
SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 44	Hearing Date:	4/23/2019
Author:	Skinner		
Version:	4/11/2019 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Randy Chinn		

SUBJECT: Medium- and heavy-duty vehicles: comprehensive strategy

DIGEST: This bill requires the Air Resources Board (ARB) to develop a comprehensive strategy to reduce greenhouse gas and criteria pollutant emissions from medium- and heavy-duty vehicles, as specified.

ANALYSIS:

Existing federal law:

Sets, through the Federal Clean Air Act (FCAA) and its implementing regulations, National Ambient Air Quality Standards (NAAQS) for six criteria pollutants, designates air basins that do not achieve NAAQS as nonattainment, allows only California to set vehicular emissions standards stricter than the federal government, and allows other states to adopt either the federal or California vehicular emissions standards.

Existing state law:

- 1) Establishes 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 FCAA.
- 2) Requires, under the California Global Warming Solutions Act of 2006 (also known as AB 32), ARB to (1) 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; (2) ensure that statewide GHG emissions are reduced to at least 40% below the 1990 level by December 31, 2030 (i.e., SB 32; Chapter 249 of 2016); and (3) adopt regulations, until December 31, 2030, that utilize market-based compliance mechanisms to

reduce GHG emissions (i.e., the cap-and-trade program).

This bill:

- 1) Requires ARB, no later than January 1, 2021, to develop a comprehensive strategy for the deployment of medium-duty and heavy-duty vehicles in the state to meet the following:
 - a) Bringing the state into compliance with federal ambient air quality standards.
 - b) A reduction of motor vehicle GHG emissions by 40% by 2030.
 - c) A reduction of motor vehicle GHG emissions by 80% by 2050.
- 2) Requires ARB to seek to maximize the reduction of criteria air pollutants and identify policies that provide advantages to fleets that reduce GHG emissions early.
- 3) Requires ARB to establish a process to identify medium-duty and heavy-duty vehicle segments that can more quickly reduce motor vehicle emissions.
- 4) Requires ARB to implement additional emissions reduction strategies and motor vehicle deployment goals, as specified.

COMMENTS:

- 1) *Author Statement.* Decades after California passed the Clean Air Act; diesel trucks continue to spew toxic air pollution into California's communities. Fossil diesel-fueled trucks are responsible for 33 percent of statewide oxides of nitrogen (NOx) emissions annually, 20 percent of statewide GHG emissions, and emit more particulate matter than all of the state's power plants combined.

It is imperative that California work to dramatically cut reliance on fossil diesel fuel. That will require planning for how the medium- and heavy-duty vehicle sectors can transition away from this fuel over time, and providing stable market incentives to help the industry shift away from dirty technology with minimal economic burden."

- 2) *Familiar Goals.* The emission reduction goals of this bill are the same percentages on the same timeframe as that established by SB 32 (Chapter 249 of 2016) for the state as a whole. There is some concern that the goal language in the bill is a little unclear and could be interpreted as applying the entire GHG reduction for vehicles to the heavy-duty vehicle sector. There is also some concern that setting a specific goal for heavy-duty vehicles is not evidence-based. The author will propose amendments in the bill to address these issues by substituting the following language:

- 3) *It is Not Just Technology.* The focus of this bill is to achieve GHG emission reductions through technology improvements in the powertrain, which mostly entails swapping internal combustion engines for zero- and near-zero emission drivetrains. However, as we have seen with light duty vehicles, emission reductions from the electrification of cars is not enough to meet our GHG reduction targets. We also need to figure out ways to use our vehicles less, such as through carpooling/shared rides, or having people live closer to where they work or switching out of cars into mass transit. In the context of medium- and heavy-duty vehicles we should also be looking at ways to use those vehicles less, for example by allowing vehicles to carry more (and therefore make fewer trips), substitution of different modes such as more rail and fewer trucks. These types of ideas may be outside of ARB's regulatory authority. However, failing to consider these ideas is a significant lost opportunity for meaningful GHG reductions.

- 4) *It is Not Free.* Developing and deploying new powertrain technology will not be cheap. Higher costs for trucking result in higher prices for consumers. The question is whether the benefits exceed the costs. The author's intent is to acquire multi-year commitments of Greenhouse Gas Reduction Fund revenues, which are derived from California's Cap and Trade program, to provide appropriate incentives.

- 5) *Looking for a Breakthrough.* The bill requires a "beachhead market analysis". As used by ARB, a beachhead market analysis looks at technologies and applications that have strong potential to transfer and spread to broader applications.

- 6) *Author Amendments.* The author is proposing minor revisions to the findings and declarations in the bill to account for advances made in diesel technology and to recognize potential non-technological solutions, which can reduce diesel emissions.

7) *Double Referral*. This bill was heard in the Environmental Quality Committee on April 10, 2019 and approved 5-2.

RELATED LEGISLATION:

SB 210 (Leyva, 2019) — directs the California Air Resources Board (ARB) to work in coordination with multiple state agencies in order to develop and implement a Heavy-Duty Inspection and Maintenance Program for non-gasoline, heavy-duty, on-road trucks. *This bill is pending in the Senate Transportation Committee.*

SB 216 (Galgiani, 2019) — specifies that a heavy-duty truck exchange is an eligible project for funding under the Carl Moyer Memorial Qir Quality Standards Attainment Program. *This bill is pending in the Senate Transportation Committee.*

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

American Lung Association
Biodico
Bioenergy Association of California
Breast Cancer Prevention Partners
California League of Conservation Voters
California Natural Gas Vehicle Coalition
CALSTART
Center for Climate Change & Health
Central Valley Air Quality Coalition
Clean Energy
Coalition for Clean Air
Coalition for Renewable Natural Gas
CR&R Environmental Services
Environment California
Fossil Free California
Friends Committee on Legislation of California
Move LA
Nextgen California

Oberon Fuels
Pacific Ethanol, Inc.
Regional Asthma Management & Prevention
Sierra Club California
Union of Concerned Scientists
Western Propane Gas Association
350 Bay Area Action
350 Silicon Valley

OPPOSITION:

Agricultural Energy Consumers Association
Associated General Contractors
California Chamber of Commerce
California Business Properties Association
California Forestry Association
California Manufacturers and Technology Association
California Poultry Federation

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SENATE COMMITTEE ON TRANSPORTATION
Senator Jim Beall, Chair
2019 - 2020 Regular

Bill No: SB 127 **Hearing Date:** 4/23/2019
Author: Wiener
Version: 1/10/2019
Urgency: No **Fiscal:** Yes
Consultant: Randy Chinn

SUBJECT: Transportation funding: active transportation: complete streets

DIGEST: This bill changes state policy to increase support and funding for bicycle and pedestrian uses and to reduce support and funding for vehicle uses.

ANALYSIS:

Existing law:

SHOPP

- 1) Requires Caltrans, in consultation with the California Transportation Commission (CTC), to prepare an asset management plan to guide selection of State Highway Operation and Protection Program (SHOPP) projects, which are major capital improvements necessary to preserve and protect the state highway system.
- 2) Limits SHOPP projects to capital improvements relative to maintenance, safety, and rehabilitation of state highways and bridges that do not add a new lane to the system.
- 3) Requires the CTC to adopt the SHOPP and submit it to the Legislature and Governor by April 1 of each even-numbered year.

State Highway Account (SHA)

Requires SHA funds to be expended based on the following sequence of priorities:

- 1) Operation, maintenance, and rehabilitation of the state highway system.
- 2) Safety improvements where physical changes, other than adding additional lanes, would reduce fatalities and the number and severity of injuries.
- 3) Transportation capital improvements that expand capacity or reduce congestion, or do both.
- 4) Environmental enhancement and mitigation programs.

Complete Streets

Requires the concept of “complete streets” to be incorporated into the Caltrans Highway Design Manual.

Requires, to the extent beneficial, cost effective, and practicable, Caltrans, cities and counties receiving funds under the Road Maintenance and Rehabilitation Program (SB 1) to incorporate complete street elements into projects, including, but not limited to, elements that improve the quality of bicycle and pedestrian facilities and that improve safety for all users of transportation facilities.

Establishes Caltrans Deputy Directive 64-R2 (an internal department policy), first signed in October 2008 and renewed in October 2014, that directs Caltrans to implement complete streets.

This bill:*Caltrans Funding Policy*

Changes priorities for funding state transportation projects as follows:

- 1) Accessibility improvements for all users of the transportation system that improve the efficiency of moving people within existing roadways, reduce vehicle miles travelled, and promote public health.
- 2) Operation, maintenance, and rehabilitation of the state highway system.
- 3) Safety improvements where physical changes, other than adding additional lanes, would reduce fatalities and the number and severity of injuries. Safety improvements shall prioritize reducing fatalities and severe injuries for vulnerable road users, and shall not increase vehicle miles travelled.
- 4) Environmental enhancement and mitigation programs.
- 5) Transportation capital improvements that expand capacity.

Caltrans Operations

Requires that the Caltrans asset management plan include a process for community input and complete streets implementation. The plan shall also include performance measures, including conditions of bicycle and pedestrian facilities, accessibility and safety. The performance measures may not include automobile delay.

Requires that the SHOPP shall include accessibility for pedestrians, bicyclists, and transit users and prohibit projects which add auxiliary lanes, merge lanes and toll lanes.

By January 1, 2021, on every SHOPP project, Caltrans shall include new pedestrian and bicycle facilities, or improve existing facilities, as specified. Projects can be exempted from this requirement after a public hearing and with specified documentation.

Until January 1, 2021, 3% of SHOPP funds from the Road Maintenance and Rehabilitation Account, shall be used only for bicycle and pedestrian facilities.

Caltrans Organization

Establishes a new Division of Active Transportation within Caltrans which is responsible for the development of projects and programs that increase bicycle and pedestrian safety and trips statewide.

COMMENTS:

- 1) *What is the Problem?* According to the author, current state law does not facilitate the ability of Caltrans to meet state priorities and goals set forth for active and sustainable transportation. In addition, the definition of safety in state law is unclear and needs to be specific to the purpose of reducing injuries and fatalities of vulnerable road users. Local stakeholders, including local city agencies and community members, in areas that are touched by a Caltrans roadway are often left out of the decision-making process to road rehabilitation.
- 2) *New Priorities.* This bill proposes a substantial reordering of California's current transportation priorities. It makes highway capacity expansion the state's lowest transportation priority. Congestion relief has no priority at all. This bill makes California's highest priority accessibility improvements for all users of the transportation system that improve the efficiency of moving people within existing roadways and reduce vehicle miles travelled, a new priority. Operation, maintenance, and rehabilitation of the state highway system becomes the second priority rather than the first. The author will offer amendments which delete this section, leaving existing priorities in place, and instead strengthen the existing safety priority to explicitly include vulnerable highway users such as bicyclists and pedestrians.

- 3) *Valuable Property*. Streets and highways are often a limited resource. Highway widening is expensive if it can be done at all. That means that the different types of users have to share the limited space. Conflicts between uses (e.g. drivers, bicyclists, pedestrians, scooters, delivery vehicles, busses, parking) are inevitable as growing numbers of users contend for their fair share of that space. It is a zero-sum game.
- 4) *Caltrans' Complete Streets Efforts*. Caltrans defines a complete street as "A transportation facility that is planned, designed, operated, and maintained to provide safe mobility for all users, including bicyclists, pedestrians, transit vehicles, truckers, and motorists appropriate to the function and context of the facility." Caltrans has been slowly incorporating complete streets principles into its planning, design and operation. It adopted a complete streets policy in 2008 which was renewed in 2014 in the following policy:
- a) The Department provides for the needs of travelers of all ages and abilities in all planning, programming, design, construction, operations, and maintenance activities and products on the State Highway System.¹

In February 2010 Caltrans issued its Complete Streets Implementation Action Plan which had 73 action items, including updating the Highway Design Manual to include complete streets. In late 2014 Caltrans issued its Complete Streets Implementation Plan 2.0 which had 109 additional action items to further integrate complete streets into all Caltrans functions and processes. One of those actions was the development of a State Bicycle and Pedestrian Plan. That plan, called *Toward an Active California* and published in May 2017, is Caltrans first statewide policy plan to support travel by bicyclists and pedestrians through objectives, strategies, and actions. The plan accounts for the \$1 billion over ten years in additional bicycle and pedestrian funding contained in SB 1.

- 5) *Caltrans' Complete Streets Implementation*. Caltrans considers opportunities for complete street facilities early in the project initiation phase, as this is where the project scope, cost and schedule are considered. They consider it important to analyze whether the highest priority complete streets issues within the project site are adequately addressed. Their assessment takes into account Caltrans planning priorities, as well as any recent updates to local planning documents like general plans, vision documents, or bicycle and pedestrian plans. If complete streets facilities are not included in a SHOPP project Caltrans documents the reasons. While Caltrans policy has supported complete streets for over ten years, it should be acknowledged that Caltrans has historically been

¹ Deputy Directive 64-R2.

an automobile-centric organization. Adapting to a new transportation world with a much greater emphasis on different types of users is a cultural shift that is difficult to accomplish quickly.

