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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

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KATIE BONIN

STATE CAPITOL, ROOM 2209
SACRAMENTO, CA 95814
TEL (916) 651-4121

Tuesday, June 13, 2017
1:30 p.m. — John L. Burton Hearing Room (4203)
(PROPOSED CONSENT ITEMS INDICATED WITH *)

AGENDA

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- | | | |
|----------------|------------|---|
| 1. A.B. 56 | Holden | California Infrastructure and Economic Development Bank: housing. |
| 2. A.B. 673 | Chu | Public transit operators: bus procurement: safety considerations. |
| 3. A.B. 730* | Quirk | Transit districts: prohibition orders. |
| 4. A.B. 810* | Gallagher | Local alternative transportation improvement program: Feather River crossing. |
| 5. A.B. 879* | Grayson | Planning and zoning: housing element. |
| 6. A.B. 1073 | E. Garcia | California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program. |
| 7. A.B. 1189 | E. Garcia | Riverside County Transportation Commission: transactions and use tax. |
| 8. A.B. 1338* | Low | Vehicles: specialized license plates. |
| 9. A.B. 1393 | Friedman | Reckless driving: speed contests: vehicle impoundment. |
| 10. A.B. 1412* | Choi | Common interest developments: notices: volunteer officers: liability. |
| 11. A.B. 1452 | Muratsuchi | Parking: exclusive electric charging and parking on public streets. |
| 12. SCR 56* | Anderson | Historic Highway Route 67. |

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No: AB 56 **Hearing Date:** 6/13/2017
Author: Holden
Version: 4/19/2017
Urgency: No **Fiscal:** Yes
Consultant: Randy Chinn

SUBJECT: California Infrastructure and Economic Development Bank: housing.

DIGEST: This bill clarifies the definition of housing-related infrastructure for the purposes of programs administered through the California Infrastructure and Economic Development Bank (IBank), including projects funded through the Infrastructure State Revolving Fund (ISRF).

ANALYSIS:

Existing law:

- 1) Establishes the IBank within the Governor's Office of Business and Economic Development (GO-Biz) and authorizes it to undertake a variety of infrastructure related financial activities including, but not limited to, the administration of a revolving loan fund, oversight of the Small Business Finance Center, and the issuance of tax-exempt and taxable revenue bonds.
- 2) Defines "project" for purposes of the IBank to mean designing, acquiring, planning, permitting, entitling, constructing, improving, extending, restoring, financing and generally development of public development facilities, or economic development facilities within the state, or financing transition costs or the acquisition of property, or both, upon approval of financing order by the Public Utilities Commission.
- 3) Defines "economic development facilities" to mean real personal property, structures buildings, equipment, and supporting components that are used to provide industrial, recreational, research, commercial, utility, goods movement, or service enterprise facilities, community, education, cultural or social welfare facilities and any parts and all facilities or infrastructure necessary or desirable, including for working capital, but specifically excluding housing.

- 4) Defines "public development facilities" to mean real and personal property, structures, conveyances, equipment, thoroughfares, buildings, and supporting components excluding housing that related to various infrastructure projects or improvements.

This bill clarifies that "economic development facilities" includes housing-related infrastructure such as city streets; drainage, water supply, and flood control; environmental mitigation measures; power and communications; public transit improvement that directly support transit-oriented housing; sewage collection and treatment; and water treatment and distribution.

COMMENTS:

- 1) *Purpose.* According to the author, "local governments and private developers can run into problems if IBank funds are used for housing development. This bill pools together existing definitions to provide clarity and relieve ambiguity."
- 2) *Overview of the IBank.* The IBank was established in 1994 to promote "economic revitalization, enable future development, and encourage a healthy climate for jobs in California." Housed within GO-Biz, it is governed by a five-member board of directors comprised of the Director of GO-Biz (chair), the State Treasurer, and the Director of the Department of Finance, the Transportation Agency, and a Governor's appointee. With the exception of funds for program support and the Small Business Loan Guarantee Program administration, which must be annually appropriated by the State Legislature, all IBank funds are continuously appropriated without regard to fiscal year. The IBank administers three programs: (1) the Infrastructure State Revolving Fund (ISRF), which provides direct low-cost financing to public agencies for a variety of public infrastructure projects; (2) the Conduit Bond Program, which provides financing for manufacturing companies, public benefit nonprofit organizations, public agencies, and other eligible entities; and (3) the Small Business Finance Center, which helps small businesses access private financing through loan guarantees, direct loans, and performance bond guarantees.

The IBank does not receive any ongoing General Fund support. It is financed through fees, interest income, and other revenues derived from its public and private sector financing activities. There is no pledge of IBank or state general funds for any of the conduit revenue bonds.

The Infrastructure State Revolving Fund (ISRF). The ISRF is administered by the IBank. It provides financing to public entities, nonprofit organizations, and private entities to assist in the development of a wide variety of infrastructure

and economic development projects. ISRF funding is available in amounts ranging from \$50,000 to \$25,000,000, with loan terms of up to 30 years.

Examples of eligible projects include, but are not limited to: drainage, water supply and flood control; libraries and other educational facilities; environmental mitigation measures; sewage collection and treatment; solid waste collection and disposal; water treatment and distribution; and public safety facilities.

The IBank recently approved \$56.3 million in loans to state and local governmental entities and local government-sponsored not-for-profit organizations for necessary infrastructure and economic expansion projects. The total ISRF loan outstanding balance, as of October 2015, was \$294 million.

- 3) *Sharpening a Fuzzy Line.* This bill recasts existing IBank authority under the heading of “housing-related infrastructure”. Because the IBank is precluded from financing housing projects, this bill helpfully clarifies the demarcation between what the IBank can and cannot do.
- 4) *Other Financing Programs.* The California Department of Housing and Community Development (HCD) administer similar housing infrastructure programs, such as the Infill Infrastructure Grant program, the Affordable Housing and Sustainable Communities program, and the Transit Oriented Development program. These programs are often grants or deferred loan programs funded by general obligation bonds, such as Proposition 1C, making them much more financially attractive than the revenue bond-financed programs of the IBank. Moreover, housing developers are much more accustomed to looking to HCD for infrastructure funding, rather than the IBank. Consequently, this bill will likely be of modest consequence. Nevertheless, given California’s housing crisis it can’t hurt to have an additional infrastructure financing option.
- 5) *Double Referral.* The bill has been double-referred to the Senate Business, Professions and Economic Development Committee.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 7, 2017.)

SUPPORT:

California Apartment Association
California Downtown Association
City of Santa Monica

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No: AB 673

Hearing Date: 6/13/2017

Author: Chu

Version: 5/15/2017

Urgency: No

Fiscal: Yes

Consultant: Manny Leon

SUBJECT: Public transit operators: bus procurement: safety considerations.

DIGEST: This bill adds an additional safety requirement to the bus procurement process for transit operators.

ANALYSIS:

Existing law imposes various requirements on transit operators and provides funding for transit services and capital improvements.

