AMENDED IN SENATE JUNE 26, 2002

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AMENDED IN ASSEMBLY MARCH 29, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

# ASSEMBLY BILL No. 381

**Introduced by Assembly Member ~~Papan~~ *Salinas***
**~~(Principal coauthors: Assembly Members Diaz, Wiggins, and Lowenthal)~~**
~~(Principal coauthor: Senator Torlakson)~~
**~~(Coauthors: Assembly Members Alquist, Dutra, Leach, and Washington)~~**

February 20, 2001

~~An act to amend Section 50542.1 of, and to add Sections 50542.2 and 50542.3 to, the Health and Safety Code, relating to transportation.~~ *An act to amend Section 99314.6 of, and to add and repeal Section 99268.17 of, the Public Utilities Code, relating to transportation.*

LEGISLATIVE COUNSEL'S DIGEST

AB 381, as amended, Papan. Transportation: ~~transit-oriented development: funding~~ *cost recovery and fund allocation*.

*Existing law authorizes operators to file specified claims for operating costs with a transportation planning agency.*

*This bill would exclude those operating costs, when calculating fare revenue ratios, which are not reasonably within the control of an operator including additional operating costs to provide specified*

*paratransit service required by the Americans with Disabilities Act. The bill would repeal this provision on January 1, 2008.*

*Existing law provides that funds in the State Transportation Fund contained in the Transportation Planning and Development Account shall be available, when appropriated by the Legislature, only for specified transportation planning and mass transportation purposes. Existing law provides that a transportation planning agency, a county transportation commission, or the San Diego Metropolitan Transit Development Board may adjust the calculation of their operating costs and revenue vehicle hours based on the exclusion of cost increases beyond the change in the Consumer Price Index for fuel, alternative fuel programs, insurance or state or federal mandates or the exclusion of startup costs for new services for a period of not more than 2 years.*

*This bill would additionally modify these factors to exclude power, including electricity, and the additional operating costs to provide specified paratransit service required by the Americans With Disabilities Act.*

~~Existing law establishes the Jobs-Housing Balance Improvement Account in the State Treasury and requires that all money in the account be available, upon appropriation by the Legislature, to the Department of Housing and Community Development to make grants to local agencies, cities, counties, and cities and counties relating to improvement of the balance between jobs and housing within the jurisdiction, of those entities, and for other, related purposes.~~

~~This bill would require that 15% of the money in the account be available, upon appropriation by the Legislature, to the department for the purpose of providing incentives to local governmental entities for the siting and construction of transit oriented and pedestrian oriented development within one-third mile of an existing or planned transit station. The bill would require that funds in the account be expended through a direct statewide competitive grant program to local governmental entities and a direct statewide competitive grant program to county transportation agencies, regional transportation planning agencies, or metropolitan planning organizations.~~

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

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

1 ~~SECTION 1. Section 50542.1 of the Health and Safety Code~~
2

*SECTION 1. Section 99268.17 is added to the Public Utilities Code, to read:*

*99268.17. (a) Notwithstanding subdivision (a) of Section 99247, those costs that are not reasonably within the control of the operator shall be excluded from the definition of operating cost for the purposes of calculating any required ratios of fare revenues to operating cost specified in this article.*

*(b) For purposes of this section, the definition of "costs that are not reasonably within the control of the operator" shall include, but not be limited to, the following:*

*(1) The additional operating costs required to provide comparable complementary paratransit service, as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), as identified in the operator's paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations.*

*(2) The additional costs of liability insurance premiums above those paid by the operator for the previous year.*

*(3) The additional costs of power and fuel, including diesel fuel, gasoline, natural gas, and electricity, above those paid by the operator for the previous year.*

*(c) This section shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2008, deletes or extends that date.*

*SEC. 2. Section 99314.6 of the Public Utilities Code is amended to read:*

99314.6. Except as provided in Section 99314.7, the following eligibility standards apply:

(a) Except as provided in subdivision (b), funds shall not be allocated for operating purposes pursuant to Sections 99313 and 99314 to an operator unless the operator meets either of the following efficiency standards:

(1) The operator's total operating cost per revenue vehicle hour in the latest year for which audited data are available does not exceed the sum of the preceding year's total operating cost per revenue vehicle hour and an amount equal to the product of the percentage change in the Consumer Price Index for the same

period multiplied by the preceding year's total operating cost per revenue vehicle hour.