- 6) *A Good Effort.* California's efforts to improve its bicycle-friendliness have been recognized. In 2017 the League of American Bicyclists ranked California the 3rd most bike friendly state.
- 7) *Mandatory Bike Lanes.* This bill requires that all SHOPP projects in most areas of the state which are on state highways or local streets crossing state highways shall include well-lit bicycle and pedestrian facilities physically separated from motor vehicles. This would be very expensive and could result in the loss of lanes and/or parking. If after a public hearing Caltrans could demonstrate that the cost of accommodating the needs of one user group would be "excessively disproportionate" to the needs of another user group Caltrans would not be required to build the lighted, physically separate bicycle/pedestrian lanes. This mandate seems costly and overly-prescriptive, and it does not consider the desires of the local government, who may not wish to have a separate bicycle lane. The author's office has made an effort to provide more focus to this provision but more should be done. The author and committee may wish to revise this section by deleting the requirement for a separate bicycle lane, narrow the application to SHOPP projects where pavement is impacted, provide for public input, and require Caltrans to consider complete street facilities in suburban and urbanized areas and in rural areas where the state highway functions as a main street, when the local government wants them.
- 8) *No New Lanes.* This bill prohibits SHOPP funds from being spent on auxiliary lanes, merging lanes, and toll lanes. Auxiliary lanes provide for motorist safety, merging lanes provide for motorist safety and congestion relief, and toll lanes provide for congestion relief. It is not clear what problem is solved by prohibiting funding for these facilities. ***The author and committee may wish to delete this provision.***
- 9) *Cars Don't Count?* Under current law the California Transportation Commission (CTC) is required to adopt targets and performance measures for the Caltrans asset management plan. In developing those performance measures, this bill requires the CTC to adopt performance measures that include conditions of bicycle and pedestrian facilities. The bill also prohibits the use of automotive delay as a performance measure. It isn't clear why measures of the performance of the state transportation system should exclude the time drivers are stuck in traffic. ***The author and committee may wish to delete this provision.***

- 10) *Caltrans Organization.* The bill requires the creation of an Active Transportation Division within Caltrans. The purpose is to spearhead the consideration of bicycle and pedestrian safety in Caltrans projects and programs. Caltrans is currently trying to better integrate bicycle and pedestrian safety into its work. It is not clear whether creating a separate division to focus those efforts is more effective than distributing the responsibility to all departments. This provision would benefit from input from Caltrans.
- 11) *What's the Evidence?* The evidence supporting a reordering of state transportation priorities and practices is mixed. The author notes a study by Smart Growth America, an advocacy group supporting complete streets, which found that California ranks number 16 for pedestrian risk, with 7,127 pedestrian deaths between 2008 and 2017. That is an unfortunately high number though it doesn't speak to whether it is increasing or on which types of streets the deaths occur. Conversely, an April 2017 study commissioned by Caltrans found that between 2005 and 2014, pedestrian collision risk did not rise and bicyclist collision risk declined. Over 90% of those collisions occurred on non-state highways. The California Office of Traffic Safety notes that the absolute number of pedestrian fatalities increased 5.9 percent from 819 in 2015 to 867 in 2016 and the absolute number of bicycle fatalities increased 8.1 percent from 136 in 2015 to 147 in 2016. There is no indication on what types of streets these fatalities occurred. Yet California's transportation goals envision large increases in walking and biking. Encouraging the consideration of those uses when making investments in our transportation infrastructure supports those goals.

RELATED LEGISLATION:

SB 760 (Wiener, 2018) — Similar to this bill; made several changes to state policy and practice to focus Caltrans on bicycle, pedestrian and transit users. *This bill failed passage in the Assembly Transportation Committee.*

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

Active SGV

Alameda County Transportation Commission
American Heart Association
Bike SD
California Bicycle Coalition
California Interfaith Power and Light
California Park and Recreation Society
California Walks
City and County of San Francisco
Climate Resolve
Coalition for Clean Air
Coalition for Responsible Transportation Priorities
Fossil Free California
Leadership Counsel for Justice and Accountability
Los Angeles County Bicycle Coalition
Los Angeles Walks
Planning and Conservation League
PolicyLink
Rails to Trails Conservancy
RCAA
Sacramento Area Bicycle Advocates
Safe Routes to School National Partnership
Santa Monica Spoke
Save the Bay
Seamless Bay Area
Shasta Living Streets
Sierra Club California
Silicon Valley Bicycle Coalition
South Bay Cities Council of Governments
Transform
Transportation Agency for Monterey County
Trust for Public Land
Walk and Bike Mendocino
Walk Long Beach
Walk Sacramento

OPPOSITION:

AAA of Southern California
AAA of Northern California
California Association of Councils of Governments

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No: SB 210 **Hearing Date:** 4/23/2019
Author: Leyva
Version: 3/25/2019
Urgency: No **Fiscal:** Yes
Consultant: Randy Chinn

SUBJECT: Heavy-Duty Vehicle Inspection and Maintenance Program.

DIGEST: This bill directs the California Air Resources Board (ARB) to work in coordination with multiple state agencies in order to develop and implement a Heavy-Duty Inspection and Maintenance Program for non-gasoline, heavy-duty, on-road trucks.

ANALYSIS:

Existing law:

- 1) Establishes ARB as the air pollution control agency in California and requires ARB, among other things, to control emissions from a wide array of mobile sources and coordinate, encourage, and review the efforts of all levels of government as they affect air quality.
- 2) Establishes the Motor Vehicle Inspection Program, commonly known as the Smog Check program, to help the state meet federal air quality standards, for vehicles under 14,000 pounds.

This bill:

- 1) Requires ARB, by an unspecified date, to adopt and implement a regulation for a Heavy-Duty Vehicle Inspection and Maintenance Program (HDVIMP) for non-gasoline, heavy-duty, on-road motor vehicles with a gross vehicle weight rating of more than 14,000 pounds, as specified.
- 2) Requires ARB, in adopting the HDVIMP, to do all of the following:
 - a) Establish test procedures, as specified.

- b) Require a motor vehicle to pass the test procedures in order to register or operate in the state.
 - c) Consider establishing full or partial exemptions from HDVIMP for categories of vehicles, as specified.
 - d) Develop and implement enforcement methods, as specified.
- 3) Allows ARB to establish:
- a) Licensing standards for persons engaged in the business of the inspection, diagnosis, and repair of heavy-duty motor vehicles.
 - b) Qualification standards or approval, operational, or licensure standards for testing vehicle equipment, as specified.
- 4) Requires ARB to develop a Heavy-Duty Vehicle Inspection and Maintenance Compliance Certificate program with specified information.
- 5) Allows the Department of Transportation, the California Highway Patrol (CHP), and the Department of Food and Agriculture to provide any necessary information to help facilitate the installation of equipment necessary to implement HDVIMP, as well as develop initiatives for outreach and education to help ensure compliance with HDVIMP.
- 6) Allows ARB to inspect vehicles in conjunction with the safety and weight enforcement activities of the CHP or at other locations selected by ARB, as specified.
- 7) Allows ARB to (a) issue a citation to the owner of a vehicle not in compliance with HDVIMP, as specified, and (b) require the owner of a cited vehicle to correct every deficiency specified in the citation within a timeframe determined by ARB.
- 8) Requires ARB to provide an owner cited as violating HDVIMP an opportunity for an administrative hearing, as specified, and allows ARB to apply to the Superior Court for the County of Sacramento for a judgment in the amount of the penalty determined at the administrative hearing, as specified.
- 9) Requires ARB to assess a fee to fund HDVIMP and deposit those moneys into the Truck Emissions Check Fund (TECF) established by the bill, and specifies that moneys in TECF are available to ARB upon appropriation by the

Legislature.

- 10) Requires ARB, prior to fully implementing HDVIMP, to implement a pilot program that develops and demonstrates technologies that show potential for readily bringing vehicles into HDVIMP, as specified.
- 11) Requires DMV, no later than one year after the effective date of a regulation implementing HDVIMP, to confirm, prior to the initial registration, the transfer of ownership, or the renewal of registration, that a vehicle is compliant with, or exempt from, HDVIMP, with specified and limited exceptions.
- 12) Prohibits the operation of a non-gasoline, heavy-duty, on-road motor vehicle with a gross vehicle weight rating of more than 14,000 pounds from being operated on a public road if that vehicle has an illuminated malfunction indicator light, as specified, and makes a violation of that prohibition subject to what is commonly referred to as a "fix-it ticket."
- 13) Specifies that a peace officer shall not stop a vehicle solely on the suspicion that it is being operated with an illuminated malfunction indicator light.

COMMENTS:

- 1) *Author Statement.* SB 210 is a critical next step to reduce pollution from the many big diesel trucks that travel on the roads and highways across California. Applying similar responsibilities to truck operators to maintain their emission controls, just like we already require for everyone else, is common sense.
- 2) *Health Effects of Diesel Exhaust (from the Senate Environmental Quality Analysis)* Diesel exhaust is produced when an engine burns diesel fuel. It is a complex mixture of thousands of gases and fine particles (commonly known as soot) that contains more than 40 toxic air contaminants. These include many known or suspected cancer-causing substances, such as benzene, arsenic and formaldehyde. It also contains other harmful pollutants, including nitrogen oxides (a component of smog).

In 1998, the California Environmental Protection Agency's (CalEPA) Office of Environmental Health Hazard Assessment (OEHHA) completed a comprehensive health assessment of diesel exhaust. This assessment formed the basis for a decision by ARB to formally identify particles in diesel exhaust as a toxic air contaminant that may pose a threat to human health.

Diesel engines are a major source of particulate matter (PM). The elderly and people with emphysema, asthma, and chronic heart and lung disease are especially sensitive to PM. Numerous studies have linked elevated particle levels in the air to increased hospital admissions, emergency room visits, asthma attacks and premature deaths among those suffering from respiratory problems. Because children's lungs and respiratory systems are still developing, they are also more susceptible than healthy adults to fine particles. Exposure to PM is associated with increased frequency of childhood illnesses and can reduce lung function in children.

Diesel exhaust and many individual substances contained in it have the potential to contribute to mutations in cells that can lead to cancer. In fact, long-term exposure to diesel exhaust particles poses the highest cancer risk of any toxic air contaminant evaluated by OEHHA.

- 3) *What is the Problem?* Light duty vehicles have been required to undergo regular smog checks for decades, with the withholding of the vehicle registration as the mechanism for ensuring compliance. Heavy duty vehicles are not required to have similar, regular inspections. The result is that heavy duty vehicles produce more NO_x and almost five times the particulate matter than all other on-road vehicles, despite light duty vehicles outnumbering heavy duty vehicles by almost 100 times. There are several programs to reduce emissions from heavy duty vehicles, such as the Heavy-Duty Vehicle Inspection Program and the Periodic Smoke Inspection Program, but these programs are infrequently performed and not comprehensive.
- 4) *More Agreement than Disagreement.* The author and a trucking industry coalition have been in ongoing negotiations about the bill and have reached agreement in principle on the following:
 - a) Duplicative emissions testing regulations should be sunset.
 - b) Legislative accountability and oversight for issues related to enforceability, downtime, cost and cost-effectiveness of the proposed program should be created.
 - c) Two biennial reports on program effectiveness should be required.
 - d) Mechanisms for out-of-state owners to verify compliance prior to entering California should be required.
 - e) Violations should be resolvable with fix-it tickets.
 - f) Mobile testing should be allowed.
 - g) A start time for the program.

The author will offer amendments in committee to reflect these agreements.

- 5) *How Much, How Soon?* The trucking industry coalition has two remaining concerns: The level of fees they will be required to pay, and the period of time they are allowed to fix a violation.
 - a) The industry coalition is concerned that the bill is a blank check for fees, constrained only by the requirement that the fees be “reasonable”. Fees, by definition, may only recover the actual cost of providing the service. More than that is a tax, which this bill does not authorize. But because the inspection program is in the early stages of creation, the opponents are concerned that the program could be very expansive and costly, resulting in very high fees. Opponents suggest that the ARB will have a realistic estimate of the fees once the pilot program required by this bill is established. Their preference is for the Legislature to authorize fees after it has the ARB’s estimate.
 - b) The industry coalition is concerned that the bill does not permit them sufficient time to remedy a violation. The bill is not specific on how much time is allowed, instead deferring the question to the ARB. Opponents suggest that they should be allowed 90 days to remedy any violation. They note that some heavy duty vehicles are in use seasonally. During those seasons the vehicles are in constant use, making it difficult to take the vehicles out of service for repair. The author believes that 90 days is too long, and that 30 – 45 days is more reasonable. It may be possible to divide the question, allowing for more time for the seasonal vehicles and less time for the other vehicles.
- 6) *Other Opposition.* In addition to the trucking industry coalition, several other industry groups oppose the bill. In general, they believe that existing heavy duty truck regulations are sufficient and that additional regulations will be costly and are unnecessary.
- 7) *Enforcement.* This bill provides for more stringent enforcement of existing emissions requirements using new technology, allowing for more comprehensive monitoring of real world emissions. For in-state vehicles, the enforcement mechanism is fines and, ultimately, an inability to register the vehicle. For out-of-state vehicles the enforcement mechanism is fines, which are difficult to collect as California cannot withhold the vehicle registration granted by other states. A stronger compliance mechanism for out-of-state vehicles may be appropriate.