This bill:

- 1) Requires a public transit operator, prior to procuring a new bus, to consider specific recommendations and best practice standards provided by an organization that represents bus drivers related to reducing the risk of assault on bus operators, preventing accidents caused by blind spots created by bus equipment or bus design, and enhancing the safety of passengers, bus operators, or other vehicles or pedestrians.
- 2) Provides that a transit operator is not required to implement the abovementioned recommendations.

COMMENTS:

- 1) *Purpose.* According to the author, "Safety features in transit buses are important to keep drivers, riders, and other road users safe. Reports on injuries to bus drivers and pedestrians are on the rise. AB 673 takes a step forward to protect those at risk and ensure that recommendations on safety features are considered prior to procurement of new transit buses."
- 2) *Additional Safety review.* Proponents of this bill assert that the existing procurement process for new buses does not provide drivers the opportunity to offer safety recommendations prior to buses being purchased for operations.

While transit agencies factor in a number of variables such as cost, reliability, and efficiency, other safety features may not fully be considered. Meanwhile, transit agencies across the state note that driver assaults and pedestrian/bicyclist accidents remain an issue. In support of this bill, the California Transit Association writes that, as these issues have come to the attention of transit agencies, "transit agency members have begun to explore investments and legislative remedies to ensure that assaults on bus operators are prevented, and in instances where they do occur, appropriately handled."

This bill would provide clear direction to transit operators to work in collaboration with labor representatives during the procurement process for new buses, but still allow these operators to proceed with the procurement in a cost efficient manner.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 7, 2017.)

SUPPORT:

California Conference Board of the Amalgamated Transit Union (Co-Sponsor)
California Labor Federation (Co-Sponsor)
California Teamsters Public Affairs Council (Co-Sponsor)
American Federation of State, County and Municipal Employees
California Transit Association

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No: AB 730

Hearing Date: 6/13/2017

Author: Quirk

Version: 2/15/2017

Urgency: No

Fiscal: No

Consultant: Manny Leon

SUBJECT: Transit districts: prohibition orders.

DIGEST: This bill repeals the sunset that allows the San Francisco Bay Area Rapid Transit District (BART) to issue prohibition orders, as specified.

ANALYSIS:

Existing Law:

- 1) Authorizes the Sacramento Regional Transit District and Fresno Area Express to issue prohibition orders as specified below. Furthermore, until January 1, 2018, authorizes BART to similarly issue prohibition orders, as specified.
- 2) Authorizes the abovementioned transit districts to issue a prohibition order to any person who, on at least three separate occasions within a period of 90 consecutive days, is cited for an infraction committed in or on a vehicle, bus stop, or light rail station of the transit district for any of the following acts:
 - a) Interfering with the operator or operation of a transit vehicle, or impeding the safe boarding or alighting of passengers;
 - b) Committing any act or engaging in any behavior that may, with reasonable foreseeability, cause harm or injury to any person or property;
 - c) Willfully disturbing others on or in a transit facility or vehicle by engaging in boisterous or unruly behavior;
 - d) Carrying an explosive, acid, or flammable liquid in a public transit facility or vehicle;
 - e) Urinating or defecating in a transit facility or vehicle, except in a lavatory;

- f) Willfully blocking the free movement of another person in a transit facility or vehicle; or,
 - g) Defacing with graffiti the interior or exterior of the facilities or vehicles of a public transportation system.
- 3) Authorizes a prohibition order to be issued to a person arrested or convicted for any misdemeanor or felony committed in or on a vehicle, bus stop, or light rail station of the transit district, for acts involving violence, threats of violence, lewd or lascivious behavior, or possession for sale or sale of a controlled substance.
 - 4) Authorizes a prohibition order to be issued to a person convicted of loitering with the intent to commit specified drug offenses or loitering with intent to commit prostitution.
 - 5) Prohibits a person subject to a prohibition order from entering the property, facilities, or vehicles of the transit district for a period of time deemed appropriate by the transit district, provided that the duration of the prohibition order does not exceed the following specified time limits:
 - a) 30 days for a first order, 90 days for a second order within one year, and 180 days for a third order within one year related to infractions; or,
 - b) 30 days if issued pursuant to an arrest for a misdemeanor or felony offense. Upon conviction for the offense, the order may be extended to a total of 180 days for a misdemeanor and one year for a felony.
 - 6) Specifies prohibition processes, notification procedures, and hearing and appeal procedures.
 - 7) Requires the transit district to establish an advisory committee and to ensure that personnel charged with issuance and enforcement of prohibition orders receive training as emphasized and as recommended by the advisory committee. Tasks the advisory committee with responsibilities, as specified. Authorizes existing advisory committees to be used if appropriate.

This bill repeals the sunset that allows BART to issue prohibition orders, as specified.

COMMENTS:

- 1) *Purpose.* According to the author, "Rider comfort and safety is a priority for BART personnel. In an effort to respond to growing public safety concerns, BART was allowed to enter into a pilot program to issue prohibition orders. These were to be issued as a last result when other efforts to protect the public failed. Safeguards were added to protect against abuse. Over the last three years, data tells us that although the number of prohibitions orders issued fluctuated from year to year, overall reports of violent crime dropped between 2013 and 2016. This reduction in violent crime occurred during a period of steady BART ridership growth. Safety should not be an issue when it comes to public transportation. By permanently granting BART the authority to issue prohibition orders, will continue to provide BART with the tools it needs to make sure all Californians are provided with a safe and comfortable environment when traveling."
- 2) *BART and prohibition orders.* AB 716 (Dickinson) Chapter 534, Statutes of 2011 authorized the creation of a three-year pilot program under which BART could issue prohibition orders denying passengers committing certain illegal behaviors entry onto transit vehicles and facilities. In 2013, BART initiated its AB 716 program, which also required BART to provide the Legislature with annual reports on the program.

The annual report for 2013 indicated that BART issued 146 prohibition orders between May 6, 2013, and December 31, 2013. None of the alleged violators contested the order. Twenty-five percent of those orders were related to domestic violence.

For 2014, the annual report indicated that BART issued 281 prohibition orders. Six of the alleged violators contested the order. Twenty percent of the prohibition orders issued involved domestic violence cases, a decrease from 2013.

SB1154 (Hancock) Chapter 559, Statutes of 2014, permitted BART to continue issuing these prohibition orders until January 1, 2018. The bill also clarified that BART Police Officers have the authority to issue emergency protective orders for individuals in a stalking situation within the transit system, and that they have the authority to take custody of weapons while investigating domestic violence situations.

The most recent annual report for 2015 indicated that BART issued 255 prohibition orders. Five of the alleged violators contested the order. The report

reflects a reduction in the issuance of prohibition orders in the areas of robbery, batteries/threats involving patrons and threats/batteries involving employees (including officers). Violent crimes committed on the district property declined from 158 in 2014, to 123 in 2015. At the same time, overall ridership increased.

The report reflected that 25 percent of the prohibition orders in 2015 were related to domestic violence, a slight increase from 2014. The report attributes this to stations being used for a child custody exchange location as directed by the courts. The report stated that these meetings sometimes lead to domestic violence. These incidents may decrease with the authority granted to BART police to issue emergency protective orders at stations under SB 1154, along with continued outreach and public awareness efforts.

