April 16<sup>th</sup> amendments, which limited qualifying disabilities to physical disabilities. The author has agreed to accept amendments to clarify that this bill applies to both physical and mental disabilities, as defined in subdivisions (j) and (m) of Section 12926 of the Government Code.

#### **RELATED LEGISLATION:**

**SB 330 (Berryhill, Chapter 281, Statutes of 2017)** — permitted a locality to waive or reduce all building permit fees for improvements to the home of a veteran with a qualifying disability that are made to accommodate that disability.

#### **Assembly Votes:**

**Floor: 73-0**

**Loc Gov: 9-0**

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

#### **SUPPORT:**

AARP

California Association for Health Services at Home

California Association of Area Agencies on Aging

California Building Industry Association

City of Sausalito

Disability Rights California

Marin County Commission on Aging

#### **OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 2135 **Hearing Date:** 6/12/2018  
**Author:** Acosta  
**Version:** 3/22/2018  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Howard Posner

**SUBJECT:** Gold Star Family specialized license plates

**DIGEST:** This bill allows Gold Star Family license plates to be issued as personalized plates.

**ANALYSIS:**

*Existing law:*

- 1) Allows the Department of Veterans Affairs (CDVA) to sponsor a Gold Star Family specialized license plate program and to establish the program in the absence of the 7,500 paid applications that are otherwise required for the establishment of specialized license plate programs.
- 2) Requires CDVA, upon receiving proof of eligibility from an applicant, to authorize DMV to issue Gold Star Family specialized license plates for a vehicle owned by an eligible family member (i.e., parent, grandparent, child or sibling) of a member of the US Armed Forces of the United States who was killed in the line of duty while on active duty during wartime service, in an international terrorist attack, during military operations while serving outside the United States, or as part of a peacekeeping force.
- 3) Allows Gold Star Family specialized license plates to be numbered only in a sequential series.

This bill removes the restriction that allows Gold Star Family license plates only to be issued in a sequential series.

**COMMENTS:**

- 1) *History of the specialized license plate program.* Prior to 2007, any new specialized license plate required specific legislative authorization. That practice was held to be unconstitutional by the federal courts, as the Legislature approved some plates and rejected others, without using any standardized or objective criteria for those decisions. In response to the court decision, AB 84 (Leslie), Chapter 454, Statutes of 2006, established the current specialized license plate program to provide a forum for government speech that promotes California's state policies. AB 84 excluded private organizations from seeking specialized license plates as a forum for private speech, and thus addresses the court's objection.
- 2) *Unique background for Gold Star Family plates.* SB 1455 (Cogdill), Chapter 309, Statutes of 2008, authorized CDVA to sponsor the Gold Star Family license plate, and exempted CDVA from having to meet the customary 7,500 paid-applications requirement before the plates could be issued. To offset the fiscal effect of that exemption, CDVA was given the authority to raise private and public donations to cover the DMV startup costs so that DMV could start production of the plate. In addition, Gold Star families were granted an exemption from paying the additional \$50 fee for the issuance of a specialized plate and the \$40 fee for renewal. As a way of reducing the funds necessary to start up the program, the plates were only allowed to be numbered in sequential order. CDVA successfully raised the funds necessary to begin license plate program in November 2010. The DMV has issued 854 Gold Star Family specialized license plates.
- 3) *Definition of Gold Star Family.* Gold Star Families are families who have had a family member killed in military action. The term Gold Star Family stems from a World War I tradition where families of service members would fly flags with a blue star for every immediate family member serving in the armed forces. If the loved one died, the blue star was replaced with a gold star.
- 4) *Opportunity to personalize the plates.* As noted above, current law only allows the issuance of these plates with their numbers/letter combination dictated by DMV's sequential ordering system. This bill allows the plates to be issued as personalized license plates, thereby allowing them to feature up to seven numbers and/or letters as chosen by the applicant. Gold Star families have expressed a frustration that the current program does not allow them to have a plate featuring a word or message that expresses a sentiment symbolic of their lost loved one.

**RELATED LEGISLATION:**

**SB 1455 (Cogdill, Chapter 309, Statutes of 2008)** — allowed CDVA to sponsor a Gold Star Family license plate without meeting the minimum number of applications and fees to cover DMV's program administrative costs if sufficient private and public donations were collected.

**SB 257 (Bates, 2015)** — would have allowed for personalized Gold Star Family specialized license plates and allowed for a \$48 personalization fee. SB 257 was held on suspense by Assembly Appropriations Committee.

**SB 1282 (Knight, 2014)** — would have allowed for personalized Gold Star Family specialized license plates. SB 1282 was held on suspense by the Senate Appropriations Committee.

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

**ASSEMBLY VOTES:**

**Floor:**                    78-0  
**Transportation:**        13-0

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

None received.

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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<b>Bill No:</b>	AB 2272	<b>Hearing Date:</b>	6/12/2018
<b>Author:</b>	Mayes		
<b>Version:</b>	4/2/2018		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Manny Leon		

**SUBJECT:** State highways: relinquishment

**DIGEST:** This bill authorizes the California Transportation Commission (CTC) to relinquish to the City of Palm Springs any portion or the entirety of State Route (SR) 111 within the city's limits.

**ANALYSIS:**

*Existing law:*

- 1) Defines a "state highway" as any roadway that is acquired, laid out, constructed, improved, or maintained as a state highway pursuant to constitutional or legislative authorization.
- 2) Statutorily identifies state highway system routes.
- 3) Specifies that it is the intent of the Legislature that the prescribed routes of the state highway system connect communities and regions of the state and that they serve the state's economy by connecting centers of commerce, industry, agriculture, mineral wealth, and recreation.
- 4) Provides for a two-step state highway relinquishment process allowing for the deletion of sections of the state highway system beginning with the Legislature amending existing law to allow for the state highway segment to be deleted and culminating with the CTC making a finding that it is in the best interest of the state to delete a specified portion of roadway from the system.
- 5) Relinquishes former portions of SR 111 within the unincorporated area of Riverside County, as well as within the Cities of Coachella, Indian Wells, Indio, La Quinta, Palm Desert, Rancho Mirage, and Cathedral City, and requires all these jurisdictions to maintain signage directing motorists to the continuation of SR 111 and ensure the continuity of traffic flow.

**This bill:**

- 1) Authorizes CTC to relinquish to the City of Palm Springs any portion, or the entirety of SR 111 within the city limits upon terms and conditions CTC finds to be in the best interest of the state.
- 2) Provides that the relinquishment will become effective immediately following recordation of the relinquishment resolution.
- 3) Specifies that following the effective date of relinquishment, the relinquished segments will no longer be state highways and may not be considered for future adoption as state highways.
- 4) Requires the City of Palm Springs to maintain signage directing motorists to the continuation of SR 111.

**COMMENTS**

- 1) *Purpose.* According to the author, "AB 2272 is needed in order to allow a potential relinquishment agreement to occur between the California Transportation Commission and the city of Palm Springs. Currently, all other cities in the Coachella Valley have authorization to relinquish a portion of Highway 111 through city limits."
- 2) *Relinquishments.* Each session, the Legislature passes and the governor signs numerous bills authorizing CTC to relinquish segments of the state highway system to local jurisdictions. Relinquishment transactions are generally preceded by a negotiation of terms and conditions between the local jurisdiction and Caltrans. Once an agreement has been established, CTC typically approves the relinquishment and verifies its approval via a resolution.
- 3) *SR 111.* SR 111 is a 134-mile long highway that generally runs North and South through Riverside and Imperial Counties between Interstate 10 near Palm Springs, past the Salton Sea, and eventually ends at the Mexico border in Calexico. Writing in support of the bill, the City of Palm Springs asserts that SR 111 has been relinquished by the state to all the other incorporated cities within the Coachella Valley. As the last remaining incorporated city with SR 111 extending through it, this bill will provide for the city to obtain control of this urban section of the highway in the same way as the other cities within the Coachella Valley.

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

**Assembly votes:**

<b>Floor:</b>	<b>78-0</b>
<b>Approps:</b>	<b>16-0</b>
<b>Trans:</b>	<b>12-0</b>

**POSITIONS:** (Communicated to the committee before noon on Wednesday,  
June 6, 2018.)

**SUPPORT:**

City of Palm Springs

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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<b>Bill No:</b>	AB 2357	<b>Hearing Date:</b>	6/12/2018
<b>Author:</b>	Voepel		
<b>Version:</b>	6/6/2018 Amended		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Howard Posner		

**SUBJECT:** Driver's licenses: renewal

**DIGEST:** This bill requires driver's license renewal notices to alert the applicant if he or she will be required to pass a knowledge examination.

**ANALYSIS:**

*Existing law:*

- 1) Requires the Department of Motor Vehicles (DMV) to provide a knowledge examination (written or touch screen) upon the application for an original license.
- 2) Allows DMV to require an applicant for renewal of a license to take the knowledge examination as a condition of renewal if DMV deems it is appropriate considering the applicant's record of convictions and accidents or evidence of a condition which may affect the ability of the applicant to safely operate a motor vehicle.
- 3) Restricts DMV from requiring the retaking of the knowledge exam solely because of the age of the applicant.
- 4) Allows DMV to implement selective testing of applicants for public safety and to waive tests for purposes of the evaluation of selective testing procedures.

This bill requires a driver's license renewal notice issued by DMV to include written notification that the renewal applicant will be required to pass a knowledge examination in those instances where that is the case.