RELATED LEGISLATION:

SB 44 (Skinner, 2019) — requires the Air Resources Board (ARB) to develop a comprehensive strategy to reduce greenhouse gas and criteria pollutant emissions from medium- and heavy-duty vehicles. *This bill is pending in the Senate Transportation Committee.*

SB 216 (Galgiani, 2019) — specifies that a heavy-duty truck exchange is an eligible project for funding under the Carl Moyer Memorial Qir Quality Standards Attainment Program. *This bill is pending in the Senate Transportation Committee.*

SB 210 (Leyva, 2017) — contained identical provisions to this measure. *SB 210 died in the Assembly Transportation Committee.*

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

American Lung Association of California
Alliance of Nurses for Healthy Environments
Breast Cancer Prevention Partners
Breathe California Sacramento Region
California Air Pollution Control Officers Association
California Bicycle Coalition
California Conference of Directors of Environmental Health
California Environmental Justice Alliance
California Interfaith Power & Light
California League of Conservation Voters
CALSTART
Cancer Action Network
Center for Climate Change & Health
Chanje Energy
ClipperCreek
Coalition for Clean Air
CPHA
Dignity Health

Environment California
EWG
Family Allergy Asthma Clinic
Fossil Free California
Friends Committee on Legislation of California
Long Beach Alliance for Children with Asthma
Maternal and Children Health Access
National Parks Conservation Association
Nextgen California
NRDC
Prevention Institute
PSR San Francisco Bay Area Chapter
PSR Sacramento Chapter
Public Health Institute
Regional Asthma Management & Prevention
San Francisco Asthma Task Force
Sierra Club California
South Coast Air Quality Management District
St. John's Well Child and Family Center
Union of Concerned Scientists
Valley CAN
Voices for Progress
350 Bay Area Action
350 Riverside
350 Silicon Valley

OPPOSITION:

Associated General Contractors
California Building Industry Association
California Cattlemen's Association
California Chamber of Commerce
California Chapter of the National Electrical Contractors Association
California Farm Bureau Federation
California Legislative Council of the Plumbing, Heating and Piping Industry
California Municipal Utilities Association
California Trucking Association
Union Roofing Contractors Association
United Contractors
Western Line Constructors
Western States Trucking Association

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SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 216	Hearing Date:	4/23/2019
Author:	Galgiani		
Version:	3/20/2019		
Urgency:	No	Fiscal:	Yes
Consultant:	Randy Chinn		

SUBJECT: Carl Moyer Memorial Air Quality Standards Attainment Program:
used heavy-duty truck exchange

DIGEST: This bill specifies that a heavy-duty truck exchange is an eligible project for funding under the Carl Moyer Memorial Air Quality Standards Attainment Program.

ANALYSIS:

Existing law establishes the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program), to be administered by ARB, to fund the incremental cost of eligible projects that reduce emissions of air pollutants from vehicular sources in the state and for funding a fueling infrastructure demonstration program and technology development efforts. The Carl Moyer Program is funded by locally imposed fees authorized pursuant to state law.

This bill:

- 1) Specifies that an eligible project for Carl Moyer Program funding for heavy duty fleet modernization, in addition to those currently authorized, is one that:
 - a) Encourages owners of fleets to partner with each other in an application.
 - b) Allows, when two or more fleets partner in an application, for the scrapping requirements to be met with the most-polluting vehicle eligible in any of the participating fleets.
 - c) Ensures consistency with the other requirements for Carl Moyer Program funding.
 - d) Requires a vehicle to remain in the state for the project life of the vehicle.

- 2) Requires ARB to hold a workshop on the requirements of this bill and to develop a comprehensive and streamlined plan to help air districts implement the requirements of this bill.
- 3) Sunsets the provisions of the bill on January 1, 2025.

COMMENTS:

- 1) *Purpose.* According to the author, “the Central Valley has long been known as an area with the worst air pollution in the state, and while we continue to work to address this issue with great programs like the Carl Moyer program – there is still a significant amount of work to be done. California has spent billions of dollars getting clean cars and trucks on our roads yet air pollution is still a state wide problem, from San Diego to Redding, ranking in the top ten most impacted by air pollution in the U.S. On that list, the Central Valley is disproportionately well represented on that list so more needs to be done and we should be providing every option available. This bill does not mandate every air quality management district to implement this program — but allows for each district to determine what best works for their region. Without an aggressive all hands on deck approach, we will not be able to meet California’s clean air goals. SB 216 is another tool in the tool box.”
- 2) *Carl Moyer Program: Overview.* ARB administers the Carl Moyer Program, which provides grants through the state’s 35 local air quality management and air pollution control districts (local air districts) for deployment of engines, equipment, and emission-reduction technologies that are cleaner than required by current laws or regulations. According to ARB, the Carl Moyer Program provides about \$60 million for projects each year statewide. The program pays up to 85% of the cost to repower engines and up to 100% to purchase an ARB-verified retrofit device. Maximum grant amounts vary for purchase of new vehicles and equipment. To ensure the air quality gains are achieved, the replaced vehicle must be scrapped.
- 3) *How This Could Work.* The use case for this bill is a partnership between a modern, rich trucking firm and an older, poorer trucking firm. The modern firm has trucks which meet current emission standards and are relatively new. They would like to use the Carl Moyer incentives to upgrade some of their trucks to the newest, cleanest version, but they don’t have any older, lower value trucks to scrap. The older firm has trucks which also meet the current emission standards but are relatively old. They have trucks that could be scrapped but have no economic incentive to do so. Under this bill these two

firms could partner, with the modern firm upgrading to new, cleaner trucks and the older firm scrapping one of their more polluting trucks at a price negotiated with the modern firm.

- 4) *Potential for Misuse.* While this bill could encourage more firms to participate in the Carl Moyer program, it also opens the door to potential misuse by allowing companies to receive Carl Moyer funds unnecessarily. For example, a growing trucking firm needs to buy a new truck. Under current law they'd simply buy it without a subsidy. Under this bill that company could partner with another declining trucking firm and pay them to retire an older, unused truck, thereby earning the Carl Moyer subsidy. The author should ensure that ARB has the authority to prevent the misuse of the program created by this bill.
- 5) *Double Referral.* This bill was heard by the Environmental Quality Committee on April 3, 2019 and approved 7-0 (consent).

RELATED LEGISLATION:

SB 44 (Skinner, 2019) — requires the Air Resources Board (ARB) to develop a comprehensive strategy to reduce greenhouse gas and criteria pollutant emissions from medium- and heavy-duty vehicles. *This bill is pending in the Senate Transportation Committee.*

SB 210 (Leyva, 2019) —directs the California Air Resources Board (ARB) to work in coordination with multiple state agencies in order to develop and implement a Heavy-Duty Inspection and Maintenance Program for non-gasoline, heavy-duty, on-road trucks. *This bill is pending in the Senate Transportation Committee.*

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

- AmpAmericas
- Almond Alliance of California
- Atlas Disposal
- Breathe California of Los Angeles County
- California Farm Bureau
- California Grain and Feed Association

California Natural Gas Vehicle Coalition
California Trucking Association
Clean Energy
Coalition for Clean Air
Gain Clean Fuel
MoveLA
Pacific Coast Rendering Association
ReFuel
Ruan
Rural County Representatives of California
TruStar Energy
United Farm Workers
Western Propane Gas Association

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No: SB 267 **Hearing Date:** 4/23/2019
Author: Wieckowski
Version: 2/12/2019
Urgency: No **Fiscal:** Yes
Consultant: Manny Leon

SUBJECT: Driver's licenses: United States Foreign Service.

DIGEST: This bill allows a driver's license of a person enlisted in the United States Foreign Service to remain valid for the entire period a person remains out of the state, as specified.

ANALYSIS:

Existing law:

- 1) Requires a California driver's license held by a person who is in the United States Armed Forces to continue in full force and effect if the person's service continues while absent from the state and for a period of no more than 30 days following the date the person is honorably separated from service or returns to the state.
- 2) Further extends the abovementioned benefit to a spouse of a person in the Armed Forces, as specified.

This bill:

- 1) Permits a driver's license of a person enlisted in the United States Foreign Service to remain valid for the entire period a person remains out of the state if the person is active in the Foreign Service for the entire period.
- 2) Provides that a driver's license of a person enlisted in the United States Foreign Service is to remain valid for no more than 30 days from the time the holder is honorably separated from service or returns to California.

COMMENTS:

- 1) *Author statement.* According to the author, “The United States Foreign Service is dedicated to diplomatically representing the United States’ interests abroad. Foreign Service Officers serve in more than 270 embassies, consulates and other diplomatic missions providing assistance and protection for American citizens who are living or traveling around the world. A Foreign Service Officer’s tour lasts two to three years per assignment. It is required for them to take part in certain driving courses by the State Department and necessary for an officer to have a driver’s license if driving in the country they are stationed.

The California DMV offers a limited number of times someone can renew their driver’s license online, after this it has to be done in person. Unless a Foreign Service Officer can be in the state during the few months before their renewal date, their only other option is a onetime one year extension. California currently provides those in the Armed Forces, and their spouses, with an extension on their driver’s licenses until they return to the state. Foreign Service Officers serve our country abroad and commonly work in conjunction with our Armed Forces it makes sense to provide them with a similar extension until they are able to return to the state.”

- 2) *Alignment with Armed Service personnel.* Currently, the State allows for armed service officers and their spouses to extend the expiration of their driver's licenses while the officer is actively serving outside of California. When a licensed driver on active military duty applies to DMV to extend the validity of their license past its expiration date, DMV requests that applicant provide a copy of their orders or a copy of their military identification card. Once this documentation is received, DMV provides the applicant with documentation that explains to traffic officers in other jurisdictions that under California law this person’s license remains valid during the period of their military service out of state and for 30 days after discharge, during which time the driver must also provide a copy of their discharge papers with the license to make it valid.

DMV reports that as of December 2018, the department processed 1,895 driver license extensions in 2018 for members of the United States Armed Forces and their spouses.

Similarly, Foreign Service Officers may be ordered to serve in countries anywhere around the world for extended periods of time. This bill aims to provide the same opportunities to Foreign Service Officers that are offered to Armed Service Officers and their spouses that are activated throughout the country and beyond.

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

POSITIONS: (Communicated to the committee before noon on Wednesday,
April 17, 2019.)

SUPPORT:

None received.

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 277	Hearing Date:	4/23/2019
Author:	Beall		
Version:	3/18/2019		
Urgency:	No	Fiscal:	Yes
Consultant:	Manny Leon		

SUBJECT: Road Maintenance and Rehabilitation Program: guidelines.

DIGEST: This bill requires the California Transportation Commission (CTC) to update guidelines for the Local Partnership Program (LPP) every two years, as specified.

ANALYSIS:

Existing law:

- 1) Requires CTC to allocate various state and federal transportation funds through a variety of state programs to local public entities and regional transportation agencies to construct transportation projects, as specified.
- 2) SB 1 (Chapter 5, Statutes of 2017) otherwise known as the Road Repair and Accountability Act of 2017, continuously appropriates \$200,000,000 annually from the Road Maintenance and Rehabilitation Account for allocation by the commission to local or regional transportation agencies that have sought and received voter approval of taxes or that have imposed certain fees, which taxes or fees are dedicated solely to transportation improvements.
- 3) Requires CTC, in cooperation with the Department of Transportation (Caltrans), regional transportation planning agencies, county transportation commissions, and other local agencies, to develop guidelines for the allocation of LPP and authorizes CTC to amend the adopted guidelines after conducting at least one public hearing.

This bill:

- 1) Requires CTC, in cooperation with the abovementioned entities, to update LPP guidelines every two years with final guideline approval occurring on or before January 1 of every even-numbered year.

- 2) Requires CTC to publicly release draft guideline updates at least six months before the final approval deadline.
- 3) Requires CTC to provide a 90-day comment period for the draft guidelines.
- 4) Requires CTC to hold at least two public hearings on the draft guidelines, as specified.
- 5) Requires CTC to publicly release a draft of any proposed amendment to final approved guidelines at least three month before the amendment is adopted by CTC, provide a 90-day comment period, and hold a public hearing.

COMMENTS:

- 1) *Author statement.* According to the author, “the Local Partnership Program is designed to provide additional assistance to regions that have passed local sales tax measures or additional fees with those funds dedicated to transportation and transit projects. This bill provides clarification on the process CTC must carry out to update Local Partnership Program guidelines. This bill also provides additional clarification and transparency relative to the process for amending final approved Local Partnership Program guidelines by CTC.”
- 2) *LPP.* The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, otherwise known as Proposition 1B, authorized \$1 billion to be deposited in the State-Local Partnership Program Account for allocation by CTC over a five-year period to eligible transportation projects that were nominated by an applicant transportation agency. LPP requires a dollar for dollar match of local funds for an applicant agency to receive state funds under the program.

Through the end of the five-year LPP bond program, CTC allocated \$981 million for 257 LPP projects. As of June 30, 2017, 229 projects were completed construction, 192 submitted final delivery reports, and 28 projects remained under construction. Being a bond program, no further allocations were made by CTC beyond the five-year programming period.

On April 6, 2017, the Legislature passed SB 1 (Chapter 5, Statutes of 2017). SB 1 included an annual \$200 million continuous appropriation to LPP. Similarly to the Proposition 1B program, the SB 1 LPP provides funding to transportation agencies that have approved a local sales tax measure or fees dedicated to

transportation projects. The SB 1 LPP is currently under the program's first two-year funding cycle with the second funding cycle to commence mid-2020.