(2) The operator's average total operating cost per revenue vehicle hour in the latest three years for which audited data are available does not exceed the sum of the average of the total operating cost per revenue vehicle hour in the three years preceding the latest year for which audited data are available and an amount equal to the product of the average percentage change in the Consumer Price Index for the same period multiplied by the average total operating cost per revenue vehicle hour in the same three years.

(b) The transportation planning agency, county transportation commission, or the San Diego Metropolitan Transit Development Board, as the case may be, ~~may~~ *shall* adjust the calculation of operating costs and revenue vehicle hours pursuant to subdivision (a) to account for either or both of the following factors ~~as it deems appropriate to encourage progress in achieving the objectives of efficiency, effectiveness, and productivity pursuant to Section 99244~~:

(1) Exclusion of costs increases beyond the change in the Consumer Price Index for fuel, alternative fuel programs, *power, including electricity,* insurance, or state or federal mandates*, including the additional operating costs required to provide comparable complementary paratransit service, as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), as identified in the operator's paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations*.

(2) Exclusion of startup costs for new services for a period of not more than two years.

(c) Funds withheld from allocation to an operator pursuant to subdivision (a) shall be retained by the transportation planning agency, county transportation commission, or the San Diego Metropolitan Transit Development Board, as the case may be, for reallocation to that operator for two years following the year of ineligibility. In a year in which an operator's funds are allocated pursuant to subdivision (a), funds withheld from allocation during a preceding year shall also be allocated. Funds not allocated before the commencement of the third year following the year of

ineligibility shall be reallocated to cost-effective high priority regional transit activities, as determined by the transportation planning agency, county transportation commission, or the San Diego Metropolitan Transit Development Board, as the case may be. If that agency or commission, or the board, determines that no cost-effective high priority regional transit activity exists, the unallocated funds shall revert to the Controller for reallocation.

(d) As used in this section, the following terms have the following meanings:

(1) ''Operating cost'' means the total operating cost as reported by the operator under the Uniform System of Accounts and Records, pursuant to Section 99243 and subdivision (a) of Section 99247.

(2) ''Revenue vehicle hours'' has the same meaning as ''vehicle service hours,'' as defined in subdivision (h) of Section 99247.

(3) ''Consumer Price Index,'' as applied to an operator, is the regional Consumer Price Index for that operator's region, as published by the United States Bureau of Labor Statistics. If a regional index is not published, the index for the State of California applies.

(4) ''New service'' has the same meaning as ''extension of public transportation services'' as defined in Section 99268.8.

(e) The restrictions in this section do not apply to allocations made for capital purposes.

(f) The Legislature finds and declares that the Loma Prieta earthquake of 1989 caused damage to commercial property and employment losses, with consequent reductions in sales tax revenues, within the Santa Cruz Metropolitan Transit District to the economic detriment of that district. Accordingly, that district's exemption from this section, as initially provided for by Section 4 of Chapter 35 of the Statutes of 1991, is reinstated and shall continue until July 1, 1998; therefore, the district is exempt from this section for the 1995–96, 1996–97, and 1997–98 fiscal years.

