

Assembly Bill No. 1335

CHAPTER 908

An act to add Section 14556.33 to the Government Code, relating to transportation.

[Approved by Governor October 14, 2001. Filed with Secretary of State October 14, 2001.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1335, Cohn. Transportation: regional and local project funds: letter of no prejudice.

Existing law authorizes a regional or local entity to expend its own funds for any component of a transportation project within its jurisdiction that is included in the current fiscal year's state transportation improvement program and for which the commission has not made an allocation. The amount expended is authorized to be reimbursed by the state, subject to annual appropriation by the Legislature, if (1) the California Transportation Commission makes an allocation for, and the Department of Transportation executes a fund transfer agreement for, the project during the same fiscal year as when the regional or local expenditure was made, (2) expenditures made by the regional or local entity are eligible for reimbursement in accordance with state and federal laws and procedures, and (3) the regional or local entity complies with all legal requirements for the project, as specified.

This bill would authorize a regional or local entity that is a lead applicant for an eligible project included in an adopted regional transportation plan to apply to the commission for a letter of no prejudice for the project in order to expend its own funds for any component of the transportation project, subject to the approval of the commission. The bill would authorize the commission, in consultation with regional and local entities, and the department, to develop guidelines to implement these provisions.

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

SECTION 1. It is the intent of the Legislature in enacting this act to enhance the ability of regional and local governmental entities to deliver critical transportation capital improvement projects in an expeditious manner.

SEC. 2. Section 14556.33 is added to the Government Code, to read:



14556.33. (a) A regional or local entity that is a lead applicant agency under Article 5 (commencing with Section 14556.40), may apply to the commission for a letter of no prejudice for the project. If approved by the commission, the letter of no prejudice allows the regional or local entity to expend its own funds for any component of the transportation project.

(b) The amount expended under subdivision (a) shall be reimbursed by the state if all of the following conditions are met:

(1) The project is included in an adopted regional transportation plan.

(2) The department makes an allocation for the project pursuant to Section 14556.20.

(3) The expenditures made by the regional or local entity are eligible for reimbursement in accordance with state and federal laws and procedures. In the event expenditures made by the regional or local entity are determined to be ineligible, the state has no obligation to reimburse those expenditures.

(4) The regional or local entity complies with all legal requirements for the project, including the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(c) Upon execution of an agreement with the department to transfer reimbursement funds for a project described in subdivision (a), the commission may delay reimbursement pursuant to this section only if cash-management issues prevent immediate repayment.

(d) The commission, in consultation with regional and local entities, and the department, may develop guidelines to implement this section.