- 3) *Remove Sunset?* The sponsors of this bill, BART, contend that prohibition orders are one of several effective enforcement tools to ensure the safety of its passengers. While prohibition orders have assisted in serving as an effective deterrent, criminal activity remains an issue. For example, in November 2016, a BART rider was arrested after sexually assaulting a minor. Additionally, in May 2017, a BART rider was asserted for battering a female BART employee. In both instances, prohibition orders were issued to these individuals. Thus, removal of the sunset provision while maintaining the existing oversight and contesting mechanisms is a reasonable measure to ensure public safety remains a priority for BART.

RELATED LEGISLATION:

AB 468 (Santiago, 2017) — adds the Los Angeles County Metropolitan Transportation Authority to the transit districts authorized to issue prohibition orders to passengers committing certain illegal behaviors. This bill is scheduled to be heard by this committee at the June 20th hearing.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 7, 2017.)

SUPPORT:

San Francisco Bay Area Rapid Transit District (BART)

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No: AB 810 **Hearing Date:** 6/13/2017
Author: Gallagher
Version: 2/15/2017
Urgency: No **Fiscal:** Yes
Consultant: Manny Leon

SUBJECT: Local alternative transportation improvement program: Feather River crossing

DIGEST: This bill authorizes the development of a local alternative transportation improvement program (LATIP) in Sutter and Yuba counties.

ANALYSIS:

Existing law:

- 1) Allows the California Department of Transportation (Caltrans) to acquire any real property that it considers necessary for state highway purposes.
- 2) Allows Caltrans, whenever it determines that any real property acquired by the state for highway purposes is no longer necessary for those purposes, to sell or exchange it in the manner and upon terms, standards, and conditions established by CTC.
- 3) Requires Caltrans, to the greatest extent possible, to offer to sell or exchange excess real property within one year from the date that it determines the property is excess.
- 4) Generally requires state and local agencies, prior to disposing of excess lands, first to offer property for sale or lease to local public agencies for public purposes.
- 5) Directs the proceeds from the sale of excess property to be deposited first to the State Highway Account and then transferred to the Transportation Debt Service Fund to pay debt service on general obligation transportation bonds.

This bill:

- 1) Authorizes the City of Yuba City and the Counties of Sutter and Yuba, acting jointly with a transportation planning agency, to develop and file with the

California Transportation Commission (CTC) a LATIP to replace a long-stalled state transportation project for a Feather River crossing.

- 2) Provides that the CTC is to have final approval authority of the LATIP, and provides that no LATIP shall be submitted to the CTC after July 1, 2020.
- 3) Directs the proceeds from the sale of properties previously purchased for the state-planned project, less any needed reimbursements and costs to sell the properties, to be allocated by the CTC to fund the LATIP, and exempts these proceeds from north/south split and county share formulas.

COMMENTS:

- 1) *Purpose.* According to the author, "AB 810 would allow Yuba City and Yuba and Sutter counties to keep funds from the sale of properties that the Department of Transportation originally acquired to build a third bridge across the Feather River. Since these parcels were originally acquired to benefit Yuba and Sutter county motorists, the funds from the sale of the parcels should be spent in these counties. The city and counties intend to pursue another bridge project to meet local transportation needs and plans to use the funds to buy the right-of-way needed for this project. Allowing locals to use these funds to pursue an alternative to the state bridge project, subject to approval by the California Transportation Commission, will ultimately result in a cost-effective project that meets local needs while avoiding the need for the state to fund such a project in the future."
- 2) *Feather River project.* The Feather River crossing project is being proposed by Yuba City and Yuba and Sutter Counties. The project would replace an earlier Caltrans project that the department is no longer pursuing. The state project was proposed to be built at Bogue Road and would have crossed the river to connect to the Feather River Parkway. In anticipation of the project being built, Caltrans purchased approximately 138 acres of property in the 1990's, valued at roughly \$7 million at the time of purchase. Subsequently, Caltrans started the environmental review process for the project but never completed it. An initial value analysis study indicated the cost of the crossing was exceptionally high due to the need to raise the roadway out of the floodplain so that it would provide continuous access during flood events. As a result of this study, Caltrans shelved the project and the project has languished since. Caltrans has determined that most of the property previously purchased for the original project is excess and is holding on to the properties in anticipation of the local agencies needing them for a locally developed Feather River crossing project.

The proposed locally developed project will consist of Yuba City using the funds from the sale of excess property to acquire the right-of way for a local bridge crossing that will be more cost effective than the original Caltrans proposal. The estimate for a new local bridge is approximately \$130 Million. In 1995, the estimate for a new bridge constructed by Caltrans was \$175 Million.

- 3) *LATIP*. In order for this local project to move forward, Yuba city, in collaboration with the regional transportation agency, the CTC, and Caltrans is required to develop and submit a LATIP for the CTC to approve. The LATIP will serve as the project proposal that, if approved by CTC, will serve as the local alternative plan for the Feather River project and allow for the revenue generated from excess property to be transferred to the project. Similar to previous legislation (see below), this bill provides the authorization to allow the City of Yuba to proceed with developing a LATIP.

RELATED LEGISLATION:

SB 416 (Liu, Chapter 468, Statutes of 2013) — directed the revenue from the sale of surplus properties in the SR 710 corridor in Los Angeles County to local transportation improvements.

SB 791 (Corbett, Chapter 705, Statutes of 2008) — authorized the use of revenues from sales of excess properties for projects in the LATIP.

AB 1462 (Torrico, Chapter 619, Statutes of 2005) — added SR 84 to provisions providing for the LATIP in Alameda County.

SB 509 (Figueroa, Chapter 611, Statutes of 2004) — revived the LATIP process and established a new deadline of January 1, 2010.

SB 296 (Lockyer, Chapter 494, Statutes of 1985) — extended the deadline to submit the LATIP to January 1, 1988.

SB 1711 (Holmdahl, Chapter 799, Statutes of 1982) — allowed local transportation authorities to develop a LATIP for the SR 238 project by January 1, 1986.

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

POSITIONS: (Communicated to the committee before noon on Wednesday,
June 7, 2017.)

SUPPORT:

City of Yuba City
Yuba County Board of Supervisors
Yuba-Sutter Chamber of Commerce

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No: AB 879 **Hearing Date:** 6/13/2017
Author: Grayson
Version: 4/20/2017 Amended
Urgency: No **Fiscal:** Yes
Consultant: Alison Hughes

SUBJECT: Planning and zoning: housing element.

DIGEST: This bill requires local governments to include an expanded analysis of nongovernmental constraints on housing development in their housing elements.

ANALYSIS:

Existing law:

- 1) Requires every city and county to prepare and adopt a general plan containing seven mandatory elements, including a housing element. The housing element must identify and analyze existing and projected housing needs, identify adequate sites with appropriate zoning to meet the housing needs of all income segments of the community, and ensure that regulatory systems provide opportunities for, and do not unduly constrain, housing development.
- 2) Requires local governments located within the territory of a metropolitan planning organization (MPO) to revise their housing elements every eight years following the adoption of every other regional transportation plan. Local governments in rural non-MPO regions must revise their housing elements every five years.
- 3) Requires, prior to each housing element revision, that each council of governments (COG), in conjunction with the Department of Housing and Community Development (HCD), prepare a regional housing needs assessment (RHNA) and allocate to each jurisdiction in the region its fair share of the housing need for all income categories. Where a COG does not exist, HCD determines the local share of the region's housing need.
- 4) Requires housing elements to include an inventory of land suitable for residential development that identifies enough sites that can be developed for

housing within the planning period to accommodate the local government's entire share of the RHNA.