**COMMENTS**

- 1) *Author's statement.* AB 2357 makes a technical change and asks DMV to simply notify any Californian renewing their driver license that they will be required to take the written exam. This measure creates, clarity, efficiency, and expedites the driver license process.
- 2) *Existing DMV notification of expiration.* Prior to the expiration of an individual's driver's license, DMV mails a notice alerting the licensee to that pending expiration. Licenses expire every five years but DMV typically only requires individuals to renew in person for every third renewal, i.e., once every 15 years, in order to take a vision test.
- 3) *Requirement to take in-person knowledge examination.* Applicants under the age of 70 who are not required to renew in person are allowed to renew their license by mail or online. However, for a variety of reasons, a renewal applicant who would otherwise qualify for online or mail renewal may instead be required to renew in person in order to take a knowledge examination. The statutes generally require in-person renewal for individuals who have excessive points on their license, have refused to take a chemical or alcohol screening test, have failed to appear in court, or have failed to pay a fine. Other reasons for needing to take a knowledge test include having a license more than a year out of date or a license that has been suspended or revoked. DMV also requires individuals who have been convicted of driving under the influence to take the knowledge examination.
- 4) *Information already listed on notice to renew.* In any instance where a knowledge exam, vision test, thumb print, or new picture will be required during the in-person renewal process, DMV indicates that requirement on the notice for renewal. While this bill might thusly appear to be unnecessary, the author contends there have been instances in his district where his constituents have not been so notified.

**ASSEMBLY VOTES:****Floor: 71-0****Transportation: 14-0****FISCAL EFFECT:** Appropriation: No    Fiscal Com.: Yes    Local: No

**POSITIONS:** (Communicated to the committee before noon on Wednesday,  
June 6, 2018.)

**SUPPORT:**

None received.

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 2372

**Hearing Date:** 6/12/2018

**Author:** Gloria

**Version:** 6/4/2018 Amended

**Urgency:** No

**Fiscal:** No

**Consultant:** Erin Riches

**SUBJECT:** Planning and zoning: density bonus: floor area ratio bonus

**DIGEST:** This bill authorizes a city or county to establish a procedure by ordinance to grant a developer a floor area ratio (FAR) bonus in lieu of a density bonus.

**ANALYSIS:**

*Existing law:*

- 1) Defines "density bonus" as a density increase over the otherwise maximum allowable residential density as of the date of application by the applicant to the city, county, or city and county.
- 2) Requires all cities and counties to adopt an ordinance that specifies how they will implement state density bonus law.
- 3) Requires cities and counties to grant a density bonus when an applicant for a housing development of five or more units seeks and agrees to construct a project that will contain at least any one of the following:
  - a) 10% of the total units of a housing development for lower income households;
  - b) 5% of the total units of a housing development for very low-income households;
  - c) A senior citizen housing development or mobile home park;
  - d) 10% of the units in a common interest development (CID) for moderate-income households;
  - e) 10% of the total units for transitional foster youth, disabled veterans, or homeless persons.

- 5) Provides that, upon the developer's request, the local government may not require parking standards greater than the following (the developer may, however, request additional parking incentives or concessions):
  - a) Zero to one bedrooms: one onsite parking space;
  - b) Two to three bedrooms: two onsite parking spaces; and
  - c) Four or more bedrooms: two and one-half parking spaces.
- 6) Provides that if a rental development is 100% affordable to lower income families then, upon the request of a developer, a city, county, or city and county, the following parking ratios shall apply for the development:
  - a) If the development is located within one-half mile of a "major transit stop" and there is unobstructed access to the major transit stop from the development, the ratio shall not exceed 0.5 spaces per unit. "Unobstructed access" means a resident is able to walk to the major transit stop without encountering natural or constructed impediments.
  - b) If the development is a for-rent housing development for individuals who are 62 years of age or older, the ratio shall not exceed 0.5 spaces per unit. The development shall have either paratransit service or have unobstructed access, within one half-mile, to fixed bus route service that operates at least eight times per day.
  - c) If the development is a special needs housing development, the ratio shall not exceed 0.3 spaces per unit. The development shall have either paratransit service or have unobstructed access, within one half-mile, to fixed bus route service that operates at least eight times per day.
- 7) Permits a city, county, or city and county to reduce or eliminate a parking requirement for developments of any type or location.

**This bill:**

- 1) Authorizes a city or county to establish a procedure by ordinance to grant a developer of an eligible housing development a FAR bonus in lieu of a density bonus.
- 2) Provides that in calculating the FAR bonus, the allowable gross residential floor area in square feet shall be the product of the allowable residential base density in dwelling units per acre; the site area in square feet, divided by 43,560 (e.g., one acre); and 2,250.

- 3) Prohibits the city or county from imposing any parking requirement on an eligible housing development in excess of 0.1 parking spaces per unit for units affordable to household income equal to or less than 120% AMI, or in excess of 0.5 parking spaces for market rate units.
- 4) Requires the city or county to allow an applicant to calculate impact fees based on square footage rather than per unit.
- 5) Provides that if an eligible housing development is zoned for mixed use, any FAR requirement under a zoning ordinance or land use element applicable to the non-residential portion of the development shall continue to apply notwithstanding the award of a FAR bonus.
- 6) Allows an applicant for a FAR bonus to also submit a proposal for specific incentives or concessions under density bonus law.
- 7) Defines an “eligible housing development” as one that satisfies all of the following criteria:
  - a) The development is a multifamily housing development containing at least five residential units, exclusive of any other FAR bonus or density bonus.
  - b) The development is located within an urban infill site in a transit priority area or is located within one-half mile of a major transit stop.
  - c) The site is zoned to allow residential use with a minimum planned density of at least 20 units per acre and does not include any land zoned for low density residential use or non-residential use.
  - d) The applicant and development satisfy the replacement requirements in existing density bonus law.
  - e) The development includes at least 20% of units, excluding any additional units allowed under a FAR bonus or density bonus, with a housing cost or rent affordable to household incomes equal to or less than 50% AMI and subject to an affordability restriction for a minimum of 55 years.
  - f) The development complies with the height requirements applicable to the underlying zone. A development shall not be eligible for a FAR bonus or density bonus to relieve the development from a maximum height limit.
- 8) Defines “floor area ratio” as the ratio of gross building area of the eligible housing development, excluding structured parking areas, divided by the net lot area. “Gross building area” is defined as the sum of all finished areas of all floors of a building included within the outside faces of its exterior walls.

- 9) Defines “floor area ratio bonus” as an allowance for an eligible housing development to utilize a FAR over the otherwise maximum allowable density permitted under the applicable zoning ordinance and land use element, calculated pursuant to this bill.
- 10) Defines “major transit stop” pursuant to existing law, specifically a site containing an existing light rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency service interval of 15 minutes or less during the morning and afternoon peak commute periods, as well as major transit stops that are included in the applicable regional transportation plan.
- 11) Defines “transit priority area” pursuant to existing law, specifically an area within a half mile of an existing or planned major transit stop, if the planned stop is scheduled to be completed within the planning horizon included in the applicable regional transportation plan.
- 12) Provides that this bill shall not be interpreted to pre-empt or supersede density bonus law; prohibit a city or county from providing a FAR bonus under other terms; or relieve a city or county from complying with density bonus law.

## COMMENTS

- 1) *Purpose.* The author states that our state’s current housing production is nowhere near meeting demand. This shortage places severe pressure on working families trying to navigate California’s housing crisis. This bill will not only increase the number of affordable housing units, but will also create naturally affordable units for working families and low-income individuals. This new opt-in program will incentivize the production of affordable housing along transit priority corridors. The author states that this bill will increase housing affordability without publicly funded dollars.
- 2) *Density vs. FAR.* Density, a commonly used metric for residential development, is the allowable number of dwelling units allowed per unit of lot area — for example, 20 units per acre. FAR, on the other hand, is typically used to measure the intensity of commercial, office, industrial, and mixed-use projects. FAR is the ratio of the floor area of a building or project to its lot area. To calculate FAR, the gross square footage of a building is divided by the total area of its lot. A FAR of 1.0 means that floor area may equal lot area; a one-story building that covers an entire lot has a FAR of 1.0. A FAR of 2.0 means that the floor area may be up to twice as large as the lot area — for

example, a 20,000 square foot building on a 10,000 square foot lot has a FAR of 2.0, regardless of the number of stories.

- 3) *Sustainability goals and transit-oriented development.* SB 375 (Steinberg, Chapter 728, Statutes of 2008) requires cities and counties to adopt sustainable communities strategies to show how, through coordinated transportation and land use planning, development will support state goals to reduce greenhouse gas (GHG) emissions. A key component of reducing GHG emissions is to move people out of their cars and into public transit. To encourage use of transit, some cities and counties have adopted policies such as eliminating minimum parking requirements for projects that are close to transit, where demand for parking spaces is low.
- 4) *Parking ratios.* Parking requirements often discourage infill redevelopment on small lots where it is difficult and costly to fit both a new building and the required parking; they can also prevent new uses for older buildings that lack the required parking spaces. The average construction cost per parking space — excluding land cost — in a parking structure in the United States is \$24,000 for aboveground parking and \$34,000 for underground parking. Certain types of parking, such as underground parking, can increase parking costs by 6% or more relative to other types of parking. Existing density bonus law provides for a parking ratio of one parking space per 0-1 bedroom unit, two spaces per 2-3 bedroom unit, and 2-1/2 spaces per 4+ bedroom unit. If a development includes the maximum percentage of low-income or very low-income units, and is located within a half mile of a major transit stop, the parking ratio is lowered to 0.5 spaces per unit. This bill, under the FAR bonus, provides for an even lower ratio of 0.1 spaces for each unit that is at or below 120% AMI.
- 5) *Need for the bill.* This bill would authorize local governments to create a FAR bonus as an alternative to a density bonus. Qualifying developments would be eligible to utilize a FAR bonus over the otherwise maximum allowable density permitted under the applicable zoning ordinance and land use elements of the general plan of a city or county. Determining eligibility based on FAR rather than units/acre could incentivize the production of more units, particularly smaller and more economical units. Existing law authorizes local governments to choose to exceed state density bonus law and does not prohibit local governments from proactively developing a FAR bonus program. The author states that providing a model will help streamline the process of establishing a FAR bonus program and will thereby encourage local governments to do so. The bill includes a provision clarifying that a locality may adopt a FAR bonus program that is different from this bill.