The provisions specified in this bill simply provide clarification to CTC's guideline development and implementation process for LPP. The author notes the clarification is necessary to ensure regional transportation agencies have sufficient direction that will, in turn, allow these agencies to properly plan and program LPP-funded projects.

RELATED LEGISLATION:

SB 1 (Beall, Chapter 5, Statutes of 2017) — amongst various transportation funding provisions, provides a continuous appropriation of \$200 million to the local partnership program to be allocated by CTC.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

None received.

OPPOSITION:

None received.

-- END --

Lyft and Uber, have devastated the taxi industry and its drivers, replacing them with part-time, contract workers. What has been bad for taxi drivers has been good for customers. The technology industry's progress in developing autonomous vehicles, an effort encouraged by California and many other states, and the stated intent of many companies to deploy those vehicles, has heightened concerns about the loss of jobs.

- 3) *Help Needed.* California's transit operators, particularly those operating busses, are suffering from diminishing ridership. A recent study performed for the Southern California Association of Governments¹ found that despite adding hundreds of miles of transit, per capita transit ridership in southern California has mostly declined since 2007 and has fallen consistently since 2013. Without huge subsidies, typically 80% of operating costs for bus transit systems, transit fares would be less affordable and transit service would be less frequent and convenient. In addition to being a public good intended to help those who cannot afford their own vehicle, replacing cars trips with transit is a key mechanism for reducing vehicle miles travelled and greenhouse gas emissions.

To attract ridership, which the SCAG study found to be predominantly low-income, transit systems will need to become more convenient and accessible. Some transit systems are responding by testing new technology, such as on-demand service using existing TNCs or similar technology. At some point, this will include autonomous vehicle technology.

- 4) *Autonomous Technology.* California policy has encouraged the development and testing of autonomous vehicle technology. We were the first in the nation to develop state law allowing the testing of light-duty AVs, with and without drivers, on our roadways, and we are the home to many of the companies creating the enabling technology. Despite the enthusiastic predictions in the last few years of widespread AV deployment, more recent industry pronouncements have suggested that such deployment is years away. Limited testing of autonomous shuttles has begun in several cities in the United States, including San Ramon and Sacramento, primarily on private roads. The DMV has yet to open a proceeding to allow the testing or use of AV transit vehicles on public streets.
- 5) *Protecting Jobs Another Way?* This bill requires that transit operators staff their autonomous transit vehicles with at least one employee, though not necessarily a driver. This is typically a subject for collective bargaining, though supporters believe the issue is as fundamental as workplace safety and a minimum wage,

¹ Falling Transit Ridership – California and Southern California; Michael Manville, Brian D. Taylor and Evelyn Blumenberg; January 2018.

and therefore a minimum expectation should be statutorily established. By requiring an employee in virtually every AV used for public transit purposes, this bill diminishes the benefit of using AVs, making them less useful as a tool to help transit agencies provide their riders with better service.

- 6) *Trial Period.* Until autonomous technology becomes more capable it may make sense to be cautious during the initial deployments. Technological glitches are inevitable and public acceptance may take a while. (A January 2019 survey by AAA found that 71% of adults were afraid to ride in self-driving vehicles.) Moreover, public transit riders are diverse. Some may have special needs or require special attention that require human interaction, such as the elderly, the disabled, and children. ***The author and committee may wish to consider sun setting this bill in five years*** to allow a reassessment after some experience has been gained. During that time, it may also be prudent for the on-board employee to be a driver so that if a manual take-over is necessary, the employee would be trained to do so. Finally, it will be important to learn from the experience during this period. The author may wish to consider requiring any transit agency deploying an AV to provide a written report to the Legislature on the utility of having a driver on board.
- 7) *Potentially Broad Reach.* The bill also requires any private company contracting with a public transit operator to have an employee on board. This potentially means that if Uber contracts with a transit agency to provide first-mile/last-mile service, as is being trialed by some transit operators, it cannot use an AV.

RELATED LEGISLATION:

SB 59 (Allen, 2019) — Establishes an interagency working group to consider the deployment of autonomous vehicles. *This bill is pending in the Senate Environmental Quality Committee.*

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

California Conference Board of the Amalgamated Transit Union (co-sponsor)
California Labor Federation (co-sponsor)
California Teamsters (co-sponsor)

AFSCME

California Alliance for Retired Americans

California Conference of Machinists

California School Employees Association

Disability Rights California

Engineers and Scientists of CA, IFPTE Local 20, AFL-CIO

Inlandboatmen's Union of the Pacific

Professional and Technical Engineers; IFPTE Local 21, AFL-CIO

UNITE-HERE, AFL-CIO

Utility Workers of America

OPPOSITION:

Transportation Division of the Sheet Metal, Airline, Railroad and Transportation Workers Union

-- END --

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 356	Hearing Date:	4/23/2019
Author:	McGuire		
Version:	2/19/2019		
Urgency:	No	Fiscal:	Yes
Consultant:	Manny Leon		

SUBJECT: North Coast Railroad Authority: rail right-of-way: Sonoma-Marín Area Rail Transit District.

DIGEST: This bill requires the North Coast Railroad Authority (NCRA) to transfer its right-of-way (ROW) property to the Sonoma-Marín Area Rail Transit District (SMART) after certain conditions are met and further directs SMART to carry out a variety of requirements, as specified.

ANALYSIS:

Existing law:

- 1) Establishes the NCRA which encompasses the Counties of Humboldt, Mendocino, Sonoma, and Trinity to provide passenger and freight rail service to those counties.
- 2) Establishes a governing Board of Directors and grants NCRA the authority to acquire real and personal property and operate passenger and freight rail services, as specified.
- 3) Creates SMART and establishes a comprehensive set of powers and duties regarding the formation, governance, organization, maintenance, operation and potential dissolution of the district. Authorizes SMART to provide passenger rail service in the counties of Sonoma and Marin and is governed by a 12-member board of directors.

This bill:

- 1) Requires NCRA to transfer its ROW property and remaining assets to SMART within 90 days of removing all its (NCRA) debts, liabilities, and contractual obligations, as specified.

- 2) Adds a member to SMART's board of directors to represent Mendocino County if the Mendocino Board of Supervisors chooses to appoint a member.
- 3) Authorizes SMART to consider the need and financing for workforce housing.
- 4) Upon receiving NCRA's ROW and nonlocal funding, requires SMART to carry out the following:
 - a) Requires SMART to conduct a freight rail study incorporating ROW if certain conditions are met.
 - b) Requires SMART to create and maintain a trail that runs in, or parallel to, the right-of-way, as specified.
 - c) Requires SMART to conduct a community engagement process to address a variety of matters, including, but not limited to, trail configurations, as specified.
 - d) Requires SMART to create or assign positions of a trail manager and freight rail manager.
- 5) Makes additional technical changes.

COMMENTS:

- 1) *Author statement.* According to the author, "last session's SB 1029 set the stage to once-and-for-all resolve the longstanding issues surrounding the North Coast Railroad Authority. For more than 25 years, this agency has floundered with their mission to achieve rail north of Windsor, and it had become clear that we needed to create a path for the closure of the Authority and a new mission for the 300-mile-long Right of Way. SB 1029 was signed into law and altered NCRA's mission to be focused on the Great Redwood Trail, required an audit and assessment of their significant debts and other liabilities, as well as their assets, possible successor agencies, and a shutdown plan. SB 1029 allowed for an expedited process to study the Southern Segment of the Right of Way, and the Administration has already begun this process. SB 356 is designed to transfer this Southern Segment to the only logical transportation agency available, the Sonoma Marin Area Rail Transit."
- 2) *NCRA.* NCRA was formed in 1989 by the Legislature under the North Coast Railroad Authority Act. At that time, the Act was intended to ensure continuation of railroad service in Northwestern California and envisioned the

railroad playing a significant role in the transportation infrastructure serving a part of the State that faced transportation challenges due to restricted access and limited transport options. The approximate 300-mile rail line is broken down into two divisions: the Russian River Division (from Lombard in Napa County to Willits in Mendocino County) and the Eel River Division (north of Willits to Samoa in Humboldt County.)

From 1991 through 2008, the California Transportation Commission (CTC) provided NCRA with an estimated \$63 million through various programs to be used for purchasing right-of-way, rolling stock, equipment, and making repairs on the rail line. Additionally, in 2006, NCRA entered into an agreement with the Northwestern Pacific Railroad Company (NWPCo) to operate service on the NCRA rail line. Currently, NWPCo is the exclusive contract freight operator for NCRA. NWPCo runs minimal and limited freight rail service, operating up to two trains a week with several cars on each run, from the Lombard Interchange into Windsor California, approximately 62 miles in distance.

Since its inception, NCRA has struggled to secure stable and/or ongoing funding sources and struggled to provide adequate service along the rail line. In June of 2017, NCRA testified at a CTC hearing where NCRA representatives informed Commissioners that NCRA has never been financially self-sufficient, operates with an annual loss, is routinely unable to pay its obligations, and possesses debts due to legal fees from environmental lawsuits. At that time, NCRA further testified that the Authority was having difficulty maintaining and expanding rail service and that they were in the process of selling excess property to pay its debt obligations. Overall, NCRA does not generate substantial revenue from its operating contract with NWPCo to cover the Authority's expenditures. Additionally, since 2011, NCRA has annually held anywhere from an estimated \$10.6 million to \$7 million in debt obligations while simultaneously operating with significant cash flow constraints.

- 3) *SMART*. SMART is one of the state's five commuter rail providers offering passenger rail service in Sonoma and Marin counties. SMART's initial 43 miles of rail corridor includes 10 stations, from the Sonoma County Airport to Downtown San Rafael. SMART started providing passenger service in spring 2017 and has experienced ongoing increases in general ridership. Future extensions include: Larkspur, which is scheduled to be completed in late 2019; Windsor; Healdsburg; and Cloverdale. When fully built out, SMART will provide 70 miles of passenger rail service, connecting passengers with jobs, education centers, retail hubs and housing along the Sonoma-Marin corridor, and also a bicycle-pedestrian pathway.

- 4) *SB 1029*. SB 1029 (McGuire, Chapter 934, Statutes of 2018) required the California Transportation Agency (CalSTA) to conduct an assessment of NCRA in order to provide the findings necessary to determine the most appropriate way to dissolve NCRA and dispense with its assets and liabilities. Specifically, SB 1029 required CalSTA to complete an assessment by July 1, 2020 on the following items:
- a) An assessment of NCRA's debts, liabilities, contractual obligations, and litigations;
 - b) An assessment of NCRA's assets, including property, rights-of-way, easements, and equipment;
 - c) An assessment of NCRA's freight contractor lease, including the contractor's assets and liabilities to the extent the information is available;
 - d) A preliminary assessment of the viability of constructing a trail on NCRA's property or easement, including which portions of the terrain may be suitable for a trail as well as options for rail banking and potential governance structures.
 - e) An assessment of the options for transferring the southern portion of the rail corridor to the Sonoma-Marín Area Rail Transit District
- 5) *Next steps*. The provisions specified in this bill intend to serve as the next steps in NCRA's dissolution. While CalSTA is currently in the process of completing its assessment, this bill begins to set up the framework in preparation of NCRA's ROW being transferred to SMART. Establishing the framework prior to NCRA's ROW being transferred will provide SMART the legal authority to effectively plan and establish procedures in advance of acquiring NCRA's ROW assets.

RELATED LEGISLATION:

SB 1029 (McGuire, Chapter 934, Statutes of 2018) — required CalSTA to conduct an assessment of the NCRA in order to provide the findings necessary to determine the most appropriate way to dissolve NCRA and dispense with its assets and liabilities, as specified.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

None received.

OPPOSITION:

Mendocino County Farm Bureau

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SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 358	Hearing Date:	4/23/2019
Author:	Committee on Transportation		
Version:	4/8/2019		
Urgency:	No	Fiscal:	Yes
Consultant:	Randy Chinn		

SUBJECT: Transportation

DIGEST: This bill makes non-controversial changes to sections of law relating to transportation.

ANALYSIS:

According to the Legislative Analyst's Office, the cost of producing a bill in 2001-2002 was \$17,890. By combining multiple matters into one bill, the Legislature can make minor changes to law in the most cost-effective manner.

Proposals included in this transportation omnibus bill must abide by the Senate Transportation and Housing Committee policy on omnibus bills. The proposals have to be non-controversial and none or minor policy changes to various committee-related statutes. The proponent of an item submits proposed language and provides background materials to the Committee for the item to be described to legislative staff and stakeholders. Committee staff provides a summary of the items and the proposed statutory changes to all majority and minority consultants in both the Senate and Assembly, as well as all known or presumed interested parties. If an item encounters any opposition and the proponent cannot work out a solution with the opposition, the item is omitted from or amended out of the bill. Proposals in the bill must reflect a consensus and be without opposition from legislative members, agencies, and other stakeholders.