- 5) Allows a local government to do either of the following to show that a site is adequate to accommodate some portion of its share of the RHNA for lower-income households:
 - a) Provide an analysis demonstrating that the site is adequate to support lower-income housing development at its zoned density level, and requires the analysis to include, but not be limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone or zones that provide housing for lower income households; or
 - b) Zone the site at the jurisdiction's "default" density level.
- 6) Requires a housing element to include an analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels and for persons with disabilities, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. This analysis shall demonstrate local efforts to remove governmental constraints that hinder the local government from meeting its share of the RHNA and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters.
- 7) Requires a housing element to include an analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction.
- 8) Requires a housing element to address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities.

This bill:

- 1) Requires the analysis of potential and actual nongovernmental constraints to demonstrate local efforts to remove nongovernmental constraints that create

a gap between the locality's planning for the development of housing for all income levels and the construction of that housing.

- 2) Requires the analysis of potential and actual nongovernmental constraints to also include the following:
 - a) The requests to develop housing at densities below those anticipated in the required in the analysis of sites sufficient to provide for the locality's share of the regional housing needs.
 - b) The lengths of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality RHNA.
- 3) Requires a housing element, in addition to governmental constraints, to address and, where appropriate and legally possible, to remove nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities

COMMENTS:

- 1) *Purpose.* According to the author, California is experiencing an acute shortage of new housing construction. According to HCD, California needs to produce approximately 180,000 units of housing per year to keep pace with population growth; it currently produces less than half that amount. A lack of housing stock disproportionately affects working and middle-class households. A recent report by HCD found that California is short 1.5 million rental units priced for very low-, low-, and extremely low-income households. Under current law, local governments are required to include in their housing elements an analysis of potential and actual governmental constraints upon housing development. Governmental constraints include land use controls, building codes, fees, and permit procedures. These factors, however, only tell half the story, as nongovernmental constraints, such as long- and short-term economic trends, declining sources of state and federal funding, and changes in interest rates, all have a significant impact on the development of housing stock. There is no way to quantify these effects. This bill will lead to a more comprehensive understanding of the factors affecting housing development by requiring housing elements to include an analysis of potential and actual non-

governmental constraints upon development, maintenance, and improvement of housing for all income levels.

- 2) *Background of Housing Elements.* Every city and county in California is required to develop a general plan that outlines the community's vision of future development through a series of policy statements and goals. A community's general plan lays the foundation for all future land use decisions, as these decisions must be consistent with the plan. General plans are comprised of several elements that address various land use topics. Seven elements are mandated by state law: land use, circulation, housing, conservation, open-space, noise, and safety. The land use element sets a community's goals on the most fundamental planning issues — such as the distribution of uses throughout a community, as well as population and building densities — while other elements address more specific topics. Communities also may include elements addressing other topics—such as economic development, public facilities, and parks — at their discretion.

Each community's general plan must include a housing element, which outlines a long-term plan for meeting the community's existing and projected housing needs. The housing element demonstrates how the community plans to accommodate its "fair share" of its region's housing needs. To do so, each community establishes an inventory of sites designated for new housing that is sufficient to accommodate its fair share. Communities also identify regulatory barriers to housing development and propose strategies to address those barriers. State law requires cities and counties to update their housing elements every eight years.

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

- 3) *Identifying nongovernmental constraints to housing development.* According to the author, this bill will lead to a more comprehensive understanding of the factors affecting housing development by requiring housing element reports to include an analysis of potential and actual nongovernmental constraints upon the development, maintenance, and improvement of housing for all income levels. This bill requires locals to include efforts to remove nongovernmental constraints. By identifying these constraints and developing a plan of action to

overcome them, this bill will help local governments to address California's housing crisis.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 7th, 2017.)

SUPPORT:

League of California Cities (sponsor)
Association of Regional Center Agencies
California Apartment Association
California Association of Realtors
City of Indian Wells
The Arc and United Cerebral Palsy California Collaboration

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No:	AB 1073	Hearing Date:	6/13/17
Author:	Eduardo Garcia		
Version:	2/16/2017		
Urgency:	No	Fiscal:	Yes
Consultant:	Erin Riches		

SUBJECT: California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program

DIGEST: This bill extends the sunset on a set-aside within the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program (SB 1204 Program) under the state Air Resources Board (ARB).

ANALYSIS:

Existing law:

- 1) AB 32, Nunez and Pavley, Chapter 488, Statutes of 2006 requires ARB to adopt a statewide greenhouse gas (GHG) emissions limit that is equivalent to 1990 levels, to be achieved by 2020, and to adopt GHG emissions reduction measures by regulation. As part of the implementation of AB 32, ARB adopted a cap-and-trade program that caps allowable statewide emissions and provides for the auctioning of emission credits, the proceeds of which are deposited quarterly into the Greenhouse Gas Reduction Fund (GGRF) for appropriation by the Legislature.
- 2) Executive Order B-30-2015, issued by the Governor in 2015, sets a target of reducing statewide GHG emissions to 80% below 1990 levels by 2050, and an interim statewide GHG emissions reduction target of 40% below 1990 levels by 2030. SB 32, Pavley, Chapter 249, Statutes of 2016 codifies the 2030 GHG emissions reduction target in Executive Order B-30-2015.
- 3) SB 1204, Lara, Chapter 524 of 2014 establishes a program to fund development, demonstration, pre-commercial pilot, and early commercial deployment of zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies. The SB 1204 Program is funded with GGRF monies as part of the umbrella of Low Carbon Transportation programs under

ARB. ARB's 2016-17 funding plan proposed \$500 million from the GGRF for all of the Low Carbon Transportation programs. At least 20% of the funding for the SB 1204 Program must go to early commercial development of existing zero- and near-zero-emission heavy-duty truck technology until January 1, 2018. ARB must prioritize projects that demonstrate benefit to disadvantaged communities, address technology and market barriers not addressed by other programs, and enabling technologies that benefit multiple technology pathways.

This bill extends the sunset from January 1, 2018 to January 1, 2023, for the 20% set-aside for early commercial development of existing zero and near-zero emission heavy-duty trucks within the SB 1204 Program.