6) *Double referral.* This bill has also been referred to the Committee on Governance and Finance.

#### **RELATED LEGISLATION:**

**SB 893 (Nguyen, 2018)** — would have delete lowered parking ratios available to developers receiving a density bonus for 100% affordable rental housing projects, as specified. *This bill failed passage in the Senate Transportation and Housing Committee on April 17<sup>th</sup>.*

**SB 1227 (Skinner, 2018)** — requires cities and counties to grant a density bonus when an applicant for a housing development of five or more units seeks and agrees to construct a project that will contain at least 20% of the total units for lower-income students in a student housing development, as specified. *This bill is scheduled to be heard in the Assembly Housing Committee on June 13<sup>th</sup>.*

**AB 1934 (Santiago, Chapter 747, Statutes of 2016)** — created a development bonus for commercial developers that partner with an affordable housing developer to construct a joint project or two separate projects encompassing affordable housing.

**AB 744 (Chau, Chapter 699, Statutes of 2015)** — placed a cap on the parking ratios that local governments may impose on some affordable housing developments upon the request of a developer.

#### **Assembly Votes:**

**Floor:** 69-0

**Local Govt:** 9-0

**H&CD:** 7-0

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

#### **SUPPORT:**

City of San Diego (sponsor)

Building Industry Association of San Diego County

California Apartment Association

California Building Industry Association

California Housing Alliance  
California Housing Consortium  
Climate Action Campaign  
Environmental Health Coalition  
Point Loma Nazarene University  
San Diego Housing Federation  
San Diego Ninth District Councilmember Georgette Gomez  
San Diego Regional Chamber of Commerce  
Santa Barbara Women's Political Committee

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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<b>Bill No:</b>	AB 2473	<b>Hearing Date:</b>	6/12/2018
<b>Author:</b>	Bonta		
<b>Version:</b>	3/22/2018		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Manny Leon		

**SUBJECT:** State Highway Route 185: relinquishment: City of San Leandro

**DIGEST:** This bill authorizes the California Transportation Commission (CTC) to relinquish to the City of San Leandro all or any portion of State Route (SR) 185 within its city limits.

**ANALYSIS:**

*Existing law:*

- 1) Defines a "state highway" as any roadway that is acquired, laid out, constructed, improved, or maintained as a state highway pursuant to constitutional or legislative authorization.
- 2) Statutorily identifies state highway system routes.
- 3) Specifies that it is the intent of the Legislature that the prescribed routes of the state highway system connect communities and regions of the state and that they serve the state's economy by connecting centers of commerce, industry, agriculture, mineral wealth, and recreation.
- 4) Provides for a two-step state highway relinquishment process allowing for the deletion of sections of the state highway system beginning with the Legislature amending existing law to allow for the state highway segment to be deleted and culminating with the CTC making a finding that it is in the best interest of the state to delete a specified portion of roadway from the system.
- 5) Authorizes CTC to relinquish to the City of Hayward or Alameda County all or any portion of SR 185 within the city limit of Hayward or within the unincorporated area of Alameda County, as applicable, upon terms and conditions CTC finds to be in the best interest of the state.

**This bill:**

- 1) Authorizes CTC to relinquish to the City of San Leandro all or any portion of SR 185 within its city limits, upon terms and conditions CTC finds to be in the best interest of the state.
- 2) Provides that the relinquishment will become effective immediately following recordation of the relinquishment resolution.
- 3) Specifies that following the effective date of relinquishment, the relinquished segment will no longer be state highways and may not be considered for future adoption as state highways.
- 4) Requires the City of San Leandro to maintain signage directing motorists to the continuation of SR 185.

**COMMENTS**

- 1) *Purpose.* According to the author, "AB 2473 will authorize the transfer of ownership of Route 185 to the City of San Leandro. The City of San Leandro's control over this section of Route 185 will facilitate the efficient construction and implementation of the City's corridor improvement project, reduce review and approval redundancies, and provide the City with greater local control over its downtown corridor. For many years, one of the City of San Leandro's top legislative priorities has been the repaving and rehabilitation of East 14<sup>th</sup> Street. AB 2473 will enable the City to be more responsive to constituent concerns regarding roadway conditions and to secure the capital funding to do so."
- 2) *Relinquishments.* Each session, the Legislature passes and the governor signs numerous bills authorizing CTC to relinquish segments of the state highway system to local jurisdictions. Relinquishment transactions are generally preceded by a negotiation of terms and conditions between the local jurisdiction and Caltrans. Once an agreement has been established, CTC typically approves the relinquishment and verifies its approval via a resolution.
- 3) *SR-185.* SR 185 is a 10.5-mile long primary arterial that runs through the cities of Hayward, San Leandro, and the eastern portion of Oakland. It includes sections of Mission Boulevard in Hayward, East 14<sup>th</sup> Street in San Leandro, and International Boulevard in Oakland. Portions of SR 185 were relinquished to the City of Hayward in 2010. Relinquishing control of this section of SR 185 once it has been restored to a condition of good repair will enable the City of

San Leandro to ensure much-needed safety improvements are made, such as bicycle and pedestrian facilities, pavement maintenance, signage, and other streetscape improvements. The City of San Leandro is committed to the future maintenance of this route. However, without pavement repairs and official relinquishment, residents' concerns will continue to go unaddressed.

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

**Assembly votes:**

<b>Floor:</b>	<b>78-0</b>
<b>Approps:</b>	<b>16-0</b>
<b>Trans:</b>	<b>12-0</b>

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

City of San Leandro

**OPPOSITION:**

None received

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

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**Bill No:** AB 2548  
**Author:** Friedman  
**Version:** 4/12/2018  
**Urgency:** No  
**Consultant:** Manny Leon

**Hearing Date:** 6/12/2018

**Fiscal:** No

**SUBJECT:** Commute benefit policies: Los Angeles County Metropolitan Transportation Authority

**DIGEST:** This bill authorizes the Los Angeles County Metropolitan Transportation Authority (Metro) to administer a commute benefit program, as specified.

**ANALYSIS:**

*Existing law:*

- 1) Establishes Metro with the responsibility for serving as the regional transportation planning agency, including planning and programming transportation funding and the transit operator for fixed guideway and bus systems in Los Angeles County.
- 2) Establishes South Coast Air Quality Management District (SCAQMD) with the primary responsibility for controlling stationary sources of air pollution in the South Coast Air Basin, including parts of Los Angeles, Riverside, San Bernardino counties, and all of Orange County.
- 3) Requires SCAQMD to adopt, implement, and enforce transportation control measures for the attainment of state or federal ambient air quality standards, in accordance with specified procedures.
- 4) Authorizes the Metropolitan Transportation Commission (MTC) and the Bay Area Air Quality Management District (BAAQMD) to administer a San Francisco Bay Area commute benefits program that requires certain employers to provide commuter benefit options to their employees.
- 5) Authorizes air districts to adopt and implement regulations that reduce or mitigate emissions from indirect and area wide sources of air pollution and also

encourage or require the use of measures which reduce the number or length of vehicle trips.

- 6) Federal law allows employees to use pre-tax dollars, up to \$260 per month, excluded from gross income, to pay for transit commuting and parking costs through employer-sponsored programs.

**This bill:**

- 1) Declares the intent of the Legislature to encourage metropolitan planning organizations, and county transportation commissions, to work with local employers to adopt policies that encourage commuting by means other than driving alone.
- 2) Authorizes Metro to adopt a commute benefit ordinance that requires covered employers, as defined, to offer a pretax option, consistent with federal law, allowing covered employees to exclude from taxable wages employee transit pass or vanpool commuting costs.
- 3) Ensures that a covered employer can offer a more generous commuter benefit than what is included in the ordinance.
- 4) Allows any employer who is required to offer an alternative commute benefit program either on their own initiative or as a condition of a lease, or similar requirement, to seek approval from Metro. Metro can approve an alternative if it provides similar benefits in reducing single-occupant trips.
- 5) Requires that the commute benefit ordinance allow covered employers at least six months to comply after adoption of the ordinance.
- 6) Establishes the role of transportation management associations or transportation management organizations in the place of covered employers in complying with the ordinance.
- 7) Requires the commute benefit ordinance to specify how the implementing agencies will inform covered employers, how compliance will be demonstrated, the procedures for proposing and criteria used to evaluate an alternative commuter benefit, and any consequences for non-compliance.
- 8) Prohibits the use of federal planning funds to implement the commute benefit program.

- 9) Defines "covered employee" to mean an employee who performed at least an average of 20 hours of work per week within the previous calendar month within the area where the ordinance is adopted.
- 10) Defines "covered employer" to mean any employer for which an average of 50 or more employees at a worksite perform work for compensation on a full-time basis within the area where a commute benefit ordinance is adopted.
- 11) Prohibits Metro from adopting a commute benefit ordinance affecting any employer covered by a similar program required by a SCAQMD rule or regulation.
- 12) Requires Metro on or before January 1, 2022, if they implement a commute benefit ordinance, to submit a report to the transportation policy committees of the Legislature on the effectiveness of the ordinance and sets requirements for that report.

## COMMENTS

- 1) *Purpose.* According to the author, "AB 2548 seeks to expand the number of businesses participating in commuter benefits programs in Los Angeles County to encourage transit usage, mode switch and reduce greenhouse gas emissions. The state has aggressive greenhouse gas reduction targets and tools like the program proposed in this legislation are key to meeting those targets. The Bay Area (MTC and BAAQMD) have a successful program that was implemented in 2014. Los Angeles Metro would like to work to establish a similar program here in Los Angeles that would apply to employers who are not subject to current commuter benefits regulations."
- 2) *MTC Program.* This bill is based on a successful commute benefit program administered in the Bay Area by MTC and BAAQMD. In 2012, SB 1339 (Yee), Chapter 871, Statutes of 2012, authorized the two agencies to develop a pilot ordinance, and later SB 1128 (Glazer), Chapter 483, Statutes of 2016, made the program permanent. In the Bay Area, MTC offers four options to covered employers in the nine county Bay Area region. Of the four options, the one most chosen by employers is a pre-tax option, which allows employees to exclude their transit or vanpool expenses from taxable income for up to \$260 per month, in accordance with federal law. According to MTC, this option covers roughly 82% of the participating employers. Ultimately, the 2016 pilot program report issued by MTC and BAAQMD found that the commuter benefit program added 2,2142 new employers that otherwise would not have offered commuter benefits. The study further found that, under the program,



approximately 44,400 employees switched from driving alone to transit, vanpool, or bicycle over the program's initial 12 month period.