This bill makes non-controversial and non-policy changes to sections of law relating to transportation. Specifically, this bill includes the following provisions, with the proponent of each provision noted in brackets:

- a) Corrects several references to the Bureau of Household Goods and Services, rather than the California Public Utilities Commission. (California Moving and Storage Association)

- b) Makes a technical clarification to the Highway Users Tax (State Controller).
- c) Corrects two incorrect references in the Streets and Highways Code (San Francisco Mayor London Breed).
- d) Deletes an obsolete provision related to the County of Los Angeles (Los Angeles County Sheriff).

COMMENTS:

- 1) *Purpose.* The purpose of omnibus bills is to include technical and non-controversial changes to various committee-related statutes into one bill. This allows the legislature to make multiple, minor changes to statutes in one bill in a cost-effective manner. If there is no consensus on a particular item, it cannot be included. There is no known opposition to any item in this bill. Additional items may be added as the bill progresses.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

None received.

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 369	Hearing Date:	4/23/2019
Author:	Hertzberg		
Version:	3/27/2019		
Urgency:	No	Fiscal:	Yes
Consultant:	Manny Leon		

SUBJECT: Safe parking programs.

DIGEST: This bill establishes the Safe Parking Program and provides various exemptions for program participants, as specified.

ANALYSIS:

Existing law:

- 1) Authorizes local authorities, by ordinance or resolution, to prohibit or restrict the parking or standing of vehicles on certain streets or highways, or portions thereof, between the hours of 2 a.m. and 6 a.m.
- 2) Prohibits a person from operating or leaving a motor vehicle standing upon a highway, or in an off-street public parking facility, unless the vehicle is registered and the appropriate fees have been paid, except under certain conditions.
- 3) Prohibits a person from driving a vehicle upon a highway without a valid driver's license, except as specified, and establishes fees for obtaining and renewing a driver's license.
- 4) Establishes a motor vehicle inspection and maintenance (smog check) program that is administered by the Department of Consumer Affairs and requires inspection of motor vehicles upon initial registration and biennially upon renewal of registration, except as specified.
- 5) Establishes a repair assistance program, administered by Bureau of Automotive Repair within the Department of Consumer Affairs, available to a person who owns a motor vehicle that has failed a smog check inspection and who meets specified criteria, including that the person's income is below a certain amount.

This bill:

- 1) Authorizes a city, county, city and county, joint powers authority, or continuum of care to establish a safe parking program, as specified.
- 2) Requires the safe parking program to be designated for homeless persons and families who reside in their vehicles, provide program participants access to case management and social services at the safe parking program site. Further requires a local entity to issue a declaration of a shelter crisis in order to implement a safe parking program, as specified.
- 3) Requires the Department of Motor Vehicles (DMV) to waive driver's license and vehicle registration fees and penalties to a program participant incurred prior to enrolling in a safe parking program.
- 4) Requires DMV to issue temporary (90 day) operating permits to program participants whose vehicle registration has expired.
- 5) Allows a program participant to perform community service in lieu of any unpaid fines for parking violations that were committed prior to the participant's enrollment in a safe parking program.
- 6) Exempts vehicles owned by safe parking program participants from smog check requirements for a one-year period upon enrollment in the program.
- 7) Deems all program participants to be eligible for participation in the repair assistance program.

COMMENTS:

- 1) *Author statement.* According to the author, "more than 9,000 people are living in cars and recreational vehicles on any given night throughout the city of Los Angeles. Though they are not on the street, so many of our most vulnerable are just one citation or one tow truck away from losing everything. Safe parking programs – which provide a protected area for individuals to park their cars, while also offering wraparound services — have shown they can be a turning point for such individuals. SB 369 would establish a statewide definition for safe parking programs, allowing these programs to become more standardized. SB 369 would also expand the number of people who could enroll in payment assistance programs like the SMOG Assistance Program, as most individuals

who find themselves living in their cars are often most unable to afford the fines and fees related to the upkeep of a vehicle.”

- 2) *Repair Assistance Program (RAP)*. RAP is administered by the Bureau of Automotive Repair (BAR) and is designed to help improve California's air quality by reducing vehicle emissions. RAP provides qualified consumers who own a vehicle that fails its biennial smog check inspection up to \$500 in financial assistance towards certain emissions-related repairs. Key eligibility requirements include the participant being the registered owner of the vehicle, have a household income that is less than 225 percent of the federal poverty level, the vehicle must not have tampered emissions, and a vehicle's registration must not have lapsed for more than 120 days over two consecutive years. According to BAR, in Fiscal Year 2016/17, RAP reduced an estimated 6,958 tons of vehicle emissions through its programs.
- 3) *Smog Check program*. The Smog Check Program is a vehicle inspection and maintenance program designed to improve the state's air quality. The intent of the program is to identify vehicles with excess emissions so they can be properly repaired or retired. A smog check is generally required every other year (biennially) as part of the vehicle registration process with certain exemptions provided. When DMV issues a vehicle's registration renewal notice, the notice will indicate if a smog check is required. A smog check is also required when a vehicle changes ownership or when it is registered for the first time in California. BAR administers the program and licenses more than 7,000 independently owned smog check stations. According to BAR, the program has greatly reduced air pollution created by millions of cars in California.
- 4) *Safe parking programs*. Safe parking programs are overnight parking designations, typically large parking lots, that allow program participants who live in their vehicles to safely park their vehicle over night while also providing a variety of services such as restroom facilities, social services, and parking lot security. A number of cities currently operate safe parking programs including Los Angeles, Santa Barbara, and San Jose. In the Santa Barbara region, 23 parking lots with 134 spaces are offered to safe parking program participants. Santa Barbara's safe parking program connects homeless participants to shelters and services that aim to get participants off the streets and into safer environments. The program also distributes food and offers a rapid re-housing component that provides case management services to transition program participants into permanent housing and employment.

The author asserts that while cities throughout the state have implemented safe parking programs, no standard framework exists for local entities to model.

This bill intends to establish a framework in statute to allow cities and counties statewide to set up safe parking programs. Additionally, this bill aims to provide additional financial and vehicle assistance to individuals that participate in a safe parking plan under this measure.

- 5) *Author Amendments.* The author intends to amend this bill to remove a number of provisions. Specifically, amendments will include removing the smog check waiver provision, modify RAP to allow individuals with lapsed vehicle registrations to remain eligible for the program if participating in a safe parking program, remove driver's license and vehicle registration fee/penalty waivers, remove community service provisions, and makes several other technical modifications.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

The Honorable Eric Garcetti (Sponsor)
Western Center on Law and Poverty

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 397	Hearing Date:	4/23/2019
Author:	Glazer		
Version:	2/20/2019		
Urgency:	No	Fiscal:	Yes
Consultant:	Manny Leon		

SUBJECT: Public transit operators: passengers with pets: evacuation orders

DIGEST: This bill requires public transit operators to allow passengers to board a bus with their pets during the implementation of an emergency evacuation order, as specified.

ANALYSIS:

Existing law:

- 1) Imposes various requirements on transit operators, as specified.
- 2) Prohibits a person from doing any specified acts with respects to the property, facilities, or vehicles of a transit district, including, among other things, interfering with the operator or operation of a transit vehicle, or impeding the safe boarding or alighting of passengers.

This bill:

- 1) Requires each public transit operator to develop best practices for allowing pets on a public transit vehicle serving areas subject to an evacuation order.
- 2) Requires a public transit operator to allow passengers to board a transit vehicle with their pets when an evacuation order is issued.

COMMENTS:

- 1) *Author statement.* According to the author, “a significant concern for pet owners during times of natural disaster is ensuring the safety and the care of their animals. California is home to nearly 19 million domestic pets — nearly 1 of every 3 California households has a cat or dog as part of their family. During the 2018 wildfires, experts estimate that the Woolsey, Hill, and Camp Fires

displaced over 10,000 pets. The fires moved quickly, and many residents had to evacuate, but not all were able to take their pets with them. Numerous studies have shown that people are reluctant to evacuate during a disaster without their animals. Crucial to the safety of Californians is the ability to safely evacuate in periods of imminent danger, like earthquakes, fires and flooding, and other natural disasters. Public transportation can play an integral role in mitigating, preparing, and responding to these natural disasters in both rural and urban settings. Creating a plan for pets on public transit will improve compliance with evacuation orders for those who do not want to leave their pets behind, and those without their own forms of transportation. This bill would require public transit operators across the state to develop best practices for allowing pets to board during mandatory evacuations. This will increase compliance with evacuation orders and help keep pets and their owners safe in the face of natural disasters.”

- 2) *California CARES*. AB 450 (Chapter 604, Statutes of 2006) required the Governor’s Office of Emergency Services (OES) to approve, adopt, and incorporate the California Animal Response Emergency System (CARES) program into the standardized emergency management system. SB 450 also required OES, the State Department of Food and Agriculture, and other interested parties, to enter into a memorandum of understanding to incorporate the CARES program into their emergency planning. According to OES, California is home to nearly 19 million domestic animals. CARES reports, “polls conducted in 2012 estimate that California is home to 6.7 million dogs and 7.1 million cats. The California Department of Food and Agriculture reported in 2012 that there are over 5.5 million cattle in California, 570,000 sheep, 141,000 goats, 670,000 horses, just over 100,000 hogs, and millions of chickens in the Golden State. Approximately one out of every three households in California owns a dog or a cat.” A 2013 CARES Program Assessment Report found, “resources for animal emergencies are a huge issue. Resource lists are incomplete and levels of personnel, equipment and supplies are insufficient. Resource databases, mutual aid plans and agreements, and additional resources and funding are needed.”

This bill intends to bring California into alignment with other states that have enacted similar statutes. The author points to the State of New York where legislation was enacted in 2015 that allows “domestic companion animals” to board commuter transportation trains and buses during a declaration of an emergency. This bill requires public transit operators within the state to allow passengers to board transit vehicles with their pets when an evacuation order is issued based on best practices developed by the transit operator.

- 3) *State Mandate.* This bill requires transit operators to develop best practices and to allow passengers to board transit vehicles with their pets when an evacuation order is issued. As a result, this bill creates a state mandate requiring the state to pay for the costs associated with each transit operator developing best practices and implementing the evacuation requirements in this bill. Currently, these costs are unknown.

RELATED LEGISLATION:

AB 450 (Yee, Chapter 604, Statutes of 2006) — Requires OES to approve, adopt, and incorporate the "California Animal Response Emergency System" (CARES) program into the standardized emergency management system (SEMS).

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

San Diego Humane Society

OPPOSITION:

None received.

-- END --

two years prior to the application, unless the owner can demonstrate that the vehicle has been operated in California during that period. EFMP is funded by an additional \$1 surcharge on the vehicle registration fee. EFMP two components.

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

The second component is the Clean Cars program, formerly known as the EFMP Plus-Up Program (Plus-Up), in the San Joaquin and South Coast Air Quality Management Districts, though it will be expanded to include the Bay Area and the Sacramento Metropolitan Air Quality Management Districts by the end of the year. Clean Cars provides additional incentives above and beyond EFMP incentives for low income individuals in disadvantaged communities who retire high-polluting vehicles and replace them with used or new hybrid, plug-in hybrid, or zero emission vehicles. Eligible participants can receive additional incentives ranging from \$1,500 to \$5,000, depending on the vehicle type that is purchased. The EFMP, Clean Cars, and CVRP rebates can be “stacked” for a total of up to \$12,000. Low income is defined as individuals making less than 400% of the federal poverty level¹. This program is funded by Cap and Trade revenues at \$60 million in FY 2016-17.

COMMENTS:

- 1) *Author Statement.* “Under existing law, the Clean Cars 4 All program only allows individuals to retire their old polluting vehicle in exchange for incentives towards the purchase of a new or used hybrid, plug-in hybrid, or battery electric car. Alternatively, individuals can opt for a ‘mobility option’ voucher in the form of local transit passes or car-sharing programs. However, these incentive programs are based in communities with poor transit options and the demand for these alternative options are non-existent within the program. Access to electric bicycles and bicycle sharing programs currently are not eligible mobility options, which is a missed opportunity to support healthy, clean transportation options for communities of concern that face barriers to purchasing these alternatives due to cost.

¹ The federal poverty level for a family of 4 is \$25,100 annually.

- 2) *How Much?* By law the minimum mobility benefit is \$2500 for low-income program participants. While this may well be appropriate given the cost of a replacement car, it may be inappropriate for e-bikes, which can be had for as little as \$500. The author should consider whether to revise the statutory minimum benefit for the e-bike mobility option, and leave it to the local AQMD's to determine what is appropriate.
- 3) *Cars Versus Transit.* Clean Cars program participants overwhelmingly prefer replacing their polluting vehicle with another vehicle, rather than taking an alternative mobility option. Of the 4613 program participants through 2018, only 3 have chosen to accept a voucher for public transit or car sharing. Perhaps the expansion of mobility options pursuant to this bill will increase that take rate.
- 4) *More Options.* This bill gives program participants more options when retiring their older vehicle. It is hard to see a downside to this, though given the low take rates for transit passes and car sharing in the current program the upside may not be very high either.
- 5) *Previous Hearing.* This bill was passed 5-0 by the Environmental Quality Committee on April 3, 2019.

RELATED LEGISLATION:

AB 630 (Cooper, Chapter 636, Statutes of 2017) — established the Clean Cars 4 All program, providing drivers of high polluting vehicles financial incentives and support to switch to lower-emission vehicles or other modes of transportation.