COMMENTS:

- 1) *Purpose.* The author states that this bill provides funding needed to deliver the emission reductions from heavy-duty trucks called for in the state's Mobile Source Strategy. Reducing emissions from heavy-duty trucks, the largest source of emissions in the transportation sector is critical to protecting public health in some of our most vulnerable communities. Additionally, prioritizing lower emissions from heavy-duty trucks and buses will achieve significant greenhouse gas reductions needed to achieve the state's long-term climate change goals.
- 2) *Background.* The SB 1204 Program funds development of zero- and near-zero-emission technologies for trucks, buses, off-road vehicles, and equipment at ports, well as in the agricultural, marine, and rail sectors. The intent was to establish a single, overarching program to develop and deploy heavy-duty vehicles because the author felt that these vehicles were not being adequately addressed through existing incentive programs. The SB 1204 Program complements other heavy-duty vehicle programs; for example, while the SB 1204 Program focuses on development and deployment of clean truck technology, the Hybrid and Zero Emission Truck and Bus Voucher Incentive Project (HVIP), also funded by the GGRF, provides vouchers to reduce the cost of purchasing a hybrid or zero-emission truck.
- 3) *Cleaning up the air by cleaning up trucks.* The federal Clean Air Act requires all air districts in the nation to meet certain air quality standards; those that fail to meet the standards are deemed "non-attainment" areas. According to ARB's *Mobile Source Strategy* (May 2016), both the South Coast and San Joaquin air basins are classified as non-attainment. ARB and both air districts are working

to implement numerous measures to bring these areas to attainment by reducing particulate matter, ozone, and other pollutants. The author notes that although trucking is vital to the state's economy, it is the single largest source of pollution in these two areas, particularly near freeways, ports, and rail depots. The *Mobile Source Strategy* calls for internal combustion engine technology in the heavy-duty sector that is effectively 90% cleaner than today's current standards, with clean, renewable fuels comprising half the fuels burned. The SB 1204 Program helps to fund the development and deployment of this technology.

- 4) *Where is the money going?* The SB 1204 Program officially commenced on July 1, 2015. In October 2015, ARB released a competitive solicitation for the Zero-Emission Truck Pilot Commercial Deployment Project that include \$24 million carried forward from fiscal year 2014-15, with an option to add future funds upon appropriation by the Legislature. An additional \$60 million from fiscal year 20-16-17 was allocated in October 2016, for a total of \$84 million. The solicitation was significantly oversubscribed, with funding requests totaling \$290 million. ARB selected nine projects, to be supplemented with an additional \$59 million in match funding from federal, state, local, and private sources. These projects included, among others, \$9.5 million to the City of Porterville to help fund the purchase and operation of 10 zero-emission transit buses; \$8.0 million to the Sacramento Metropolitan Air Quality Management District to help deploy 29 zero-emission school buses with 29 charging ports; and \$2.7 million to the Bay Area Air Quality Management District to help deploy 11 zero-emission battery electric trucks for Goodwill Industries.
- 5) *Double-referred.* This bill has also been referred to the Environmental Quality Committee.

RELATED LEGISLATION:

AB 2415 (E. Garcia, 2016) — would have increased the set-aside in the SB 1204 Program to 50% or \$100 million per year, whichever was greater. *This bill was held on suspense in the Assembly Appropriations Committee.*

AB 857 (Perea, 2015) — would have increased the set-aside in the SB 1204 Program to 50% or \$100 million per year, whichever was greater. *This bill was held on suspense in the Senate Appropriations Committee and subsequently amended to address a different subject.*

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

POSITIONS: (Communicated to the committee before noon on Wednesday,
June 7, 2017.)

SUPPORT:

Clean Energy
Coalition for Renewable Natural Gas

OPPOSITION:

None received.

-- END --

- 7) Requires RCTC, with respect to transactions and use tax revenues, to adopt an annual budget and cause a post audit of the financial transactions and records, as specified.

This bill:

- 1) Makes changes to the existing authority granted to the Riverside County Transportation Commission (RCTC) to impose a transaction and use tax by increasing the maximum tax rate from 0.5% to 1% RCTC may impose, subject to an ordinance adopted by two-thirds of RCTC and approved by two-thirds of the voters.
- 2) Prohibits RCTC from levying a transaction and use tax or multiple taxes at a rate other than 1%, 0.75%, 0.5%, or 0.25%, unless specifically authorized by statute.
- 3) Makes conforming changes to the two-thirds voter approval threshold required for the increase of a transactions and use tax imposed by RCTC pursuant to existing law.

COMMENTS:

- 1) *Purpose.* According to the author, "Transportation funding is limited. Solutions from Sacramento and Washington are uncertain and still likely to fall short of meeting the needs of one of California's fastest-growing and most diverse counties. As the backlog of unfunded transportation projects increases and the population and economy grow, so does traffic congestion and its related impacts on health and economic productivity. What's more, state transportation funding is inadequate and federal transportation funding is uncertain. This bill is a housekeeping item to provide legal clarity so that RCTC has the option to ask Riverside County voters for an additional one-half or one-quarter of one cent sales tax measure."
- 2) *Transactions and Use Taxes.* Existing law authorizes cities and counties to impose transactions and use taxes in 0.125% increments in addition to the state's 7.5% sales tax provided that the combined rate in the county does not exceed 2%. Transactions and use taxes are taxes imposed on the total retail price of any tangible personal property and the use or storage of such property when sales tax is not paid. These types of taxes may be levied as general taxes (majority vote required), which are unrestricted, or special taxes (two-thirds vote required), which are restricted for a specified use.

Transactions and Use Tax law authorizes the adoption of local add-on rates to the combined state and local sales tax rate. The law has been amended multiple times to authorize specific cities, counties, special districts and county transportation authorities to impose a transaction and use tax, if voters approve the tax. Currently, twenty four counties within California have transactions and use taxes for transportation.

- 3) *Measure A.* Measure A, a half-cent sales tax measure, was approved by Riverside County voters in 1988 with 78.8% approval. This original measure ran for 20 years and sunset in 2009. Measure A was reauthorized by the voters in 2002 with 69.2% approval. Measure A will now sunset in June 2039. Revenue generated through Measure A has funded transportation improvement projects within Riverside County on State Route 60, State Route 91, and the State Route 60/91/215 interchange.
- 4) *SB 1.* Recently passed by the Legislature and signed by the Governor, SB 1 (Beall, Chapter 5, Statutes of 2017) is a transportation funding package projected to bring in \$5.2 billion annually for road rehabilitation, transit improvement, and trade corridor enhancement projects. The historic passage of this transportation funding package was in response to the clear message that the state's roads and highways and transit systems are in dire need of significant improvements and rehabilitation. This past winter season's storms exacerbated this need by requiring the State Department of Transportation (Caltrans) to issue over \$800 million in emergency contracts for road repair. Once implemented, SB 1 revenues will assist local transportation and transit agencies in cutting down on the existing backlog in their respective jurisdictions.
- 5) *Local needs.* Despite this new wave of transportation funding, the need has not been met: Riverside County is still experiencing significant transportation funding shortfalls. While SB 1 will provide new funding targeted at road repair and rehabilitation, local agencies (including RCTC) continue to struggle to fund other local transportation projects and programs such as transit operations and highway improvements. For example, according to RCTC's Strategic Assessment, the report identifies a \$15.8 billion shortfall to build the capital infrastructure to sustain the county's needs by 2039 (including transit, active transportation, highways, and rail), and a \$238 million one-time deficit for transit maintenance and operations. This bill aims to provide RCTC with a local funding option that may be used in the future (upon voter approval) to meet the region's transportation needs.