- 3) *Southern California*. Additionally, in the Los Angeles area, including parts of Riverside and Orange Counties, the SCAQMD administers an extensive commute benefit program. Specifically, SCAQMD Rule 2202 requires employers with over 250 or more employees at a worksite, on a full-time basis, to establish commuter programs to meet the designated emission reduction target set by SCAQMD.

This bill would authorize Metro to establish a commuter benefits ordinance in L.A. County that would give commuters the ability to set aside up to \$260 per month of their paycheck pre-tax to cover the cost of ride-sharing, vanpools, and transit. It should be noted, however, that it remains unclear how Metro will enforce employers to comply with this new ordinance. Furthermore, it should also be noted that the new ordinance would apply to employers that are not currently subject to the regulations established under Rule 2202 (i.e. employers with between 50 to 249 employees).

- 4) *Double Referral*. This bill will be referred to the Senate Environmental Quality Committee should it pass out of this committee.

#### **RELATED LEGISLATION:**

**SB 1128 (Glazer, Chapter 483, Statutes of 2016)** — permanently authorizes a commute benefit program for the Bay Area managed by the MTC and BAAQMD.

**SB 1339 (Yee, Chapter 871, Statutes of 2012)** — authorizes a pilot program for MTC and BAAQMD to establish ordinance requiring certain Bay Area employers to offer commute benefits to employees.

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

#### **Assembly votes:**

**Floor:**            55-18  
**Trans:**           11-1

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

Los Angeles County Metropolitan Transportation Authority (Sponsor)  
Amalgamated Transit Union Local 1277  
Association for Commuter Transportation  
BizFed  
California Transit Association  
City of Inglewood  
City of West Hollywood  
Edenred Commuter Benefit Solutions  
Employer's Group  
Enterprise Holdings  
Fixing Angelenos Stuck in Traffic  
Honorable Eric Garcetti, Mayor, City of Los Angeles  
Valley Industry and Commerce Association

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 2615 **Hearing Date:** 6/12/2018  
**Author:** Carrillo  
**Version:** 3/21/2018  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Jeffery Song

**SUBJECT:** State highway system: parks and recreation: accessibility for bicycles and pedestrians

**DIGEST:** This bill requires the California Department of Transportation (Caltrans), to the extent possible and where feasible, to partner with the California Department of Parks and Recreation (DPR) and other appropriate public agencies in order to develop strategies and plans to maximize safe and convenient access for bicycles and pedestrians to any parks adjacent or connected to the state highway system.

**ANALYSIS:**

*Existing law:*

- 1) Defines a "state highway" as any roadway that is acquired, lay out, constructed, improved, or maintained as a state highway pursuant to constitutional or legislative authorization and statutorily identifies all state highway system routes.
- 2) Prescribes certain powers and duties to Caltrans, including that it support the California Transportation Commission in coordinating and developing, in cooperation with local and regional entities, comprehensive balanced transportation planning and policy for the movement of people and goods within the state.

This bill requires Caltrans, to the extent possible and where feasible, to partner with DPR and other appropriate public agencies in order to develop strategies and plans to maximize safe and convenient access for bicycles and pedestrians to any parks adjacent or connected to the state highway system.

**COMMENTS**

- 1) *Purpose.* The author states that this bill would mandate that Caltrans collaborate with DPR and other public entities to facilitate greater communication and coordination that emphasizes the concerns of safe pedestrian and bicycle access to parks for all Californians. This cooperation will help clear the way for more Californians to take advantage of the magnificent parks within the state.
- 2) *Caltrans' Current Activities.* Caltrans is charged with coordinating and developing comprehensive transportation plans. These are regularly done in cooperation with other public agencies and entities. One example is "Toward an Active California"<sup>1</sup>, the state's first bicycle and pedestrian plan, which lays out the policies and actions that Caltrans and its partner agencies will take to achieve Caltrans' ambitious statewide goals to double walking and triple bicycling trips by 2020. This plan includes a few strategies that are similar to the scope of this bill. The first is promoting and supporting low-stress or separated pedestrian and bicycle trail routes of statewide or regional significance for tourism, recreation, and utilitarian transportation. The other is that Caltrans commits to explore joint funding of active transportation plans and programs with counties, tribal governments, transit agencies, parks and recreation departments, and other potential partners.
- 3) *More Prominent Mandate.* The author states that Caltrans does not often consider issues relating to safe park access when planning for transportation projects. This bill makes this consideration a more prominent consideration in state highway infrastructure planning, and appears to be consistent with Caltrans' bicycle and pedestrian plan.

**RELATED LEGISLATION:****Assembly Votes**

<b>Floor:</b>	<b>77-0</b>
<b>Appropriations:</b>	<b>16-0</b>
<b>Water:</b>	<b>15-0</b>
<b>Transportation:</b>	<b>12-0</b>

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

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<sup>1</sup> <https://altapanning.com/wp-content/uploads/Toward-an-Active-California.pdf>

**POSITIONS:** (Communicated to the committee before noon on Wednesday,  
June 6, 2018.)

**SUPPORT:**

California Outdoor Recreation Partners  
California Park & Recreation Society  
California State Parks Foundation  
California Walks  
Latino Outdoors  
Los Angeles River State Park Partners  
Mammoth Lakes Recreation  
Midpeninsula Regional Open Space District  
Movement Science Sport & Leisure Studies, Westfield State University  
National Interscholastic Cycling Association  
Outdoor Afro  
Outdoor Industry Association  
Santa Clara Valley Open Space Authority  
Trust for Public Land, The  
Wild Places

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 2734 **Hearing Date:** 6/12/2018  
**Author:** Frazier  
**Version:** 2/15/2018  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Manny Leon

**SUBJECT:** California Transportation Commission

**DIGEST:** This bill removes the California Transportation Commission (CTC) from the California Transportation Agency (CalSTA) and establishes the commission as an independent entity in state government.

**ANALYSIS:**

The CTC was established in 1978 by Assembly Bill 402 (Chapter 1106, Statutes of 1977) out of a growing concern for the development of a unified California transportation policy. The CTC replaced and assumed the responsibilities of four independent bodies: the California Highway Commission, the State Transportation Board, the State Aeronautics Board, and the California Toll Bridge Authority. The CTC is responsible for the programming and allocating of funds for the implementation of highway, passenger rail, and transit improvements throughout California. In addition, the CTC advises and assists the administration and the Legislature in formulating and evaluating policies and plans for California's transportation programs.

The CTC consists of eleven voting members and two non-voting ex-officio members. Of the eleven voting members, nine are appointed by the Governor, one is appointed by the Senate Committee on Rules, and one is appointed by the Speaker of the Assembly. The two ex-officio non-voting members are appointed from the State Senate and Assembly, usually the respective chairs of the transportation policy committee in each house. The CTC is also an active participant in the initiation and development of State and Federal legislation that seeks to secure financial stability for the State's transportation needs.

*Existing law:*

- 1) As provided for in the California Constitution, authorizes the Legislature to delegate to the Governor the authority to assign and reorganize functions among executive branch officers, agencies, and their employees.
- 2) Establishes CalSTA in state government, consisting of the Department of the California Highway Patrol, CTC, the Department of Motor Vehicles, the Department of Transportation, the High-Speed Rail Authority, and the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun.
- 3) Generally vests agency secretaries with responsibility for sound fiscal management of each department within their agency and directs the agency secretary to review and approve the proposed budget for each department. Furthermore, specifically directs agency secretaries to do the following for each department under their purview:
  - a) Hold the head of each department responsible for management control over the administrative, fiscal, and program performance of the department;
  - b) Evaluate the performance of each department; and,
  - c) Seek to continually improve each department's organization structure, operating policies, and management information systems.
- 4) Establishes the 13-member CTC and provides that the commission is responsible for appointing an executive director who is to serve at the pleasure of the commission.
- 5) Directs the 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.

This bill establishes CTC as a stand-alone state entity independent of CalSTA.

**COMMENTS**

- 1) *Purpose.* According to the author, "The Legislature increasingly looks to the CTC for guidance, policy development, and administration for complicated transportation programs, including implementation of much of the Road Repair and Accountability Act of 2017 (SB 1, Beall). Given the important role that the CTC plays in the administration of the state's transportation policies and programs, it is time to reestablish bona fide CTC independence by moving the commission out from under the purview of CalSTA."

- 2) *GRP 2*. Governor's Reorganization Plan No. 2 (GRP 2) created three new state agencies by relocating departments in three existing agencies with the goal of grouping like functions more closely together, reducing the number of agencies from 12 to 10 overall. The Transportation Agency is one of the agencies that was be created by GRP 2 and included the following entities formerly housed within the Business, Transportation and Housing Agency: the Department of Transportation, the Department of Motor Vehicles, the California Highway Patrol, the Board of Pilot Commissioners and the California Traffic Safety Program. Along with those entities, the Transportation Agency pulled in CTC and the High-Speed Rail Authority, which were stand-alone entities. In May of 2012, the Little Hoover Commission released its report of GRP 2 and recommended that the Plan be allowed to go into effect, however noted that the State had been well-served by the policy independence of the CTC and recommended to the Legislature that it create a firewall to protect the independence of the commission. Ultimately GRP 2 went into effect in 2013.
- 3) *AB 1458*. In response to the Commission's recommendation, AB 1458 (Buchanan), Chapter 138, Statutes of 2012] was introduced and enacted which specifically stated that the CTC shall retain its status as an independent entity to perform its duties and functions prescribed to it under existing law. However, while AB 1458 enacted CTC's independence, existing law also places CTC under CalSTA. This has led many transportation stakeholders to question CTC's ability to truly act as an independent entity. This bill aims to answer that question by removing CTC from being under the purview of CalSTA, thereby clarifying CTC will serve as an independent state body.
- 4) *Double referral*: This bill will be referred to the Senate Government Organization Committee should it pass out of this committee.