SB 535 (De Leon, Chapter 830, Statutes of 2012) — allowed participants in or near disadvantaged communities to receive greater incentives with the EFMP Plus-Up program, funded through the Greenhouse Gas Reduction Fund.

AB 118 (Nuñez, Chapter 750, Statutes of 2007) — enacted the Enhanced Fleet Modernization Program (EFMP) to provide compensation for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

Active SGV
Bicycle Product Suppliers Association
California Bicycle Coalition
Central California Asthma Collaborative
Coalition for Clean Air
Greenlining Institute
People for Bikes
Planning and Conservation League
Safe Routes to Schools
Transform

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 447	Hearing Date:	4/23/2019
Author:	Moorlach		
Version:	3/27/2019		
Urgency:	No	Fiscal:	Yes
Consultant:	Manny Leon		

SUBJECT: Department of Transportation: transfer of property: City of Orange.

DIGEST: This bill requires the Department of Transportation (Caltrans) to transfer two parcels of leased property to the City of Orange upon request by the City, as specified.

ANALYSIS:

Existing law:

- 1) Provides Caltrans with full possession and control of all state highways and all property and rights on property acquired for state highway purposes.
- 2) Provides for the acquisition, transfer, and use of property owned by Caltrans, as specified.
- 3) Requires Caltrans to offer to sell or exchange excess real property within one year from the date that the property is determined excess. Further requires excess property that consists of lands of notable environmental value, as defined, to be first offered for sale or exchange to public agencies, as specified.

This bill:

- 1) Provides findings and declarations that the property transfer specified in this bill serves a public purpose.
- 2) Requires Caltrans to transfer over two parcels of property that are currently leased to the City of Orange for park purposes upon request by the City.
- 3) Requires the City of Orange to assume ownership of the property upon transfer.

- 4) Requires Caltrans to provide the City of Orange with the deed to both parcels and limiting the use of the parcels to only recreation and open-space purposes.
- 5) Prohibits the City of Orange from transferring or assigning the property to any other entity.
- 6) Requires the property deeds of the transferred property to be filed with the County of Orange Recorder's office.

COMMENTS:

- 1) *Author statement.* According to the author, "SB 447 will keep popular parks available to the community of Orange County. We are working with the City of Orange to provide them the means to retain Handy and Hart Parks, both central to the identity of the city. There is no telling what may become of these parks if the city cannot guarantee their future."
- 2) *Parks.* According to the City of Orange's website, Hart Park was acquired in 1933 and consists of 41.76 acres in total. The park encompasses a number of softball fields, community pool, and "acres of passive and open space." The City is currently in a lease agreement with Caltrans for 9.1 acres of that parkland which expires in 2023.

Handy Park was acquired in 1976 and consists of 7.31 acres. Handy Park consists of a soccer field, volleyball courts, and a number of picnic tables. The City is currently in a lease agreement with Caltrans for 5.69 acres of that parkland which expires in 2024. Caltrans has notified the City that the department will not be renewing these two lease agreements.

- 3) *Existing process.* Existing law presently allows for Caltrans to sell or exchange property it no longer deems as necessary for state highway purposes and/or is determined to be excess. Furthermore, existing law requires Caltrans to sell or exchange real property deemed as excess within one year from the date it is determined to be excess and right of first refusal is granted to cities and counties when parkland is involved. Currently, the leases between Caltrans and the City of Orange for parcels at Hart and Handy Park expire in 2023 and 2024 respectively. Thus, it is unclear why this bill is necessary if a process already exists for Caltrans to sell or exchange the abovementioned parcels, leases do not expire for another four to five years, and the City will have the right of first refusal.

Furthermore, the bill, in its current form, requires Caltrans to *transfer* the property upon request by the City of Orange. It is unclear why, under this measure, these particular parcels should be exempted from the existing selling or exchange process. The state fiscal impacts associated with a proposed “transfer” are currently unknown however could be significant.

Lastly, it is unclear as to why the City of Orange should be exempted from the existing contractual process that occurs when Caltrans sells or exchanges real property. The bill, in its current form, authorizes the City of Orange to simply “request” the property; which in turn would require Caltrans to transfer over the two leased parcels. It is unclear in what form the “request” is to be made by the City of Orange to Caltrans and is also silent on when the request is to be made (i.e. before or upon the leases expiring.) *The author may wish to provide the committee with details as to why these parcels should be exempted from the existing process of selling or exchanging Caltrans property and why the City of Orange should be exempted from providing the state any compensation for these leased parcels of property.*

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

City of Orange (sponsor)
North Sunrise Little League
Orange Junior Soccer Club
Orange Youth Football

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No: SB 498 **Hearing Date:** 4/23/2019
Author: Hurtado
Version: 4/16/2019 Amended
Urgency: No **Fiscal:** Yes
Consultant: Manny Leon

SUBJECT: Trade Corridors Improvement Fund: grant program: short-line railroads

DIGEST: This bill requires the California Transportation Commission (CTC) to establish a competitive short-line rail grant program, as specified.

ANALYSIS:

Existing law:

- 1) Proposition 1B (2006) authorized the issuance of \$19.925 billion of general obligation bonds for specified purposes, including \$2 billion to be transferred to the Trade Corridors Improvement Fund (TCIF), created by the bond act.
- 2) Provides the moneys in the TCIF available, upon appropriation in the annual Budget Act by the Legislature for allocation by CTC for infrastructure improvements along federally designated Trade Corridors of National Significance or along other corridors that have a high volume of freight movement, as determined by CTC.
- 3) Designates CTC as the administrative agency responsible for programming funds in the TCIF and authorizes CTC to adopt guidelines for the TCIF program.

This bill:

- 1) Makes findings and declarations regarding the California State Rail Plan and short-line rail operators.
- 2) Requires CTC to establish a short-rail line grant program. Specifies the program is to be funded by project savings generated from prior TCIF allocations.

- 3) Authorizes the grant program to be implemented from fiscal year 2020/21 to 2021/22.
- 4) Provides that the grant program will fund short-line rail improvement projects such as rail reconstruction, maintenance, upgrade, and replacement.
- 5) Requires CTC to adopt guidelines, in consultation with representatives from specified government and industry entities, by July 1, 2020, to be used by CTC to select grant projects.
- 6) Prohibits using grant funds for operational purposes.
- 7) Requires grant recipients to meet various funding and matching requirements, as specified.

COMMENTS:

- 1) *Author statement.* According to the author, “California voters approved of Proposition 1B in 2006, a \$20 billion bond act. That act included \$2 million to establish a Trade Corridors Improvement Fund (TCIF) to address high volume of freight movement. The 2018 California State Rail Plan (CSRP) identified that we could increase reliability and efficiency to the entire statewide railroad network if we directed funding for improvements to existing infrastructure. SB 498, the Short-Line Railroad Improvement Act of 2019, builds on CSRP’s recommendation to invest in programs to support infrastructure and construction projects to upgrade the statewide short-line railroad network. By July 1st, 2020, SB 498 directs the California Transportation Commission to consult with relevant stakeholders and regional agencies to develop guidelines for awarding grants to short-line railroad projects and to allow for public input. This bill also caps state grants for these projects at 50% of the total project cost for projects until 2022.”
- 2) *Short-line rail.* A short-line railroad is a small or mid-sized railroad company that typically operates over a short distance relative to larger, national railroad networks. Railroads are categorized by operating revenue; with most short-line railroads falling into the Class III (under approximately \$36.6 million) or Class II (between \$36.6 and \$457.9 million) categorization as defined by the Surface Transportation Board. Short-line railroad operators generally exist for one of three reasons: to link two industries requiring rail freight together, to interchange rail/container traffic with other, usually larger, railroads; or to operate a tourist passenger train service. California’s short-line railroad

operators handle approximately one-tenth of the state's carload freight tonnage and serve as links between many of the state's freight-intensive industries, ports, and principal trade corridors. According to the American Short-Line and Regional Railroad Association, short-lines handle over 2.6 million carloads annually in California. Today, the short-line industry moves the equivalent of 7.7 million truck loads in the State which results in an estimated \$330 million in annual pavement savings to California taxpayers.

- 3) *Infrastructure needs.* According to a 2014 report by the Federal Railroad Administration, nationwide, the needs for short-line rail improvements including both infrastructure and equipment is estimated at \$1.23 billion over a five year period. The report notes that the most imperative needs are related to track and bridge improvements. For example, one of the principal challenges in short-line systems are that operators cannot handle freight cars weighing 286,000 pounds, a standard that the Class I railroads adopted in 1994. Where a line is not 286K-capable, the common practice is to either load a railcar to less than its maximum capacity, or to transfer the load to trucks for transport to a location where the railroad can handle the heavier load.
- 4) *State Rail Plan.* The 2018 State Rail Plan (SRP) is a comprehensive statewide rail plan providing a vision and direction for California's existing and future rail network. The SRP states "a rail renaissance is already underway in California, with the state's three intercity rail services and five commuter rail services seeing significant new investment to make service faster, safer, more frequent, and more customer friendly." The SRP further writes, "The 2040 Vision establishes a framework for partnerships that better align with the policies and action of the state and private freight rail companies. The Rail Plan process identified five major areas of need and opportunity of statewide importance for freight rail services." With regards to short-line rail, the SRP notes, "the Rail Plan has an opportunity to support programs that provide grants and loans to short lines, to improve and upgrade their track to current standards; or to shippers, to provide or improve rail network access."

This bill aims to follow through on the SRP's recommendation by developing a grant program for short-line rail infrastructure improvement projects using project costs savings from the Proposition 1B TCIF program (approximately currently \$12 million).

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

None received.

OPPOSITION:

None received.

-- END --

from a specialized license plate are then available upon appropriation for the sponsoring state agency to expend exclusively on projects and programs that promote the state agency's official policy, mission, or work.

- 3) Establishes the Building Homes and Jobs Trust Fund, which funds several program to support housing and reduce homelessness, including a program to support owner-occupied workforce housing.

This bill:

- 1) Requires HCD to apply to DMV to sponsor a housing crisis awareness specialized license plate program.
- 2) Authorizes HCD to receive donations from public and private entities to fund the necessary administrative costs to establish the specialized license plate.
- 3) Authorizes HCD to issue the specialized license plate without first receiving 7,500 applications or sufficient donations to recover the cost of issuing the plates.
- 4) DMV's cost to establish the specialized license plate shall be recovered from the received donations.

COMMENTS:

- 1) *History of special-interest license plates.* The DMV is required to issue, upon legislative authorization, a special-interest license plate bearing a distinctive design or decal of a sponsoring organization to any vehicle owner that paid specified fees, provided that the sponsoring organization met certain conditions. These conditions included that the sponsor of a special-interest license plate had to collect 7,500 applications and fees for a special license plate in order to pay DMV's costs of creating a new plate, which are approximately \$375,000 or 7,500 applications times the \$50 fee.
- 2) *Purpose of Funds.* The funds raised by the issuance of these plates will support an existing program for affordable owner-occupied workforce housing.
- 3) *Donation Precedent.* This bill allows the 7,500 application threshold to be met through donations rather than individual subscriptions. This sets a precedent where any group or individual can donate a relatively small amount — probably in the range of \$375,000 — to get a specialty license plate issues. This would

result in a proliferation of plates. One can imagine controversial issues or causes which could now be qualified, such as a specialty plate for a political party or a divisive interest group. *The author has agreed to delete this provision.*

- 4) *One More.* California currently offers 14 specialty license plates: Breast Cancer Awareness, California Agriculture, Arts Council, California Museums, Collegiate, Environmental, Help Our Kids, Lake Tahoe Conservancy, Memorial, Pet Lovers, Veterans' Organizations, Whale Tail (Coastal Commission), Yosemite Conservancy, and 60's Legacy.
- 5) *Outlook is poor.* The track record of specialty license plates reaching the 7,500 threshold is poor. Of the 12 legislatively sponsored plates approved in the last two decades, only two have met the threshold (60's Legacy, Breast Cancer Awareness). There are currently three specialty license plate proposals that are taking reservations. Each has attracted few applicants.

RELATED LEGISLATION:

SB 140 (Stern, 2019) — authorizes an Endless Summer specialty license plate. *This bill is pending in the Senate Appropriations Committee.*

SB 593 (Umberg, 2019) — authorizes a professional sports specialty license plate. *This bill is pending in the Senate Transportation Committee.*

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

California Association of Realtors

OPPOSITION:

None received.

COMMENTS:

- 1) *Author statement.* According to the author, "Democracy works only with clean and honest elections. Every vote by United States and California citizens must count. Our Secretary of State is obligated to protect that right by doing everything in his power to oversee the voter registration process and prohibit those who are not citizens of our country and state from falsely registering to vote. On September 5, 2018, the Los Angeles Times and other major news outlets informed Californians the motor voter law had compromised 23,000 voter registrations. There has been a lot of concern about how this could happen when I was personally assured by Secretary of State Alex Padilla that this kind of thing would never happen. SB 511 would establish a committee with representatives from the SOS, the DMV, and counties, for the purpose of facilitating the sharing of information for better implementation of the Motor Voter program. The bill would also establish a requirement for the DMV to train its employees in proper voter registration practices that align with the new Motor Voter program in an effort to prevent future errors and restore voter confidence in the integrity of our elections."
- 2) *National Voter Registration Act.* In 1993, the federal government enacted the National Voter Registration Act (NVRA), commonly referred to as the "motor voter" law, to make it easier for Americans to register to vote and maintain their registration. Among other provisions in the NVRA, DMV provides customers the opportunity to register to vote when completing an application for or a renewal of a driver's license or an identification card and when a change of address transactions takes place.
- 3) *Motor Voter.* In 2015, the Legislature passed and Governor Brown signed AB 1461 (Gonzalez), Chapter 729, Statutes of 2015, which provides for every person who submits an application for a driver's license or state identification card, or provides DMV with a change of address, and who attests that they meet all voter eligibility requirements, is automatically registered to vote, unless that person opts out, as specified.