~~is amended to read:~~

~~50542.1. (a) The Jobs-Housing Balance Improvement Account is hereby created as a special fund in the State Treasury. Except as required under Section 50542.2, the money in the account shall be available, upon appropriation by the Legislature,~~

~~to the Department of Housing and Community Development for the following purposes:~~

~~(1) To make grants to local agencies pursuant to Section 50543.~~

~~(2) To make grants to cities, counties, and cities and counties pursuant to Section 50544.~~

~~(3) For transfer to the Rental Housing Construction Fund pursuant to Sections 50543 and 50545.~~

~~(4) For the related administrative expenses of the department.~~

~~(b) There shall be paid into the account the following moneys:~~

~~(1) Any moneys that may be made available by the Legislature for the purposes of the account.~~

~~(2) Any other moneys that may be made available to the department for the purposes of this chapter from any other source or sources.~~

~~SEC. 2. Section 50542.2 is added to the Health and Safety Code, to read:~~

~~50542.2. Fifteen percent of the money in the Jobs-Housing Balance Improvement Account shall be available, upon appropriation by the Legislature, to the Department of Housing and Community Development for the purpose of providing incentives to local governmental entities, for the siting and construction of transit-oriented and pedestrian-oriented development, consistent with the governmental entity's general plan, within one-third mile of an existing or planned transit station.~~

~~SEC. 3. Section 50542.3 is added to the Health and Safety Code, to read:~~

~~50542.3. (a) Funds from the Jobs-Housing Balance Improvement Account shall be expended, upon appropriation, for the following programs:~~

~~(1) A direct statewide competitive grant program to local governmental entities for the purpose of providing financial incentive to encourage the production of in-fill housing adjacent to mass transit facilities that is consistent with the entity's general plan. Eligible projects shall be limited to housing proposals with a minimum density of 25 units per net acre located within one-third mile of a trunk line transit station. "Transit station," for the purpose of this section, is one served by bus, rail, or both, with not more than a 15-minute frequency during peak hours, and is accessible to the public. "Peak hours," for the purpose of this section, means 6 a.m. to 9 a.m. and 3:30 p.m. to 6:30 p.m.~~

~~(A) The incentive program shall be developed by the Department of Housing and Community Development and appropriate stakeholders and shall include a minimum incentive of one thousand five hundred dollars ($1,500) per bedroom with additional incentives for any of the following:~~

~~(i) Low and moderate income housing.~~

~~(ii) Housing developments within one-eighth of a mile of a transit station.~~

~~(iii) Design features that encourage walking, bicycling, and safe and convenient bicycle and pedestrian access to the nearby transit station.~~

~~(iv) Increased housing densities.~~

~~(B) Upon receipt of a grant, a local governmental entity shall commit to begin development on the housing project within two years or forfeit the grant. Eligible grant expenses by the local entity include all of the following:~~

~~(i) Local street, bridge, and road construction, rehabilitation and maintenance.~~

~~(ii) Local transit operations and capital expenditures.~~

~~(iii) Seismic retrofitting of transportation facilities.~~

~~(iv) Implementation of the requirements of the federal Americans with Disabilities Act of 1990, on public transit systems, local streets and roads, sidewalks, and other transportation related facilities.~~

~~(v) Transportation enhancement activities, as defined in subsection (a) of Section 1010 of Title 23 of the United States Code.~~

~~(vi) Assisting local governmental entities in updating their general plans in conjunction with transit agencies within their jurisdictional boundaries.~~

~~(vii) Supporting the transit-oriented development planning of local governmental entities and transit agencies.~~

~~(2) A direct statewide competitive grant program to county transportation agencies, regional transportation planning agencies, or metropolitan planning organizations for the purpose of providing matching funds for a countywide or regional housing incentive program that meets minimum criteria including, but not limited to, funding housing development projects with a minimum density to 25 units per-net-acre located within one-third of a mile of a mass transit station with service provided at 15 minute~~

~~intervals or less during peak hours. State funds made available through this program for countywide or regional housing incentive programs shall be provided at a one-to-one match and a two-to-one match if the agency is using State Transportation Improvement Program (STIP) funds as a match.~~

~~(b) For a jurisdiction to apply for funds under this section, the jurisdiction is required to have a proposed housing project in the initial planning stages. A project that is fully permitted shall not be eligible to receive funding under this program.~~

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