

AMENDED IN SENATE JULY 21, 2001

AMENDED IN ASSEMBLY MAY 23, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 437**

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**Introduced by Committee on Budget (Cardenas (Chair), Aroner, Cardoza, Cedillo, Dutra, Firebaugh, Horton, Keeley, Nakano, Oropeza, Pavley, Simitian, Steinberg, Vargas, and Wright)**

February 20, 2001

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~~An act relating to education~~ *An act to add and repeal Section 14057 of the Government Code, relating to transportation.*

LEGISLATIVE COUNSEL'S DIGEST

AB 437, as amended, ~~Committee on Budget~~ \_\_\_\_\_. ~~Education: budget trailer~~ *Rural Transit System Grant Program.*

*Existing law provides for funding of public transit under various programs, including the Mills-Alquist-Deddeh Act, also known as the Transportation Development Act.*

*This bill, until July 1, 2002, would require the Department of Transportation and the California Transportation Commission to establish a Rural Transit System Grant Program to purchase, construct, and rehabilitate transit facilities, vehicles, and equipment, including energy efficiency retrofits, and to purchase rights-of-way for transit systems. The bill would require the department to submit a report describing the projects funded under the program to the Legislature on or before June 30, 2002.*

*This bill would not become operative unless funds for the program are appropriated by the Budget Act of 2001.*

~~The Budget Act of 2001 includes appropriations for the support of elementary and secondary education and community colleges.~~

~~This bill would express the intent of the Legislature to enact legislation to make the necessary statutory changes relative to funding kindergarten and grades 1 to 12, inclusive, to implement the Budget Act of 2001.~~

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

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

- 1     ~~SECTION 1.—It is the intent of the Legislature to enact~~
- 2     SECTION 1.   Section 14057 is added to the Government Code,
- 3     to read:
- 4     14057. (a) For the purposes of this section, the following
- 5     terms have the following meanings:
- 6     (1) The “program” is the Rural Transit System Grant Program
- 7     established under this section.
- 8     (2) A “rural area” is an area that is not included within the
- 9     boundaries of an urbanized area, as defined by the United States
- 10    Bureau of Census in its latest decennial census.
- 11    (b) Not later than August 31, 2001, the department shall
- 12    prepare guidelines for the implementation of a Rural Transit
- 13    System Grant Program and submit those guidelines to the
- 14    commission for review.
- 15    (c) Not later than October 15, 2001, both of the following shall
- 16    occur:
- 17    (1) The commission shall adopt guidelines for the program.
- 18    (2) The department shall establish the program in accordance
- 19    with this section and the guidelines adopted by the commission.
- 20    (d) The guidelines prepared by the department and adopted by
- 21    the commission shall include all of the following requirements:
- 22    (1) The department shall award grants to recipients on a
- 23    competitive basis for projects that serve primarily rural areas.
- 24    (2) Grants shall be used for the following purposes:
- 25    (A) To purchase, construct, and rehabilitate transit facilities,
- 26    vehicles, and equipment, including, but not limited to, energy
- 27    efficiency retrofits.
- 28    (B) To purchase rights-of-way for transit systems.



1 (3) Grants shall be awarded based on criteria that include, but  
2 are not limited to, all of the following:

3 (A) Project need and effectiveness.

4 (B) Filling transit service gaps, including, but not limited to,  
5 connectivity to other transit systems.

6 (C) The equitable distribution of funds.

7 (D) The potential of the project to improve the safety of  
8 passengers, transit workers, and the general public.

9 (E) Replacement of vehicles or equipment that have exceeded  
10 service life expectations.

11 (4) Grant awards shall be limited to any claimant, as defined  
12 in Section 99203 of the Public Utilities Code.

13 (5) Grants shall require all of the following:

14 (A) A project match requirement equal to the percentage of  
15 Mills-Alquist-Deddeh Act (Chapter 4 (commencing with Section  
16 99200) of Part 11 of Division 10 of the Public Utilities Code) funds  
17 expended for purposes other than transit, community transit  
18 services, pedestrian and bicycle, and transportation planning  
19 purposes, averaged over the three most recent fiscal years. The  
20 match requirement may not be less than 10 percent, and may not  
21 be more than 50 percent. However, no grant may be awarded to an  
22 applicant in any city, county, or city and county, in which funds that  
23 may be claimed by the applicant under the Mills-Alquist-Deddeh  
24 Act are expended for street and road purposes pursuant to  
25 subdivision (a) of Section 99400 of the Public Utilities Code in the  
26 same year as the year in which the application for a grant is made.

27 (B) A demonstration of maintenance of effort.

28 (C) A demonstration of financial ability to support ongoing  
29 operations of the public transportation services.

30 (e) The department shall prepare a report describing the types  
31 of projects funded under the Rural Transit System Grant Program,  
32 which shall be submitted to the Legislature on or before June 30,  
33 2002.

34 (f) This section shall become inoperative on July 1, 2002, and,  
35 as of January 1, 2003, is repealed, unless a later enacted statute,  
36 that becomes operative on or before January 1, 2003, deletes or  
37 extends the dates on which it becomes inoperative and is repealed.

38 SEC. 2. Section 1 of this act shall not become operative unless  
39 the Budget Act of 2001 for the 2001-02 fiscal year contains an  
40 appropriation for the Rural Transit System Grant Program.



1 ~~legislation to make the necessary statutory changes relative to~~  
2 ~~funding kindergarten and grades 1 to 12, inclusive, to implement~~  
3 ~~the Budget Act of 2001.~~

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