Specifically, DMV, in consultation with the SOS, is required to establish a schedule and method for DMV to electronically provide to the SOS the records of each person who submits an application for a driver's license or state identification card, or provides DMV with a change of address. The records include the person's name; date of birth; residence address and/or mailing address; digitized signature; telephone number, if available; email address, language preference; political party preference; whether the person chooses to

become a permanent vote by mail voter; whether the person affirmatively declined to register or preregister to vote during a transaction with the DMV; a notation that the applicant has attested that he or she meets all voter eligibility requirements; and other information specified in regulations adopted pursuant to the program.

In April 2018, California officially launched the CNMVP. According to the SOS, 1,086,335 new voter registration transactions have been processed from CNMVP's launch in April and May of 2018 through February 2019. If voter re-registrations and updated addresses are included with new registrations, the total for the same duration is 3,769,645 transactions. On the other hand, there were 3,054,343 transactions where the individual chose to opt-out of voter registration through either the electronic driver's license or identification card.

- 4) *Implementation.* Since the launch of the CNMVP in 2018, DMV faced a number of challenges related to DMV transactions and voter registration. For example, in May 2018, a software error potentially affected approximately 77,000 voter records generated at the DMV. In September 2018, DMV reported 23,000 registration errors that stemmed from DMV technicians working with multiple screens and registration information being improperly merged. According to DMV, 4,600 individuals did not complete a voter registration affidavit, but had their information sent to the SOS. Lastly, prior to the November 2018 election, DMV did not timely transmit 589 voter records to SOS prior to the close of registration. Of the 589 records, 329 were registering to vote and 260 were trying to change their address.
- 5) *Training?* The provisions specified in this bill require that all DMV employees receive motor voter training. DMV currently employs thousands of employees that carry out a variety of functions. While employees in DMV field offices do in fact work with the public and are involved with motor voter, hundreds if not thousands of employees are completely detached from being involved in the motor voter process. According to DMV, the training mandate in this bill would require approximately 4,000 staff members to be trained in motor voter procedures that have no involvement with the program. Furthermore, the estimated 5,500 DMV employees involved with motor voter have already received training on the program. In a period where it's been widely reported that DMV is undergoing significant program implementation issues with REAL ID and Motor Voter, it is unclear how motor voter training to all DMV employees would be an effective use of state resources nor would result in improved program implementation. Furthermore, for DMV staff that are involved in motor voter, it is unclear how participating in the same eight-hour training course an additional time is not duplicative and would result in

improved program implementation. *The author may wish to inform the committee as to how requiring motor voter training to non-applicable DMV employees would improve program implementation as well as requiring duplicative training to applicable DMV employees would also improve motor voter program implementation.*

RELATED LEGISLATION:

AB 1461 (Gonzalez, Chapter 729, Statutes of 2015) — provides for every person who has a driver's license or state identification card and who is eligible to register to vote to be automatically registered to vote at the DMV, unless that person opts out.

AB 1407 (McCarty, Chapter 4, Statutes of 2018) — expanded the provisions of the New Motor Voter Program to 16 and 17 year olds.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

Disability Rights California

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 543	Hearing Date:	4/23/19
Author:	Pan		
Version:	3/27/2019		
Urgency:	No	Fiscal:	Yes
Consultant:	Randy Chinn		

SUBJECT: Pedicabs.

DIGEST: This bill the deletes the sunset on the authority of a city to authorize alcohol consumption on specified pedicabs.

ANALYSIS:

Existing law:

- 1) Includes within the definition of pedicab devices, which are primarily pedal-powered, have a seating capacity of not more than 15 passengers, and cannot travel faster than 15 miles per hour. This type of pedicab must be equipped with basic safety equipment including seat belts, seat backs, brakes, reflectors, headlights, and grab rails, and must be operated by a 21-year-old adult with a valid California driver's license. This type of pedicab must be authorized by local ordinance and cannot operate on a road with a speed limit greater than 30 mph. Any accidents must be reported to the California Highway Patrol.
- 2) Provides that if a city allows alcohol to be consumed on board the pedicabs described above, the operator shall also provide an on-board adult safety monitor and both the driver and safety monitor must have completed the Licensee Education on Alcohol and Drugs program implemented by the Department of Alcoholic Beverage Control. This authorization to permit alcohol consumption expires on January 1, 2020.

This bill deletes the sunset making permanent the authority of a city to authorize alcohol consumption.

BACKGROUND:

This bill deals with four-wheeled, primarily pedal-powered vehicles that carry up to 15 passengers and can cost up to \$100,000. These are substantial vehicles, about the size of a car, and were authorized for use on certain public streets in 2015.



In Sacramento, San Diego, Palm Springs, Santa Barbara and other California cities, these vehicles are used to offer guided riding tours through tourist and entertainment areas, often accompanied with stops at bars and restaurants. The passengers provide much of the motive force, aided by the vehicle operator and, often, an electric motor. Local governments may authorize on-board alcohol consumption. San Diego, Santa Barbara, Palm Springs and Healdsburg do not allow on-board drinking; Sacramento and Fresno do. In Sacramento about two-thirds of customers choose to drink on board. Residents of mid-town Sacramento likely have seen, and heard, these vehicles and their spirited passengers.

COMMENTS:

- 1) *Need for the Bill.* The author carried the original legislation authoring the operation of these pedicabs, often referred to as beer bikes because of their typical destination. While on-board alcohol consumption has been authorized, subject to local discretion, that authorization sunsets on January 1, 2020 to allow for an interim review.

2) *How'd We Do?* Beer bike accidents must be reported to the California Highway Patrol. They indicate no reports of accidents. The City of San Diego police department reports no complaints or administrative actions. The Committee has yet to hear back from the City of Sacramento police department. A Google search uncovered no reports of passenger accidents on beer bikes in the United States.

RELATED LEGISLATION:

SB 530 (Pan, Chapter 496 of 2015) — Authorizes the operation of large pedicabs. On-board alcohol consumption is authorized, subject to local approval, until January 1, 2020.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

Beach Barcycle
California Travel Association
Downtown Sacramento Partnership
Midtown Association
Sac Brew Bike
SacTown Bike Bus Tours
San Diego Tourism Authority

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SB 593	Hearing Date:	4/23/2019
Author:	Umberg		
Version:	4/22/2019 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Randy Chinn		

SUBJECT: Specialized license plates: professional sports.

DIGEST: This bill requires the Department of Veterans Affairs (DVA) to apply to the Department of Motor Vehicles (DMV) to sponsor a professional sports franchise license plate with the net proceeds going to the Challenged Athletes Foundation.

ANALYSIS:

Existing law:

- 1) Provides for a specialized license plate program, under which the DMV may issue new special-interest license plates. Special-interest license plates may only be issued on behalf of state agencies and only provided that:
 - a) The license plate has “a design or contains a message that publicizes or promotes a state agency, or the official policy, mission, or work of a state agency.” The design shall also be confined to the left of and below the numerical series (i.e., no full-plate designs allowed).
 - b) The state agency submits 7,500 applications and accompanying fees to DMV for the license plate. The state agency has 12 months to collect these applications and fees, but it can extend that to a maximum of 24 months if it notifies and offers to refund fees to those who applied during the first 12 months. Once a plate is issued, DMV stops issuing that plate for the agency if the number of plates drops below 7,500.
- 2) Authorizes DMV to charge, in addition to the usual registration and license fees, the following additional fees for specialized license plates: \$50 for the initial issuance, \$40 for annual renewal, and \$98 to personalize. DMV deducts its administrative costs from the revenues generated. The net revenues derived

from a specialized license plate are then available upon appropriation for the sponsoring state agency to expend exclusively on projects and programs that promote the state agency's official policy, mission, or work.

This bill:

- 1) Requires DVA to apply to the DMV to sponsor a professional sports franchise license plate program. DVA shall enter into memorandums of understanding with California professional sports franchises to display their logos or trademarks.
- 2) Requires that the fees raised from the issuance of these specialty plates, after deducting the DMV's administrative costs, shall be deposited into the California Professional Sports Franchise Account, which is hereby established. Upon appropriations, funds from that account shall be allocated to DVA for allocation to the Challenged Athletes Foundation for their Operation Rebound program.

COMMENTS:

- 1) *History of special-interest license plates.* The DMV is required to issue, upon legislative authorization, a special-interest license plate bearing a distinctive design or decal of a sponsoring organization to any vehicle owner that paid specified fees, provided that the sponsoring organization met certain conditions. These conditions included that the sponsor of a special-interest license plate had to collect 7,500 applications and fees for a special license plate in order to pay DMV's costs of creating a new plate, which are approximately \$375,000 or 7,500 applications times the \$50 fee.
- 2) *Purpose of Funds.* The Challenged Athletes Foundation is a San Diego-based 501c3 non-profit established to provide support for the physically challenged. Its Operation Rebound program provides veterans, military personnel and first responders with permanent physical injuries with opportunities to use sports and fitness to re-integrate into their communities.
- 3) *One More.* California currently offers 14 specialty license plates: Breast Cancer Awareness, California Agriculture, Arts Council, California Museums, Collegiate, Environmental, Help Our Kids, Lake Tahoe Conservancy, Memorial, Pet Lovers, Veterans' Organizations, Whale Tail (Coastal Commission), Yosemite Conservancy, and 60's Legacy.

- 4) *Outlook is poor.* The track record of specialty license plates reaching the 7,500 threshold is poor. Of the 12 legislatively sponsored plates approved in the last two decades, only two have met the threshold (60's Legacy, Breast Cancer Awareness). There are currently three specialty license plate proposals that are taking reservations. Each has attracted few applicants.
- 5) *I See.* The most important requirement for a speciality license plate is visibility by law enforcement. A 2015 analysis by the DMV, issued pursuant to legislation, provided specific guidelines which are reflected in Section 5155 of the Vehicle Code. The author has agreed to delete the exemption from this section in his bill.

RELATED LEGISLATION:

SB 140 (Stern, 2019) — authorizes an Endless Summer specialty license plate. *This bill is pending in the Senate Appropriations Committee.*

SB 509 (Portantino, 2019) — authorizes a California Housing Crisis Awareness specialty license plate. *This bill is pending in the Senate Transportation Committee.*

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

Anaheim Ducks

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No: SB 662 **Hearing Date:** 4/23/2019
Author: Archuleta
Version: 4/11/2019 Amended
Urgency: No **Fiscal:** Yes
Consultant: Randy Chinn

SUBJECT: Green electrolytic hydrogen.

DIGEST: This bill requires the California Public Utilities Commission (CPUC) to approve or amend investor-owned utility (IOU) applications for ratepayer-funded investments in green electrolytic hydrogen produce and infrastructure, and it incorporates green electrolytic hydrogen into various definitions of transportation electrification related to state agency duties to address greenhouse gas (GHG) emissions reduction goals.

ANALYSIS:

Existing law:

- 1) Defines transportation electrification as the use of electricity from external sources of electrical power, including the electrical grid, for all or part of vehicles, vessels, trains, boats, or other equipment that are mobile sources of air pollution and GHG and associated programs and charging and propulsion infrastructure to support this use of electricity.
- 2) Defines “green electrolytic hydrogen” as hydrogen gas produced through electrolysis and does not include hydrogen gas manufactured using steam reforming or any other conversion technology that produces hydrogen from a fossil fuel feedstock.
- 3) Requires the California Energy Commission (CEC) and CPUC to consider a number of factors in their duties to support the state’s clean energy and climate goals, including, but not limited to, authorizing the procurement of resources that minimize reliance on system power and fossil fuel resources and, where feasible, cost effective, and consistent with other state policy objectives, increasing energy storage with a variety of technologies, which may include green electrolytic hydrogen.

This bill:

- 1) Redefines transportation electrification to include green electrolytic hydrogen used as a transportation fuel.
- 2) Authorizes the CPUC to consider investments in hydrogen fueling infrastructure and the production of green electrolytic hydrogen as a transportation as a transportation fuel under specific conditions, including if it is in the interests of utility customers.
- 3) Requires the CPUC and the CEC to consider opportunities to increase grid-responsive production of green electrolytic hydrogen for use in the transportation sector in their duties related to clean energy and climate goals.
- 4) Requires the CPUC, CEC, and ARB to consider green electrolytic hydrogen's use as an alternative transportation fuel. This bill specifies that grid-responsive production of green electrolytic hydrogen using excess or low-cost renewable generation and the use of that hydrogen as a mechanism of energy storage to displace the use of fossil fuels to generate electricity and as a transportation fuel are clean energy and pollution reduction objectives and technologies of this state.