6) *Double Referral.* This bill has been double referred to the Senate Governance and Finance Committee.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 7, 2017.)

SUPPORT:

Riverside County Transportation Commission [SPONSOR]
California State Council of Laborers
California-Nevada Conference of Operating Engineers
Coachella Valley Association of Governments
HNTB
Mobility 21
Riverside Transit Agency
Self-Help Counties Coalition

OPPOSITION:

Howard Jarvis Taxpayers Association

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No:	AB 1338	Hearing Date:	6/13/2017
Author:	Low		
Version:	2/17/2017		
Urgency:	No	Fiscal:	Yes
Consultant:	Randy Chinn		

SUBJECT: Vehicles: specialized license plates.

DIGEST: This bill expands the eligibility criteria for persons authorized to obtain a "California Firefighter" license plate to include a surviving spouse, domestic partner, or child of a retired or deceased firefighter.

ANALYSIS:

Existing law:

- 1) Authorizes a person who is a firefighter or retired firefighter to apply to the Department of Motor Vehicles (DMV) for a "California Firefighter" license plate upon their showing of satisfactory proof that they are employed, or retired in good standing, as an officer, an employee, or a member of a public fire department or fire service.
- 2) Allows the surviving spouse of the original firefighter applicant to retain the special license plates upon the death of the applicant, and in the absence of a surviving spouse, allows a member of the deceased firefighter's family to retain one of the special license plates as a family heirloom that is invalid for vehicle registration purposes.
- 3) Requires a fee of \$50 for the initial issuance of the special license plates, \$35 for the renewal or replacement of the special license plates, and \$15 for the transfer of the special license plates; requires the revenues of the special fees to be deposited in the California Firefighters' Memorial Fund, after DMV's costs have been deducted; requires fees charged for the issuance of "California Firefighter" special license plates as environmental license plates to be deposited in the California Environmental License Plate Fund.
- 4) Requires all money raised from the issuance of "California Firefighter" license plates and transferred to the California Firefighters' Memorial Fund to be

allocated to the California Fire Foundation, after the Franchise Tax Board and the State Controller's costs have been deducted.

This bill expands the eligibility criteria for persons authorized to obtain a "California Firefighter" license plate to include a surviving spouse, domestic partner, or child of a retired or deceased firefighter.

COMMENTS:

- 1) *Purpose.* The author indicates that this bill is necessary to provide another tool to support the California Fire Foundation.
- 2) *Background.* Created by AB 941 (Nolan), Chapter 1304, Statutes of 1994, the "California Firefighter" license plate generates funds for the California Firefighter's Memorial Fund (Fund). The Fund in turn provides assistance to the California Fire Foundation, a nonprofit 501(c) (3) tax-exempt organization. The Foundation uses its resources to fund memorial ceremonies honoring fallen firefighters, educational scholarships for surviving children of fallen firefighters, local community fire safety preparedness projects, firefighter community outreach events, and supplemental fire victim assistance programs. The Fund also pays for maintenance and repair of the California Firefighters' Memorial on the grounds of the State Capitol, among other purposes.

As of March 2017, approximately \$14.78 million has been generated from the 42,000 "California Firefighter" license plates that have been issued since the plate's creation, with 17,335 of the license plates registered in California today. The Fund also receives revenues from a voluntary tax check-off when filing state income taxes.

- 3) *Administration.* In administering this program, the DMV will need to determine how the child of a deceased firefighter can demonstrate that they are eligible to obtain the "California Firefighter" license plate. Presumably this will require some coordination with the relevant fire department.
- 4) *Exclusive.* If the goal is to raise funding for the Fund it would make more sense to remove any limitation on who can obtain the California Firefighter license plate, opening the door to anyone who wishes to honor firefighters and contribute to the fund. However, the sponsors wish to reserve this license plate to the fraternity of people who have actually been firefighters, and, with this bill, to extend this privilege to surviving spouses and children.

RELATED LEGISLATION:

AB 1561 (Rodriguez, Chapter 127, Statutes of 2014) — extended the sunset date of the California Firefighters' Memorial Fund from January 1, 2016, to January 1, 2026.

SB 88 (DeSaulnier, Chapter 304, Statutes of 2010) — increased fees for obtaining "California Firefighter" license plates and established procedures for their retention upon the death of the firefighter who held them

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 7, 2017.)

SUPPORT:

California Professional Firefighters (sponsor)

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No:	AB 1393	Hearing Date:	6/13/2017
Author:	Friedman		
Version:	6/6/2017 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Manny Leon		

SUBJECT: Reckless driving: speed contests: vehicle impoundment.

DIGEST: This bill provides that a vehicle may be impounded for 30 days if the vehicle's registered owner is convicted of reckless driving or engaging in a speed contest while operating the vehicle, as specified.

ANALYSIS:

Existing law:

- 1) Provides that any person who drives a vehicle upon a highway in willful or wanton disregard for the safety of persons or property is guilty of reckless driving.
- 2) Provides that when a person is arrested for street racing or a speed contest, an officer may impound the vehicle for not more than 30 days and that the registered and legal owner of the vehicle is required to be provided a hearing regarding the storage of the vehicle.
- 3) Prohibits a person from engaging in any motor vehicle speed contest which includes a motor vehicle race against another vehicle, a clock, or other timing device.
- 4) Prohibits a person from aiding or abetting in a speed contest.
- 5) Specifies the penalty for a speed contest or the exhibition of speed is a misdemeanor.

This bill:

- 1) Restates that for a first offense, a vehicle may be impounded for 30 days, at the owner's expense, if the vehicle's registered owner is convicted of reckless driving or engaging in a speed contest.
- 2) Provides that for a second and every other subsequent offense, a vehicle will be impounded for 30 days, at the owner's expense, if the vehicle's registered owner is convicted of reckless driving or engaging in a speed contest.
- 3) Authorizes the court to waive the 30-day impoundment requirements if the court determines that impoundment of the vehicle would impose an undue hardship on the registered owner's family.
- 4) Provides that impounded vehicles may be released before the 30th day if the legal owner is a motor vehicle dealer, bank, or other financial institution that holds an interest in the vehicle provided the storage and towing fees are paid by the legal owner.
- 5) Relative to speed contests, authorizes an officer to issue a notice to correct for a violation of a mechanical or safety requirement and require that the correction be made within 30 days after the date the vehicle is released from impound.

COMMENTS:

- 1) *Purpose.* According to the author, "AB 1393 provides some clarity to the law, including a mandatory 30-day impoundment and the required removal of any illegal modifications to a vehicle. By incorporating evidence-based penalties, the law will have the potential to alter driver behavior significantly and improve overall public safety."
- 2) *Sideshows and Speed Contests.* A sideshow is where one or a number of vehicles engage in or are involved in illegal reckless driving activities. Increasing in popularity, sideshows involves participants setting up blockades on a highway with drivers engaging in dangerous driving behavior including "spinning donuts" or the "burning" of tires. Due to their growing popularity and increased crackdowns by law enforcement, sideshows are being staged beyond local streets and highways to empty parking facilities.