#### **RELATED LEGISLATION:**

**AB 1364 (Linder, 2015)** — was nearly identical to this bill. AB 1364 was referred to the Senate Transportation and Housing Committee and returned to the Assembly without being heard.

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

#### **Assembly votes:**

**Floor:**            73-0  
**Approps:**        16-0



Acct & AR: 7-0  
Trans: 14-0

**POSITIONS:** (Communicated to the committee before noon on Wednesday,  
June 6, 2018.)

**SUPPORT:**

None received.

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 2753

**Hearing Date:** 6/12/2018

**Author:** Friedman

**Version:** 4/19/2018

**Urgency:** No

**Fiscal:** Yes

**Consultant:** Erin Riches

**SUBJECT:** Density bonuses: density bonus application

**DIGEST:** This bill requires a city or county to provide additional information to an applicant for a density bonus at the time the application is deemed complete.

**ANALYSIS:**

*Existing law:*

- 1) Requires all cities and counties to adopt an ordinance that specifies how they will implement state density bonus law.
- 2) Requires cities and counties to grant a density bonus when an applicant for a housing development of five or more units seeks and agrees to construct a project that will contain at least any one of the following:
  - a) 10% of the total units of a housing development for lower income households.
  - b) 5% of the total units of a housing development for very low-income households.
  - c) A senior citizen housing development or mobile home park.
  - d) 10% of the units in a common interest development (CID) for moderate-income households.
  - e) 10% of the total units for transitional foster youth, disabled veterans, or homeless persons.
- 3) Requires the city or county to allow an increase in density of 20% over the otherwise maximum allowable residential density under the applicable zoning ordinance and land use element of the general plan for low-income, very low-income, or senior housing, and by 5% for moderate-income housing in a CID.

- 4) Provides that, upon the developer's request, the local government may not require parking standards greater than the following (the developer may, however, request additional parking incentives or concessions):
  - a) Zero to one bedrooms: one onsite parking space;
  - b) Two to three bedrooms: two onsite parking spaces; and
  - c) Four or more bedrooms: two and one-half parking spaces.
- 5) Provides that if a rental development is 100% affordable to lower income families then, upon the request of a developer, a city, county, or city and county, the following parking ratios shall apply for the development:
  - a) If the development is located within one-half mile of a "major transit stop" and there is unobstructed access to the major transit stop from the development, the ratio shall not exceed 0.5 spaces per unit.
  - b) If the development is a for-rent housing development for individuals who are 62 years of age or older, the ratio shall not exceed 0.5 spaces per unit.
  - c) If the development is a special needs housing development, the ratio shall not exceed 0.3 spaces per unit.
- 6) Requires applicants to receive the following number of incentives or concessions:
  - a) One incentive or concession for projects that include at least 10% of the total units for lower income households.
  - b) Two incentives or concessions for projects that include at least 20% of the total units for lower income households.
  - c) Three incentives or concessions for projects that include at least 30% of the total units for lower income households.
- 7) Permits an applicant to submit to a local government a proposal for the specific incentives or concessions that the applicant requests, as specified, and allows the applicant to request a meeting with the local government. Defines "concession or incentive" as:
  - a) A reduction in site development standards or a modification of zoning code requirements or architectural design requirements that exceed the minimum building standards including, but not limited to, a reduction in setback and square footage requirements and in the ratio of vehicular parking spaces that

would otherwise be required that results in identifiable and actual cost reductions, to provide for affordable housing costs.

- b) Approval of mixed-use zoning in conjunction with the housing project, as specified.
- c) Other regulatory incentives or concessions proposed by the developer or the local government that results in identifiable and actual cost reductions to provide for affordable housing.

**This bill:**

- 1) Requires a local government, when notifying a density bonus applicant that the application is deemed complete, to provide the applicant with the following information:
  - a) The amount of the density bonus for which the applicant is eligible.
  - b) The parking ratio for which the applicant is eligible, if the applicant requests a parking ratio.
  - c) Whether the applicant has provided adequate information for any incentives, concessions, or waivers or reductions of development standards the applicant has requested.
- 2) Requires these determinations to be based on the development project at the time the application is deemed complete.
- 3) Requires the local government to adjust the amount of density bonus and parking ratios based on any changes to the project during the course of development.

**COMMENTS**

- 1) *Purpose.* This bill represents a step in the right direction when it comes to locals processing a density bonus application in a consistent and timely way. The density bonus application process has become long and arduous and can lead to project delays or even to a project's demise. This bill gives assurance to developers of the amount of density bonus, parking ratio, incentives and concessions, and waivers and reductions for which the applicant is eligible at the time the application is complete. It also provides flexibility for locals to adjust the amount of the density bonus, parking ratios, waiver and concessions based on changes during the course of development. The Legislature has

decided that affordable housing is a priority, and this bill gives developers the certainty, and the assurance of incentives, to do so.

- 2) *Density bonus law.* Given California's high land and construction costs for housing, it is extremely difficult for the private market to provide housing units that are affordable to low- and even moderate-income households. Public subsidy is often required to fill the financial gap on affordable units. Density bonus law allows public entities to reduce or even eliminate subsidies for a particular project by allowing a developer to include more total units in a project than would otherwise be allowed by the local zoning in exchange for affordable units. Allowing more total units enables the developer to spread the cost of the affordable units more broadly over the market-rate units. The idea of density bonus law is to cover at least some of the financing gap of affordable housing with regulatory incentives, rather than additional subsidy.
- 3) *Projects eligible for density bonus.* To qualify for the benefits of density bonus law, a proposed housing development must meet one of five specified criteria. If one of these five options is met, a developer is entitled to a base increase in density for the project as a whole (referred to as a density bonus) and one regulatory incentive. At higher levels of affordability, the developer is entitled to a sliding scale of density bonuses, up to a maximum of 35% of the maximum zoning density and up to three incentives. For 20% lower income units, a developer is entitled to a 35% density bonus and at two incentives or concessions; at 30% lower income units, the developer is entitled to three incentives or concessions.
- 4) *Closing the loop.* Existing law requires localities to adopt procedures and timelines for processing a density bonus application, provide a list of documents and information required to be submitted with the application, and notify the applicant whether the application is complete. A local government is not required, however, to declare when the application is accepted or denied. The author states that this can prolong the permitting process, delaying the construction of much needed housing. This bill can help expedite the density bonus approval process.
- 5) *Double referral.* This bill has also been referred to the Committee on Governance and Finance.

#### **RELATED LEGISLATION:**

**SB 1227 (Skinner, 2018)** — requires cities and counties to grant a density bonus when an applicant for a housing development of five or more units seeks and agrees to construct a project that will contain at least 20% of the total units for

lower-income students in a student housing development, as specified. *This bill is scheduled to be heard in the Assembly Housing Committee on June 13<sup>th</sup>.*

**AB 2501 (Bloom, Chapter 758, Statutes of 2016)** — made a number of changes to density bonus law, including clarifying the processing of a density bonus application.

**Assembly Votes:**

**Floor: 73-0**

**Approps: 16-0**

**Local Govt: 8-0**

**H&CD: 7-0**

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

American Planning Association, California Chapter  
Associated Builders and Contractors of Northern California  
Association of Regional Center Agencies  
Bay Area Council  
California Apartment Association  
California Association of Realtors  
California Building Industry Association  
LeadingAge California  
1 individual

**OPPOSITION:**

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

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**Bill No:** AB 2912 **Hearing Date:** 6/12/2018  
**Author:** Irwin  
**Version:** 2/16/2018  
**Urgency:** No **Fiscal:** No  
**Consultant:** Erin Riches

**SUBJECT:** Association finances

**DIGEST:** This bill requires the board of directors of a common interest development (CID) to review specified financial documents on a monthly basis and prohibits electronic transfers of funds from homeowner association (HOA) accounts without prior board approval.

**ANALYSIS:**

*Existing law:*

- 1) Requires a managing agent who accepts or receives funds belonging to the HOA to deposit those funds that are not placed into an escrow account or into an account under the HOA's control, into a trust fund account maintained by the managing agent in a bank, savings association, or credit union in California. These funds shall be maintained in the account until disbursed in accordance with written instructions from the HOA.
- 2) Requires, upon written request of the HOA board, that the funds the managing agent accepts or receives on behalf of the HOA to be deposited into an interest-bearing account in a bank, savings association, or credit union in California, provided all the following requirements are met:
  - a) The account is in the name of the managing agent as trustee for the HOA or in the name of the HOA.
  - b) All funds in the account are federally insured.
  - c) The funds in the account are kept separate, distinct, and apart from funds belonging to the managing agent or to any other person for whom the managing agent holds funds in trust.
  - d) The managing agent discloses to the HOA board the nature of the account, how interest will be calculated and paid, whether service charges will be

- paid to the depository and by whom, and any notice requirements or penalties for withdrawal of funds from the account.
- e) No interest earned on funds in the account shall inure directly or indirectly to the benefit of the managing agent or the managing agent's employees.
- 3) Requires the managing agent to maintain a separate record of the receipt and disposition of funds, including any interest earned.
  - 4) Prohibits the managing agent from commingling HOA funds with the managing agent's own money or with the money of others that the managing agent receives or accepts, unless a series of specified requirements are met, including that the funds were commingled prior to 1990 pursuant to agreement with each of the HOAs.
  - 5) Requires the HOA board, unless the governing documents impose more stringent standards, to:
    - a) Review a current reconciliation of the HOA's operating accounts on at least a quarterly basis.
    - b) Review a current reconciliation of the HOA's reserve accounts on at least a quarterly basis.
    - c) Review the current year's actual reserve revenues and expenses, compared to the current year budget, on at least a quarterly basis.
    - d) Review the latest account statements prepared by the financial institutions where the HOA has its operating and reserve accounts.
    - e) Review an income and expense statement for the HOA's operating and reserve accounts on at least a quarterly basis.
  - 6) Requires the HOA board, unless the governing documents impose more stringent standards, to distribute an annual budget report to its members 30 to 90 days before the end of the fiscal year that includes specified information.