COMMENTS:

- 1) *Author Statement.* California has made great strides on moving the transportation sector to zero emission. However, the rest of the journey will require multiple technologies and innovative solutions to funding investment in those technologies. Electrolytic hydrogen is a 100 percent renewable, zero emission fuel and it has advantages that make it the only real solution to a number of settings where we as a state have prioritized moving to zero emission technology, including the heavy-duty sector where high power demands make many applications unsuitable for battery technology utilization. SB 662 will remove barriers to adopting hydrogen technology and help California achieve our emission reduction goals. Additionally, this bill will allow us to stop the counterproductive practice of curtailing solar production as electrolytic hydrogen can be produced using that renewable energy and that production can be concentrated during peak hours, allowing of the proliferation of even more solar energy production, rather than the curtailment of it.

- 2) *What is Green Electrolytic Hydrogen?* Existing law defines green electrolytic hydrogen as hydrogen gas produced from electrolysis, which uses electricity to split water into hydrogen and oxygen molecules through an electrolyzer. The hydrogen gas can be used to power hydrogen fuel cells, which can be used in a manner similar to batteries. This bill redefines transportation electrification to specifically include green electrolytic hydrogen.

- 3) *But is it Really Green?* The term “green electrolytic hydrogen” falsely implies that the resulting hydrogen is green. While it could be green if it were produced using 100% renewable energy, it could also be brown if it were produced by electricity generated from fossil fuels, as is the case for much of the energy in some neighboring states. Providing a state benefit to brown electrolytic hydrogen would thwart our state climate change goals, not achieve them. ***The author and committee may wish to amend the bill*** to allow only electrolytic hydrogen that is truly green (e.g. generated using 100% renewable energy) to be included in the definition of transportation electrification, and to amend several codified findings and declarations which add unnecessary specificity to particular technologies.

- 4) *Sometimes Being Green is not enough.* Just because a product is green does not mean that it should benefit from government subsidies. For light duty vehicles, electric power is probably much more efficient than electrolytic hydrogen that is truly green because of the efficiency losses from the production and transportation of hydrogen. We have also learned that hydrogen-fueling stations are at least ten times as expensive as electric charging stations. There may be a better role for hydrogen in the medium- and heavy-duty truck world.

- 5) *Double Referral.* This bill was heard in the Energy, Utilities and Communications Committee on April 11, 2019 and passed 11-1.

RELATED LEGISLATION:

SB 1369 (Skinner, Chapter 567, Statutes of 2018) — required the CPUC, ARB, and CEC to consider green electrolytic hydrogen, as defined, an eligible form of energy storage, and consider other potential uses of green electrolytic hydrogen.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

Coalition for Clean Air
Hitachi Zosen Inova
H2B2
ITM Power
Nel Hydrogen
Plug Power
Solar Wind Storage

OPPOSITION:

None received.

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SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No: SB 742

Hearing Date: 4/23/2019

Author: Allen

Version: 3/27/2019

Urgency: No

Fiscal: Yes

Consultant: Manny Leon

SUBJECT: Intercity passenger rail services: motor carrier transportation of passengers

DIGEST: This bill makes various changes to intercity rail feeder bus service requirements, as specified.

ANALYSIS:

Existing law:

- 1) Authorizes Caltrans to contract with Amtrak to provide commuter and intercity rail passenger services.
- 2) Authorizes Caltrans to provide funding to Amtrak to contract for rail feeder bus services to connect with intercity trains.
- 3) Restricts the abovementioned funding to feeder bus service that is solely used by passengers connecting to and from a train except in circumstances where no private intercity bus company provides scheduled bus services on certain routes.

This bill:

- 1) Makes findings and declarations as they relate to intercity transportation.
- 2) Authorizes Caltrans to provide funding to Amtrak or any other public or private transit operator that provides intercity bus transportation for passengers, as specified.
- 3) Authorizes a state or local government to enter into an agreement with Amtrak to provide intercity passenger bus transportation to intercity rail connections regardless if the passenger is connecting to rail service.

- 4) Authorizes a public or private transit operator to enter into a ticket-selling agreement with Amtrak, a joint powers authority (JPA), or any other public or private transit operator that provides intercity passenger bus transportation to intercity rail connections.

COMMENTS:

- 1) *Author statement.* According to the author, “California and its local governments spend billions of tax dollars each year on infrastructure and an array of transportation services to increase the mobility of its residents and visitors. In partnership with regional joint power authorities, some of that money is utilized to operate, maintain and enhance intercity passenger rail corridors. Buses operate in partnership with those corridors to greatly extend the network of urban and rural communities that its ridership can access.

20 years ago, California enacted legislation sponsored by a private, for-profit bus company, who argued then—and still argues today—that it needs protections against competition from these taxpayer-subsidized buses. As a result, a state ban, modeled after federal regulations, prohibits publicly subsidized “rail thruway” buses from selling tickets to any passenger unless he or she either rode on a train before catching the bus or is riding on that bus to catch a train.

As a practical matter, many rail thruway buses in California operate far below capacity, and even if a thruway bus starts a route with all its seats occupied, as it travels from one city to another it usually gets emptier and emptier as the route moves along. For years the federal government has provided little or no money to subsidize California’s rail thruway buses. Why should state also law block joint power authorities from doing everything they can to keep those seats filled, so the buses cost less public money to operate?

SB 742 removes prohibitions in California law that hamstring an important network of publicly subsidized intercity buses from openly competing for riders with private, for-profit bus operators. It will spur greater competition in the open marketplace, and help government spend taxpayer money more efficiently.”

- 2) *Intercity Rail.* Currently, three intercity rail lines operate in California. The Capitol Corridor provides passenger rail service between San Jose and Sacramento. The San Joaquin provides service from Oakland and Sacramento to Bakersfield. Lastly, the Pacific Surfliner provides service from San Luis

Obispo to San Diego. All three intercity rail services are managed by local transportation agencies and receive state funding. These intercity rail lines also provide feeder bus service from various locations to and from station stops. For example, feeder bus service is offered from Los Angeles Union Station to Bakersfield or from Sacramento to Stockton where passengers then board an intercity rail train to reach their final destination.

- 3) *Existing prohibitions.* Aside from certain exemptions, existing law generally prohibits all three intercity rail service providers from allowing a non-rail passenger from purchasing an Amtrak feeder bus ticket. In other words, Amtrak bus passengers are only individuals that have boarded or are boarding an intercity rail train. While this may ensure rail passengers also have a bus seat, as bus passengers depart at various stops, buses begin to operate well below capacity. For example, San Joaquin feeder bus service from Oakland traveling north to Arcata, may, many times, only have one or two passengers upon reaching Arcata. However, Amtrak is prohibited from canceling any of the 17 stops between Oakland and Arcata as a rail passenger may have reserved a ticket to any one of those bus stops. This bill seeks to remove this prohibition and provide a remedy to intercity rail providers by allowing non-rail passengers to purchase feeder bus tickets when seats are available. This will allow Amtrak buses to operate at greater efficiency and provide greater mobility options for potential riders.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

None received.

OPPOSITION:

Amador Stage Lines
California Bus Association
Discovery Charters
Greyhound
H&L Charter Co.

-- END --

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No:	SCR 11	Hearing Date:	4/23/2019
Author:	Chang		
Version:	1/28/2019		
Urgency:	No	Fiscal:	Yes
Consultant:	Manny Leon		

SUBJECT: Jack Tanaka Memorial Highway.

DIGEST: This resolution designates a portion of State Route 60 in the City of Diamond Bar in the County of Los Angeles as the Jack Tanaka Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

- 1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.
- 2) The person being honored must be deceased.
- 3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.
- 4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.
- 5) The segment of highway being named must not exceed five miles in length.
- 6) The proposed designation must reflect a community consensus and be without local opposition.

- 7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates the portion of State Route 60 from Lemon Avenue (PM 22.377) on the west to Golden Springs Drive (PM 26.526) on the east, in the City of Diamond Bar in the County of Los Angeles, as the Jack Tanaka Memorial Highway. It requests that the Department of Transportation to erect appropriate signs upon receiving sufficient donations from non-state sources to cover the costs.

COMMENTS:

- 1) *Purpose.* The author introduced this resolution to honor the life and service of Jack Tanaka.
- 2) *Background.* Jack Tanaka was a retired United States Army Sergeant. He worked as a former peace officer with the California Youth Authority in the California Department of Corrections and Rehabilitation, and was elected to the City of Diamond Bar City Council. He later served as Mayor of Diamond Bar.

Jack Tanaka was an avid volunteer with the Lions Club, and a great role model for students, faculty, and families. He was known for helping others and was extremely well liked. When he announced his retirement after 10 years of community service to the city, he was praised by the Diamond Bar City Council with a standing ovation.

Mr. Tanaka tragically died on August 3, 2017, after a long battle against lung cancer. He is survived by his wife, Wanda Tanaka. He will be sorely missed by his community.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

None received.

OPPOSITION:

None received.

-- END --

- 7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates a portion of Interstate 5 from Avery Parkway UC#55-232 to El Toro OH# 55-221 in the County of Orange as the Costa Mesa Fire Captain Michael Kreza Memorial Highway. It requests that the Department of Transportation to erect appropriate signs upon receiving sufficient donations from non-state sources to cover the costs.

COMMENTS:

- 1) *Purpose.* The author introduced this resolution to honor the life and service of Captain Kreza.
- 2) *Background.* Captain Kreza was a distinguished California firefighter and much-loved family man, whose character, integrity, and singular commitment to the Costa Mesa Fire & Rescue earned him the respect and admiration of his fellow firefighters, the members of the greater Costa Mesa community, and the countless other individuals whose lives he touched.

Following his graduation from the Crafton Hills Fire Academy in 1993, Captain Kreza sought to further his emergency responder skills by working in the Hoag Hospital Irvine Emergency Department. While working there, he was accepted to the Paramedic Program at Saddleback College, from which he graduated in 1997.

Having subsequently gained experience as an Emergency Department Technician in Seattle, Washington, and as a paramedic in Las Vegas, Nevada, Captain Kreza returned to California, where he worked as a firefighter for the Big Bear Fire Department before being hired in 2000 by the Costa Mesa Fire & Rescue Department.

Captain Kreza tragically died on November 5, 2018, leaving behind an entire community that loved him. He is survived by his wife Shanna, and his three daughters: Kaylie, Layla, and Audrey.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

California Professional Firefighters
City of Costa Mesa

OPPOSITION:

None received.

-- END --

SENATE COMMITTEE ON TRANSPORTATION

Senator Jim Beall, Chair

2019 - 2020 Regular

Bill No: SCR 32 **Hearing Date:** 4/23/2019
Author: Morrell
Version: 3/21/2019
Urgency: No **Fiscal:** Yes
Consultant: Manny Leon

SUBJECT: United States Forest Service Firefighter Brent Michael Witham Memorial Highway.

DIGEST: This resolution designates a specified portion of State Route 38 in the City of Mentone in the County of San Bernardino as the United States Forest Service Firefighter Brent Michael Witham Memorial Highway.

ANALYSIS:

The committee has adopted a policy regarding the naming of state highways or structures. Under the policy, the committee will consider only those resolutions that meet all of the following criteria:

- 1) The person being honored must have provided extraordinary public service or some exemplary contribution to the public good and have a connection to the community where the highway or structure is located.
- 2) The person being honored must be deceased.
- 3) The naming must be done without cost to the state. Costs for signs and plaques must be paid by local or private sources.
- 4) The author or co-author of the resolution must represent the district in which the facility is located, and the resolution must identify the specific highway segment or structure being named.
- 5) The segment of highway being named must not exceed five miles in length.
- 6) The proposed designation must reflect a community consensus and be without local opposition.

- 7) The proposed designation may not supersede an existing designation unless the sponsor can document that a good faith effort has uncovered no opposition to rescinding the prior designation.

This resolution designates a portion of State Route 38 between Crafton Avenue (approximately post mile R 4.070) and Bryant Street (approximately post mile R 8.53) in the City of Mentone in the County of San Bernardino as the United States Forest Service Firefighter Brent Michael Witham Memorial Highway. It requests that the Department of Transportation to erect appropriate signs upon receiving sufficient donations from non-state sources to cover the costs.

COMMENTS:

- 1) *Purpose.* The author introduced this resolution to honor the United States Forest Service Firefighter, Brent Michael Witham, who made the ultimate sacrifice while performing his duty and to pay tribute to him, a fallen hero, by recalling his devotion, celebrating his life, and honoring his service.
- 2) *Background.* Mr. Witham was born on July 9, 1988, in Redlands, California, to Mark Witham and Donna Giordano. Mr. Witham began his firefighting career in 2011 as a member of the Tahquitz Handcrew based in Riverside, California, and was assigned to Station 56 near Mountain Center, California, in the San Jacinto Mountains in 2013. He was a vital member of the Vista Grande Hotshot crew based in the San Bernardino National Forest of California.

Mr. Witham was only 29 years of age at the time of his passing. Mr. Witham is survived by his father, Mark Witham, his mother, Donna Giordano, his stepfather, Dave Giordano, his sister, Janelle Giordano, his grandparents, Ken and Donna Witham, and his uncle and aunt, Douglas and Linda Witham.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 17, 2019.)

SUPPORT:

None received.

OPPOSITION:

None received.

-- END --