Since 2015, numerous news reports from the Bay Area have noted that illegal street racing has been prevalent in cities — with many incidents of illegal racing occurring from Oakland down to San Jose. Traffic data collected by the

California Highway Patrol (CHP) show that over the last two years, CHP has issued 5,419 citations (2,943 in 2015 and 2,476 in 2016) resulting in convictions for engaging in, aiding, or abetting exhibition of speed on a highway.

- 3) *Impoundment.* While illegal street racing has become a known problem amongst law enforcement officials, research has found that vehicle impoundments are an effective public safety tool that has also been proven to change driver behavior. According to the U.S. Department of Justice (DOJ), impounding and/or forfeiting vehicles used in street racing has been found to be an effective deterrent due to the threat of loss of valuable property and means to race. DOJ states that this response works best when the ordinance is widely publicized to deter illegal racing and an impound fee is assessed in order for the driver to reclaim the vehicle.

Additionally, a study by the National Highway Traffic Safety Administration (NHTSA) that evaluated California's 30-day impoundment requirement for motorists driving with a suspended driver's license found that when drivers had their vehicles impounded, "their subsequent traffic violations and crashes were reduced substantially." Furthermore, a DMV study also found that the 30-day impoundment penalty resulted in an estimated 38% reduction in subsequent crashes and up to a 23% reduction in subsequent convictions.

- 4) *Modifications.* Since many vehicles that are used in speed contests are modified to enhance the vehicle's performance, this bill also authorizes law enforcement to issue a notice to correct the violation of a mechanical or safety requirement and require that the correction be made within 30 days after the vehicle is released from impound. Vehicle modifications include, but are not limited to, intake systems, exhaust systems, and/or installments of turbo kits.
- 5) *Financial hardship.* To help mitigate potential impacts to family members who may rely on the vehicle for transportation, this bill provides the court with the ability to reduce the impoundment period if impounding the vehicle would result in undue hardship to the registered owner's family.
- 6) *Double Referral.* This bill has been double referred to the Senate Public Safety committee.

RELATED LEGISLATION:

SB 510 (Hall, 2015) — similar to this bill, requires a vehicle that is determined to have been involved in a speed contest or engaged in reckless driving to be impounded for 30 days, as specified. This bill was vetoed by the Governor.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 7, 2017.)

SUPPORT:

Los Angeles County Sheriff's Department

OPPOSITION:

American Civil Liberties Union
California Attorneys for Criminal Justice

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No: AB 1412 **Hearing Date:** 6/13/17
Author: Choi
Version: 5/15/2017
Urgency: No **Fiscal:** No
Consultant: Alison Hughes

SUBJECT: Common interest developments: notices: volunteer officers: liability.

DIGEST: This bill makes changes to the annual notice requirements in a common interest development (CID) and expands the applicability of the liability protection for a volunteer officer or director of a homeowner's association (HOA) to one who manages a mixed-use CID.

ANALYSIS:

Existing law:

- 1) Requires the homeowner of a separate property interest in a CID to provide written notice annually to the HOA of all the following:
 - a) Address or addresses to which notices from the association are to be delivered.
 - b) An alternate or secondary address to which notices from the HOA are to be delivered.
 - c) The name and address of his or her legal representative, if any.
 - d) Whether the separate interest is owner-occupied, rented out, developed but vacant, or undeveloped land.
- 2) Requires the HOA to solicit these annual notices in (1) above from each property owner. If the homeowner fails to provide the information in (1), the property address shall be deemed to be the address to which notices are to be delivered.
- 3) Prohibits a volunteer officer or director of an HOA that manages an CID that is exclusively residential from being personally liable to any person who suffers injury as a result of the tortious act or omission of the volunteer officer or director in excess of the liability insurance for the HOA and individual officers, so long as specified criteria are met. Injury shall include bodily injury, emotional distress, wrongful death, or property damage or loss. This only

applies to a volunteer officer or director who is a tenant of a separate interest in the CID or owner of two or more separate interests in the CID.

This bill:

- 1) States that if an owner fails to provide the information in the annual notice, the address last provided in writing by the owner, or if none, the property address shall be deemed to be the address to which notices are to be delivered.
- 2) Expands the applicability of the liability protection for a volunteer officer or director of an HOA who manages a CID that is either residential or mixed use.
- 3) Limits the application of liability protection to a volunteer officer or director who is a tenant of a residential separate interest in the CID or an owner of no more than two separate interests and whose ownership in the CID consists exclusively of residential separate interests.

COMMENTS:

- 1) *Purpose.* According to the author, “this bill is needed because it solves the lack of equity that exists for volunteer members of community associations that are part of mixed-use developments.”
- 2) *CIDs.* A 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 common interest developments. There are over 50,220 CIDs in California that comprise over 4.8 million housing units, or approximately one-quarter of the state’s housing stock. CIDs are governed by an HOA. 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) *Mixed-use developments in HOAs.* Mixed-use developments are communities that combine residential units with commercial, cultural, institutional, or industrial uses. In CIDs, the HOAs are needed to maintain the common areas of these developments. Current law only grants immunity from personal liability to volunteer board members of HOAs that are exclusively residential and do not cover mixed-use developments. This bill would expand that liability

coverage to mixed-use developments. The protection shall only be extended to a volunteer officer or director who is a tenant of a residential separate interest in the CID or an owner of no more than two separate interests and whose ownership in the CID consists exclusively of residential separate interests.

According to the author, the idea came from the sponsor's legislative committee. They realized that there was a hole in the current law and community associations across the state are having problems finding people to serve on their boards. This liability issue is one more reason not to serve. Further, as the number of mixed-used developments increase to meet the states demands for infill development, the author and sponsor see this becoming a problem in the future.

- 4) *Default Addresses.* Under current law, if a separate interest owner fails to provide an HOA with an address, the HOA is required to use the address of separate interest. In effect, every year, a separate interest owner must provide their desired address or the HOA must switch the address it has on file. This bill changes the default address to the last address provided in writing by the owner of the separate interest.
- 5) *Double-referral.* This bill is double-referred to the Senate Judiciary Committee.

RELATED LEGISLATION:

SB 918 (Vidak, Chapter 780, Statues of 2016) — required the owner of a separate interest and the homeowner association in a common interest development to annually verify the address or addresses to which notices from the association are to be delivered.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 7, 2017.)

SUPPORT:

Community Associations Institute (sponsor)

OPPOSITION:

None received.

- 2) Authorizes a local authority to have a vehicle that is unlawfully parked in a space designated for EVs, towed to the nearest garage that is owned, leased, or approved for use by a public agency, if a specified notice is posted.
- 3) Provides that the posting required for spaces designated for EVs on a public street shall follow the California Manual of Uniform Traffic Control Devices, in effect on January 1, 2017.