**This bill:**

- 1) Prohibits electronic transfers in or out of an HOA's account, or in and out of an HOA's reserve or operating accounts, without prior approval from the HOA board.
- 2) Requires an HOA board, unless its governing documents impose more stringent standards, to review all of the following on a monthly basis:



- a) A current financial institution reconciliation of the HOA's operating accounts.
  - b) A current financial institution reconciliation of the HOA's reserve accounts.
  - c) The current year's actual operating revenues and expenses compared to the current year's budget.
  - d) The latest account statements prepared by the financial institutions where the HOA has its operating and reserve accounts.
  - e) An income and expense statement for the HOA's operating and reserve accounts.
  - f) The check register, monthly general ledger, and delinquent assessment receivable reports.
- 3) Provides that the review requirements in (2) may be met when an individual board member performs them outside a board meeting provided the review is ratified at the next board meeting and the ratification is reflected in the minutes of the meeting.
- 4) Requires the HOA, unless its governing documents require greater coverage amounts, to maintain fidelity bond coverage in an amount equal to or greater than the combined amount of the HOA's reserves and total assessments for three months. Coverage shall include dishonest acts by the managing agent or Management Company and for computer fraud and funds transfer fraud.

## COMMENTS

- 1) *Purpose.* The author states that many HOA boards delegate the duty of managing the association's finances to a single board member or a professional manager, sometimes with limited oversight. An HOA's budget is dedicated primarily to updating the infrastructure and conducting maintenance within the community. There has recently been an increase in fraudulent activities related to HOA finances. The author cites an October 2017 case in a Sun City retirement community in Indio in which the management company found financial discrepancies of \$110,000 connected to a former employee. While current law provides some board actions intended to reduce fraudulent activity, it is time for those actions to be updated. This bill will provide more tools to help board members and financial managers oversee HOA funds.
- 2) *CID background.* A common interest development (CID) is a form of real estate in which each homeowner has an exclusive interest in a unit or lot and a shared or undivided interest in common-area property. Condominiums, planned unit developments, stock cooperatives, community apartments, and many resident-owned mobilehome parks all fall under the umbrella of CIDs. There

are more than 50,000 CIDs in California comprising over 4.8 million housing units, or approximately one-quarter of the state's housing stock. CIDs are governed by HOAs. The Davis-Stirling Common Interest Development Act provides the legal framework under which CIDs are established and operate. In addition to the requirements of the Act, each CID is governed according to the recorded declarations, bylaws, and operating rules of the association, collectively referred to as the governing documents.

- 3) *Opposition concerns.* The Center for California Homeowner Association Law states that this bill, though well-intentioned, will only make the problem worse because it continues to assist with the circumvention of federal statutes and regulations governing the creation and monitoring of HOA accounts held in California financial institutions. The following outlines the amendments requested by the Center, along with the author's and sponsor's responses.
- a) *Apply the bill's provisions to any individual who handles association funds, not just the managing agent.* The author and sponsor note that the definition of embezzlement in existing law already encompasses any individual who would touch or have control over an HOA's finances (Penal Code Section 508).
  - b) *Prohibit accounts from being set up in either the name of the managing agent or the association.* The author and sponsor note that existing law already prohibits an HOA account from being set up in solely the managing agent's name (see "existing law," #2a).
  - c) *Allow a third party to open an account only if specifically authorized by a board resolution.* The author and sponsor state that they are looking into contractual agreements between HOA boards and managing agents to determine whether this suggestion is feasible.
  - d) *Prohibit funds from being commingled among different associations.* The author and sponsor note that existing law already requires funds in an HOA account to be kept separate from funds belonging to the managing agent or any other person for whom the managing agent holds funds in the trust. Existing law also prohibits a managing agent from commingling HOA funds with his or her own funds, or with other accounts the managing agent may manage, unless a number of requirements are met. The only exception to this provision is accounts established prior to 1990, pursuant to negotiated language (see "existing law, #4).

- e) *Refrain from using the word “review” without specifically defining it.* The author and sponsor note that existing law already establishes a quarterly review requirement; this bill merely increases the frequency of that requirement to monthly (see “existing law,” #5).
- f) *Require the third party handling the money, rather than the association, to purchase a bond to cover losses.* The author and sponsor state that it is appropriate for the HOA to buy the bond in order to ensure it obtains the correct coverage; the agreements made between the board and the management company could individually dictate how insurance is purchased. The author and sponsor also feel that the cost should not solely be borne by the managing agent, as HOA officers, as well as managers, have been convicted of embezzlement.

4) *Double referral.* This bill has also been referred to the Judiciary Committee.

**RELATED LEGISLATION:**

**AB 690 (Quirk-Silva, Chapter 127, Statutes of 2017)** — required a CID manager or management company to disclose certain information before entering a management agreement with an HOA and requires the HOA annual budget to contain specified information relating to charges for certain documents provided by the CID manager or management company.

**Assembly Votes:**

**Floor:** 76-0  
**Jud:** 10-0  
**H&CD:** 7-0

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

Community Associations Institute (sponsor)  
 California Association of Community Managers

**OPPOSITION:**

Center for California Homeowner Association Law  
Greater Sacramento Urban League

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 2918

**Hearing Date:** 6/12/2018

**Author:** Holden

**Version:** 4/9/2018

**Urgency:** No

**Fiscal:** Yes

**Consultant:** Jeffery Song

**SUBJECT:** Vehicles: driver's handbook

**DIGEST:** This bill requires the Department of Motor Vehicles (DMV) to include within the California Driver's Handbook (Handbook) a section on a person's civil rights during a traffic stop.

**ANALYSIS:**

*Existing law:*

- 1) Requires DMV to publish a synopsis or summary of the laws regulating the operation of vehicles and the use of highways. This summary is referred to as the California Driver's Handbook.
- 2) Requires the Handbook to include language regarding the following:
  - a) Rail transit safety.
  - b) Abandonment or dumping of any animal on a highway.
  - c) The importance of respecting the right-of-way of others, particularly pedestrians, bicycle riders, and motorcycle riders

**This bill:**

- 1) Requires DMV to include within the Handbook a section on a person's civil rights during a traffic stop, including:
  - a) The limitations of a peace officer's authority during a traffic stop.
  - b) The legal rights of drivers and passengers.
  - c) Details on the process for filing complaints against a peace officer.
- 2) Requires DMV to develop this section in consultation with the civil rights section of the Department of Justice (DOJ), California Highway Patrol (CHP),

California Commission on Peace Officer Standards and Training (POST) and civil rights organizations, including community-based organizations.

- 3) Allows DMV to include the information at the earliest opportunity when the handbook is otherwise revised or reprinted.

## COMMENTS

- 1) *Purpose.* The author states that the Handbook includes suggestions on how to conduct one's self during a traffic stop, but stops short of stating the rights of the driver and what to do if the situation is escalating. In order to inform the driving population of their rights in one trusted place, AB 2918 would direct the DMV to provide information regarding a person's civil rights during a traffic stop in the Handbook.
- 2) *Driver's Handbook.* The Handbook, which is published by DMV annually, provides a synopsis of the existing rules of the road to make new drivers aware of the state's traffic laws and existing drivers aware of any changes to the law. The Handbook is used as the basis for the written test that applicants take when applying for an original driver's license. The Handbook published in 2018 is 117 pages long.
- 3) *Interactions with Police Officers.* The Handbook currently contains a section on what a driver should do during an enforcement stop. It recommends that when being pulled over: drivers should turn on their signal, move all the way to the right shoulder of the road, turn off the radio and end any phone calls, remain inside the vehicle, and place your hands within clear view, such as on the steering wheel or on top of your lap. The last part of this section provides specific steps that drivers should take to make officers feel less threatened. It is not unreasonable that the Handbook could also include a section on driver's rights during a traffic stop to make drivers feel safer and less threatened in what may be a distressing or first-time experience for some drivers. This bill would require DMV to include a section on an individual's civil rights during a traffic stop in the state, in consultation with the DOJ's civil rights section, law enforcement groups, and with civil rights organizations.
- 4) *DMV's Role.* The DMV's mission is to license drivers, register vehicles, and regulate the motor vehicle industry. Developing language on a driver and passenger's civil rights during a traffic stop is outside the purview of the DMV. It may be useful to motorists to include a section as described in the bill in the Handbook, but DMV is not the correct agency to oversee the development of

this language. **The author may wish to consider amending the bill to have DOJ develop the language, in consultation with DMV and the other specified stakeholders.**

- 5) *Logistical Issues*. The bill currently requires language on the details of filing a complaint against a peace officer to be placed in to the Handbook. The concern with this provision is that the complaint process differs throughout the state. For example, some agencies have a phone number, while others have an online form. Including the details of each complaint process for every agency and jurisdiction in the state will be impossible to do within the context of one state-wide Handbook. To achieve the goal of providing concise and helpful information on the civil rights of motorists during a traffic stop in the Handbook, **the author may wish to consider amending the bill to require language about a person's right to file a complaint with the police rather than the details of the filing processes.**

#### **RELATED LEGISLATION:**

**SB 1021 (Bowen, Chapter 898, Statutes of 2006)** — required the DMV to include within the Handbook language regarding the importance of respecting the right-of-way of pedestrians, bicycle riders, and motorcycle riders.