COMMENTS:

1. *Purpose.* The author states that while local authorities are currently authorized to designate spaces in off-street parking facilities or lots for EV charging, this bill will extend that authority to on-street parking. By expanding access to charging stations on our city streets, we can promote expanded use of clean energy vehicles and put California one step closer to meeting statewide greenhouse gas (GHG) emission reduction goals.
2. *State GHG emission reduction and EV goals.* AB 32 (Nunez and Pavley, Chapter 488 of 2006) set a goal of reducing statewide GHG emissions to 1990 levels by 2020. Executive Order B-30-2015, issued by the Governor in 2015, set a target of reducing GHG emissions to 80% below 1990 levels by 2050, with an interim target of 40% below 1990 levels by 2030. SB 32 (Pavley, Chapter 249 of 2016) codifies the 2030 GHG emissions reduction target. One of the ways the state is working to achieve these reductions is through multiple policy goals, initiatives, and programs to help increase the number of EVs on California's roads, including:
 - a) Executive Order B-16-2012, issued by Governor Brown in March 2012, sets a target of one million zero-emission vehicles (ZEVs) on California's roads by 2020 and 1.5 million by 2025. The ZEV Regulation (commonly known as the ZEV mandate) requires large-volume and intermediate-volume vehicle manufacturers that sell cars in California to produce ZEVs, clean plug-in hybrids, clean hybrids, and clean gasoline engine vehicles with near-zero tailpipe emissions. In general, the ZEV regulation requires that ZEVs comprise 15% of new car sales by 2025. This target is intended to achieve the goal set by the 2012 Executive Order.
 - b) SB 1275 (De Leon, Chapter 530 of 2014) establishes the Charge Ahead Initiative at the state Air Resources Board to provide incentives to increase the availability of ZEVs and near-ZEVs, particularly in disadvantaged low-

and moderate-income communities. SB 1275 also set a target of one million ZEVs and near-ZEVs on California's roads by January 1, 2023.

- c) SB 350 (De Leon, Chapter 547 of 2016) established a statewide policy of widespread electrification of transportation sector.
 - d) Numerous programs under multiple state agencies provide incentives and establish requirements for EV charging infrastructure. In addition, several programs, such as the Clean Vehicle Rebate Project and the Clean Air Vehicle Program, provide incentives and rebates for the purchase or lease of EVs. These compliment a federal income tax credit of up to \$7,500 for plug-in electric vehicles.
3. *Increasing access to EV charging.* Currently, the majority of EV drivers charge their vehicles at home, though some have access to workplace charging. To help encourage more people to purchase EVs, many cities in California are establishing charging stations at both on-street and off-street locations. For example, Sacramento offers free parking for EVs in many downtown garages, including some spots with charging stations. San Diego has 57 EV charging stations at 15 locations throughout the city. Los Angeles, as part of its second annual "Sustainability Plan," is proposing to install more than 1,000 EV charging stations on public streets. Mayor Eric Garcetti, sponsor of this bill, states that widely available EV charging stations on public streets will help eliminate one of the main obstacles to EV adoption and help Los Angeles comply with state-mandated climate change goals.
 4. *How expensive would a violation be?* Existing law prohibits parking in an off-street space designated for EVs (including hybrid EVs) unless the vehicle is connected for electric charging purposes, with a violation punishable by a \$100 fine. The committee understands that parking a non-EV in a space designated for EVs under this bill would carry the same fine. In addition, this bill, like existing law, allows a non-EV that parks in an EV space to be towed, which would result in additional fines.
 5. *Can't locals do this now?* Existing law authorizes a local authority to adopt an ordinance related to parking programs within its jurisdiction, such as programs that provide free parking in metered areas or municipal garages for EVs. Thus, a local authority could designate on-street parking exclusively for EVs under existing law. However, the committee understands that existing law would not allow a local authority to assess parking fines for parking illegally in those spaces, or cause illegally parked vehicles to be towed.

6. *A question of fairness?* Although there are currently hundreds of thousands of EVs on California's roads, they still represent a small minority of all light-duty vehicles in the state. By allowing local authorities to designate parking exclusively for EVs, this bill provides a tool to encourage more people to purchase (or lease) and drive EVs. On the other hand, restricting a share of parking spaces to a small group of vehicles could exacerbate parking issues in congested urban areas. This bill, however, does not require a local authority to designate on-street parking for EVs; it merely authorizes such an action. Nor does the bill require a certain number or percentage of parking spaces to be designated for EVs. If a local authority does want to designate a portion of on-street parking for EVs only, this bill requires it to do so by ordinance or resolution. Such an action must occur in open session pursuant to the Ralph M. Brown Act, which provides opportunity for public comment. Moving forward, the author may wish to consider imposing a limit on the share of on-street parking spaces that a local authority may designate exclusively for EVs.

RELATED LEGISLATION:

AB 2565 (Muratsuchi, Chapter 529 of 2014) requires landlords to approve a tenant request to install an EV charging station at his or her allotted parking space, as specified.

AB 1092 (Levine, Chapter 410 of 2013) required the state Building Standards Commission, as part of the next building code adoption cycle, to include mandatory building standards for the installation of EV charging infrastructure in multifamily dwellings and non-residential development.

AB 475 (Butler, Chapter 274 of 2011) allows local authorities and owners of off-street parking facilities to designate stalls for the exclusive purpose of charging and parking an EV, including a hybrid EV.

AB 1314 (Havice, Chapter 640 of 2002) allows local authorities and parking garage operators to designate spaces for the exclusive use of zero-emission vehicles and authorizes towing of vehicles and levying of fines for violations of such parking restrictions.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 7, 2017.)

SUPPORT:

Los Angeles Mayor Eric Garcetti (sponsor)
California Electric Transportation Coalition
ChargePoint
Southern California Edison

OPPOSITION:

None received

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No:	SCR 56	Hearing Date:	6/13/2017
Author:	Anderson		
Version:	5/18/2017		
Urgency:	No	Fiscal:	Yes
Consultant:	Randy Chinn		

SUBJECT: Historic Highway Route 67.

DIGEST: This resolution designates Highway Route 67 in the County of San Diego as Historic Highway Route 67.

ANALYSIS:

This resolution designates Highway Route 67 in the County of San Diego as Historic Highway Route 67. The Department of Transportation is requested to determine the cost of appropriate signs and, upon receiving sufficient donations from nonstate sources, to facilitate the erection of such signs.

COMMENTS:

- 1) *Purpose.* The author introduced this resolution to recognize the historic importance of Highway 67 in San Diego County as a trade route of Kumeyaay villages, a stagecoach line, a train corridor and a highway with abundant natural, cultural, historic and scenic qualities.
- 2) *Historic Context.* According to the author, Highway Route 67 originally followed an ancient Kumeyaay Native American trail through the eastern part of San Diego County to the Laguna Mountains. The trail was turned into Julian Road in 1872, providing a stagecoach route. In 1926 San Diego County declared Julian Road a county boulevard, with the boulevard added to the state highway system in 1933.
- 3) *No New Duties.* An historic highway is an honorific. It is not an official highway classification that brings with it any obligations or rights.
- 4) *Safe at Home.* This freeway segment is entirely within the district of the author. There is no local opposition.

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

POSITIONS: (Communicated to the committee before noon on Wednesday,
June 7, 2017.)

SUPPORT:

Historic Highway 80 Corporation
Lakeside Chamber of Commerce
San Diego East County Chamber of Commerce

OPPOSITION:

None received.

-- END --