**SB 237 (Vincent, Chapter 300, Statutes of 2001)** — required the DMV to include within the Handbook language regarding the abandonment of any animal on a highway.

#### **Assembly Votes:**

**Floor: 59-4**

**Approps: 13-4**

**Trans: 12-0**

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

#### **SUPPORT:**

The Grand Boule of Sigma Pi Phi Fraternity, Inc.

**OPPOSITION:**

California State Sheriffs

-- END --





- 4) Permits local authorities to additionally consider residential density, under specified conditions, and pedestrian and bicycle safety.
- 5) Permits local authorities in the County of Orange, when conducting an engineering and traffic survey of the public streets within the boundaries of the common interest development known as Orange Park Acres, to additionally consider equestrian safety.
- 6) Permits local authorities in the City of Norco, when conducting an engineering and traffic survey, to additionally consider equestrian safety.

This bill permits local authorities in the city of Burbank within the boundaries of the Rancho Master Plan Area, the city of Glendale within the Horse Overlay Zone, and the city of Los Angeles within the Sylmar Community Plan and the Sunland-Tujunga-Lake View Terrace-Shadow Hills-East La Tuna Canyon Community Plan Areas, when conducting an engineering and traffic survey, to additionally consider equestrian safety.

## COMMENTS

- 1) *Purpose.* According to the author, equestrian safety is a priority of the historic neighborhoods designated by the Rancho Master Plan Area between Burbank and Glendale, the Sylmar Community Plan and the Sunland-Tujunga-Lake View Terrace-Shadow Hills-East La Tuna Canyon Area in the City of Los Angeles. These adjacent communities have maintained their western heritage since early in the 20<sup>th</sup> century, and have experienced increased traffic. This has caused safety concerns for pedestrians and equestrian users within and adjacent to these communities. This bill allows these specific communities within Glendale, Burbank, and Los Angeles to set speed limits that consider equestrian safety.
- 2) *How Speed Limits are Set.* In California and elsewhere, speed limits are generally set in accordance with engineering and traffic surveys, which measure the speed of free-flowing traffic and establish the limit at the 85<sup>th</sup> percentile (*i.e.*, the speed that 15% of motorists exceed) rounded to the nearest 5 mph increment. California uses the 85<sup>th</sup> percentile to set speed limits except in cases where the limit is set in state law, such as the 25 mile per hour (mph) limit in residence districts and school zones, or where other factors suggest a change to the speed limit is warranted. These factors, as prescribed by law, include accident data, highway, traffic, and roadway conditions not readily apparent to the driver, residential density, and pedestrian and bicyclist safety. These factors can only reduce or increase the speed limit by 5 mph. This bill would add

equestrian safety as one of these factors, for specified areas in the cities of Burbank, Glendale, and Los Angeles, similar to what has been done in prior legislation for the city of Norco and Orange Park Acres.

- 3) *Summary of Affected Areas.* Sylmar Community Plan Area<sup>1</sup> and the Sunland-Tujunga-Lake View Terrace-Shadow Hills-East La Tuna Canyon Community Plan Area<sup>2</sup> in the City of Los Angeles are semi-rural, suburban communities in the foothills of the San Gabriel Mountains. The Rancho Master Plan Area in the City of Burbank and the Horse Overlay Zone of Glendale are in urban neighborhoods, but have preserved equestrian areas and an extensive network of equestrian trails. Many residents in these communities ride their horses on public streets in order to access equestrian trails and areas. This bill allows these communities to additionally consider equestrian safety when doing their engineering and traffic surveys.
- 4) *Rules of the Road for Horseback Riders.* In general, horseback riders or horse drawn vehicles on public roads are subject to the rules of the road, such as obeying speed limits and traffic signals. Existing law requires motorists to drive with caution when approaching any horses on the road in order to not frighten them and to insure the safety of the riders. Local and state authorities are also allowed to designate equestrian crossings, with specified signs, in order to provide safe right-of-way.
- 5) *Impact of the Bill.* It is unclear as to what effect this bill would have on existing speed limits. Local authorities also already have the statutory authority to identify and consider the presence of an equestrian community, under “factors not readily apparent to the driver”, in their engineering and traffic surveys. Also, the current speed limits in the specified communities in this bill appear to have no negative impact on equestrian safety, since there have not been any reports of traffic accidents involving horses in the specified areas.
- 6) *End Around to Lower Speed Limits.* The opposition to the bill is concerned that this bill may allow local authorities to circumvent current procedure and set speed limits lower than what is reasonable. The problem with setting speed limits much lower than the 85<sup>th</sup> percentile is that it creates speed violators out of the majority of ‘reasonable’ drivers, potentially increasing ticketing and police contact with the motoring public. However, there are no reports that similar provisions given to the city of Norco or Orange Park Acres have significantly lowered the speed limits in those areas.

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<sup>1</sup> [https://planning.lacity.org/cpu/Sylmar/Draft/Draft\\_CommunityPlan.pdf](https://planning.lacity.org/cpu/Sylmar/Draft/Draft_CommunityPlan.pdf)

<sup>2</sup> <https://planning.lacity.org/complan/pdf/sldeptxt.pdf>

**RELATED LEGISLATION:**

**AB 2402 (Pacheco, Chapter 186, Statutes of 2002)** — allowed the City of Norco to also consider equestrian safety when conducting an engineering and traffic survey.

**AB 1669 (Wagner, Chapter 282, Statutes of 2014)** — allowed Orange County, within the common-interest development of Orange Park Acres, to also consider equestrian safety when conducting an engineering and traffic survey.

**Assembly Votes:**

**Floor:** 74-0  
**Trans:** 14-0

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

City of Burbank  
City of Glendale

**OPPOSITION:**

Western States Trucking Association

-- END --



<b>Total Ridership</b>	<b>10,724,225</b>
BREEZE	6,513,869
COASTER	1,426,047
SPRINTER	2,570,597
LIFT	191,195
FLEX	22,517

*Existing law:*

- 1) Creates the NCTD to acquire, construct, maintain, and operate (or let a contract to operate) public transit systems and related facilities within its jurisdiction.
- 2) Provides for the district to be governed by a board of directors, which consists of the following:
  - a) One member of the San Diego County Board of Supervisors, appointed by the board of supervisors. This member shall represent, on the board of supervisors, the largest portion of the area under the jurisdiction of the district; and,
  - b) One member of each city council of the Cities of Carlsbad, Del Mar, Encinitas, Escondido, Oceanside, San Marcos, Solana Beach, and Vista, and each new city that incorporates within the district's boundaries, appointed by the respective city council.
- 3) Requires each city and the county represented on the board to appoint one alternate member to serve on the board when the regular member is not available.

**This Bill:**

- 1) Adds a non-voting board member to the NCTD Board of Directors and further requires the non-voting member to be a Councilmember from the City of San Diego that is appointed by the City Council.

**COMMENTS**

- 1) *Purpose.* According to the author, "as the frequency of trains into San Diego increases, the City needs to be informed of the happenings and impact of the North County Transit District on its jurisdiction. AB 2982 establishes a channel of communication regarding maintenance, expansion, and other actions of the

board by creating a non-voting seat for a San Diego City representative on the North County Transit District Board of Directors."

- 2) *San Diego service.* The composition of the NCTD Board was originally established when NCTD did not serve the City of San Diego. That has since changed with COASTER service currently ending at the Santa Fe Depot in the City of San Diego and with NCTD proposing COASTER expansion to the City's convention center. Thus, expanding the NCTD Board to include a non-voting San Diego member will facilitate a channel of communication between the NCTD Board and the City of San Diego and further provide the City with necessary representation on the NCTD Board.

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

**Assembly votes:**

Floor:            54-20  
Approps:        11-5  
Loc Govt.:      6-2

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

Councilmember Christopher Ward, City of San Diego  
NCTD  
The Train Coalition, at Santa Fe Depot

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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**Bill No:** AB 2986 **Hearing Date:** 6/12/18  
**Author:** Cunningham  
**Version:** 4/19/2018  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Randy Chinn

**SUBJECT:** Transportation network companies: disclosure of participating driver information

**DIGEST:** This bill requires transportation network companies (TNC) to provide to passengers specified information about drivers and their vehicles.

**ANALYSIS:**

*Existing law:*

- 1) Establishes the California Public Utilities Commission (CPUC) to regulate privately owned public utilities and common carriers in California and directs the CPUC to regulate transportation charter-party carriers (CPCs).
- 2) Establishes TNCs, such as Lyft and Uber, as a subset of CPCs subject to CPUC regulations which include, but are not limited to:
  - a) Criminal backgrounds check on each driver and conduct a search of the United States Department of Justice National Sex Offender Public Web site.
  - b) A safety inspection of each vehicle
  - c) Minimum insurance requirements

**This bill:**

Requires TNCs to provide the following to passengers on its app:

- a) The driver's first name and picture.
- b) An image of the make and model of the TNC vehicle and the license plate number.



**COMMENTS:**

- 1) *Author's Statement.* Current regulations promulgated by the Public Utilities Commission require that an app operated by a TNC display for its passengers a picture of the driver, the driver's vehicle, and the license plate number to identify the vehicle. Recent events in San Luis Obispo, Los Angeles, and elsewhere underscore the importance of passengers having the tools to identify their TNC driver before entering a vehicle. It is all too easy for an unscrupulous driver to use even their perceived role as a TNC driver to take advantage of vulnerable passengers. AB 2986 strengthens these important PUC regulations, ensuring they are codified in state law.
- 2) *Looks Familiar.* This bill codifies existing CPUC TNC regulations<sup>1</sup>. It may be unnecessary, but the bill requirements are so fundamental that it is hard to envision how it could be harmful.
- 3) *No Impact on AVs.* This bill will not impact TNC rides offered through autonomous vehicles as the bill only deals with instances when passengers are matched with drivers.

**RELATED LEGISLATION:**

**SB 1080 (Newman, 2018)** — permits out-of-state TNC drivers who are active military members or their families to drive for a TNC without a California Driver's License provided the TNC provides those drivers with educational material about specified California driving laws.

**AB 1289 (Cooper, Chapter 740 of 2016)** — required a TNC to conduct a criminal background check for each participating driver.

**AB 2293 (Bonilla, Chapter 389 of 2014)** — established guidelines for insurance coverage for TNCs to ensure personal and financial safety of consumers.

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

**Assembly votes:**

**Communications and Conveyance:** 11-0  
**Appropriations:** 16-0  
**Floor:** 73-0

<sup>1</sup> D.13-09-045, p.27; September 19, 2013.

**POSITIONS:** (Communicated to the committee before noon on Wednesday,  
June 6, 2018.)

**SUPPORT:**

California District Attorneys Association  
Internet Association  
TechNet

**OPPOSITION:**

None received.

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**SENATE COMMITTEE ON TRANSPORTATION AND HOUSING**

**Senator Jim Beall, Chair**

**2017 - 2018 Regular**

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<b>Bill No:</b>	AB 3168	<b>Hearing Date:</b>	6/12/2018
<b>Author:</b>	Rubio		
<b>Version:</b>	4/25/2018		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Randy Chinn		

**SUBJECT:** Outdoor advertising displays: publicly owned property

**DIGEST:** This bill makes it easier to permit an advertising display near state highways.

**ANALYSIS:**

*Existing law:*

Establishes the Outdoor Advertising Act (OAA), which regulates the placement of advertising displays adjacent to and within specified distances of highways that are part of the national system of interstate, defense highways, and federal-aid highways as follows:

- a) Prohibits any advertising display from being placed or maintained on property adjacent to a section of a freeway that has been landscaped if the advertising display is designed to be viewed primarily by persons traveling on the main-traveled way of the landscaped freeway.
- b) Defines "Landscaped Freeway" as a section or sections of a freeway that is improved by the planting at least on one side or on the median of the freeway right-of-way of lawns, trees, shrubs, flowers, or other ornamental vegetation requiring reasonable maintenance.
- c) Provides for limited exemptions to the prohibition on advertising along system and landscaped freeways, including exemptions for signs advertising the property's sale or lease, signs designating the premises or its owner, and signs advertising goods or services manufactured or produced on the property itself.
- d) Provides that the OAA generally does not apply to on premise advertising displays, which include those advertising the sale of the property upon which it

is placed or that advertise the business conducted, services rendered, or goods produced or sold on the property.

- e) Allows a single advertising structure exemption for each of several cities, including an exemption for advertising on street furniture in San Francisco, several billboards situated on the grounds of the Oakland-Alameda County Coliseum complex, and structures within the Mid-City Recovery Redevelopment Project Area within Los Angeles.
- f) Requires the Department of Transportation (Caltrans) to assess penalties for a violation of the OAA, as specified. If an advertising display is placed or maintained in a location that does not conform to the relevant statutes or local ordinances, and is not removed within 30 days of written notice from the department or the city or the county with land use jurisdiction over the property upon which the advertising display is located, a penalty of \$10,000 plus \$100 for each day the advertising display is placed or maintained after the department sends written notice shall be assessed and the gross revenues received by the violator shall be disgorged. Caltrans may also request recovery of its legal costs.
- g) Provides, by contractual agreement, for Caltrans to administer the federal Outdoor Advertising Control (OAC) program, which has restrictions similar to California's OAA program, including maximum sign size, sign spacing, location, illumination, and content. If the state fails to properly administer the federal program, the state shall lose 10% of its federal highway funding.

**This bill:**

- 1) Clarifies the definition of "landscaped freeway" to exclude landscaping used to cover sound walls or fences.
- 2) Limits the existing ban on advertising displays on property adjacent to a freeway to those cases where there exists at least an average width of 20 feet of landscaping on Caltrans property at the same or on an elevated grade to the main-traveled way.
- 3) Expands the ability of a governmental entity to enter into a relocation agreement for a legally permitted advertisement display with Caltrans by allowing an advertising display to be increased in height at its permitted location, converted to a changeable message sign, or to be relocated from one landscaped freeway section to another.

- 4) Expands the ability of Caltrans to allow any legally permitted display to be increased in height at its permitted location, converted to a changeable message sign (digital), provided the height increase or conversion would not cause a reduction in federal aid highway funds or an increase in the number of displays within the state which does not conform to OAA.

## COMMENTS

- 1) *Author's Statement.* AB 3168 seeks to update provisions of the landscaped freeway provisions of the Outdoor Advertising Act. This bill will add objective criteria to the determination of what is a "landscaped freeway" and will allow for the relocation of existing landscaped signs in communities that want them, without adding to the presently existing number of displays along landscaped freeways.
- 2) *Looking Good.* The federal Highway Beautification Act of 1965 (HBA) was created to protect the public investment, promote the safety and recreational value of public travel, and to preserve the natural beauty of highways in the nation.

The HBA, whose passage has been attributed to the efforts of Lady Bird Johnson, specifies that states have the responsibility to enforce provisions regarding the placement and maintenance of outdoor advertising signs, displays, and devices along the Interstate and National Highway System. In 1968 Caltrans entered into a contractual agreement with the Federal Highway Administration (FHA) to implement and enforce the federal OAC program. Many of the OAA provisions are similar to those contained in federal law, originally established in 1965 through the HBA.

The penalty for failure to enforce federal law is severe: 10% of federal highway funds with the potential to apply the penalty retroactively. Presently, California receives \$3.5 billion annually from the federal government, meaning that at least \$350 million is at risk for failing to comply with the HBA.

- 3) *Landscaped Freeways.* In keeping with the policy of encouraging highway beautification, advertising is generally prohibited along freeways classified as "landscaped", as defined in Caltrans Outdoor Advertising Regulations. The FHA generally leaves the determination of "landscaped" to the states, which provides some flexibility in permitting advertising. Caltrans has an administrative process to declassify a freeway as non-landscaped, thus permitting an advertising display if all other permit requirements are met. Some are concerned that Caltrans' process is too rigid, which results in one-off

legislation to exempt individual billboards or locations from the state rules (though never from the FHA requirements). This bill provides more flexibility to those rules, providing the outdoor advertising industry and local governments with more options for approving new advertising without the need for legislation.

- 4) *Loosening the Rules*. This bill loosens the existing regulations, provided that doing so does not result in a loss of federal highway funding, by
  - a) Clarifying and limiting what can be considered as a landscaped highway.
  - b) Making it easier to increase the height of a sign or replace an existing stationary sign with a digital display.
  - c) Making it easier to relocate a sign by removing the existing restriction that signs may only be relocated within the jurisdiction of the city.
- 5) *No More Bills*. By clarifying and loosening existing laws and regulations on sign placement, this bill will lessen the pressure for individual exemptions to existing law and regulation. Caltrans will have more administrative flexibility to negotiate sign placement though still with the overall limitation of not increasing the number of signs. Currently Caltrans has permitted about 9,000 signs, down from about 36,000 signs 50 years ago.
- 6) *\$\$\$*. Increasingly traditional static billboards are being replaced with digital message centers. And for good reason: revenue from a digital billboard is 8-10x higher than a static billboard, which can mean \$500,000 annually.
- 7) *Technical Amendment*. The phrase “changeable message sign” is not defined in law. The author may wish to consider replacing that phrase with “message center” on page 3, line 30.

#### **RELATED LEGISLATION:**

**AB 1405 (Mullin, 2017-2018 Legislative Session)** — Establishes a statewide advertising program on state rights of way. *Pending in the Senate Transportation and Housing Committee.*

**SB 405 (Mendoza, 2017-2018 Legislative Session)** — Exempts from the OAA advertising displays located in specific geographic areas in the City of Artesia. *Pending in the Assembly G.O. Committee.*

**SB 744 (Hueso, 2017- 2018 Legislative Session)** — Creates an exemption to the OAA for several existing billboards in the County of Imperial provided the

advertising displays are approved by either Caltrans or the FHA. *Pending in the Assembly G.O. Committee.*

**SB 459 (Portantino, 2017- 2018 Legislative Session)** — Creates an exemption to the OAA for two existing billboards in the City of Upland provided the advertising displays are approved by either Caltrans or the FHA. *Held in the Senate Transportation and Housing Committee.*

**AB 1373 (Santiago, Chapter 853, Statutes of 2016)** — Created an exemption to the OAA in downtown Los Angeles provided the advertising displays are approved by either Caltrans or the FHA.

**SB 1199 (Hall, Chapter 869, Statutes of 2016)** — Created an exemption to the OAA for two billboards in the City of Inglewood, provided that such billboards do not result in a reduction of federal funding.

**SB 684 (Hill, Chapter 544, Statutes of 2013)** — Permitted existing advertising displays that advertised businesses and activities within the boundary limits of an RDA project to remain and be considered “on-premise displays” until January 1, 2023. The city or county could then apply to Caltrans for an extension, showing “good cause” beginning on January 1, 2022.

**SB 31 (Padilla, Chapter 542, Statutes of 2013)** — Recasts the arena advertising exception to exempt from the OAA specified advertising displays authorized before January 1, 2019 by local ordinance, at a venue with a capacity of 15,000 seats or more that is capable of providing a permanent venue for professional sports.

**SB 694 (Correa, Chapter 545, Statutes of 2013)** — Exempts from the Outdoor Advertising Act (OAA) advertising displays at current or future high-speed rail stations.

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

**Assembly Votes:**

Governmental Organization:	21-0
Appropriations:	17-0
Floor:	72-0

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 6, 2018.)

**SUPPORT:**

California State Outdoor Advertising Association

**OPPOSITION:**

None received.

-- END --