

AMENDED IN SENATE JUNE 17, 2008

AMENDED IN ASSEMBLY APRIL 23, 2008

AMENDED IN ASSEMBLY APRIL 21, 2008

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 2558

Introduced by Assembly Members Feuer, *Huffman*, and Levine

February 22, 2008

An act to add *Sections 66538, 66538.1, and 66538.2 to the Government Code, to add Article 6.5 (commencing with Section 130356) to Chapter 4 of Division 12 of the Public Utilities Code, and to repeal Chapter 12 (commencing with Section 8500) of Part 2 of Division 2 of the Revenue and Taxation Code*, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2558, as amended, Feuer. Los Angeles County Metropolitan Transportation Authority: *Metropolitan Transportation Commission: climate change mitigation and adaptation fee.*

Existing law creates the Los Angeles County Metropolitan Transportation Authority, with specified powers and duties relative to transportation planning, programming, and operations in the County of Los Angeles. *Existing law creates the Metropolitan Transportation Commission, with specified powers and duties relative to transportation planning and programming in the Bay Area.*

This bill would authorize the authority *and the commission* to impose a climate change mitigation and adaptation fee ~~in the County of Los Angeles~~ *their respective jurisdictions*, subject to approval of an ordinance by a majority of the *applicable governing board of the authority* ~~of the authority~~ and majority voter approval of a ballot measure containing

the fee and an expenditure plan, to appear on the ballot no later than November 6, 2012. The bill would specify 2 alternative options for imposing the fee, which would be either a motor vehicle fuel ~~tax~~ fee or a vehicle fee, subject to specified maximum amounts. Revenues from the fee would be used for public transit and congestion management projects and programs, with capital projects subject to a requirement that they be able to begin construction by December 31, 2018. The fee would be implemented for a period not to exceed 30 years.

Existing law authorizes the Metropolitan Transportation Commission to impose a motor vehicle fuel tax within its jurisdiction.

This bill would repeal this authorization.

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. Section 66538 is added to the Government Code,
2 to read:

3 66538. (a) Subject to approval of an ordinance pursuant to
4 Section 66538.1 and majority voter approval pursuant to Section
5 66538.2, the Metropolitan Transportation Commission may impose
6 a regionwide climate change mitigation and adaptation fee within
7 the Bay Area region. As used in this section, "Bay Area region"
8 means the area within the jurisdiction of the commission, as defined
9 in Section 66502.

10 The fee shall be in addition to any other levies that the
11 commission is authorized to impose. The fee may be implemented
12 for a period not to exceed 30 years. In implementing the fee, the
13 commission shall utilize one of the following mechanisms:

14 (1) A fee on all motor vehicle fuels sold in the Bay Area region.
15 As used in this paragraph, "motor vehicle" does not include
16 aircraft. The fee shall be established by the commission at a rate
17 determined by the commission, but not to exceed 3 percent of the
18 retail sales price of motor vehicle fuel.

19 (2) An annual per-vehicle fee for each vehicle registered in the
20 Bay Area region that would vary based on the emissions produced
21 by the vehicle. If the commission imposes the fee under this
22 mechanism, the commission shall consult with the Department of
23 Motor Vehicles and other appropriate state or federal agencies
24 for applicable data to determine the amount of the fee for each

1 vehicle. The rate of the fee shall not exceed ninety dollars (\$90).
2 A registered owner of a vehicle who meets the eligibility
3 requirements for assistance programs under Chapter 2
4 (commencing with Section 11200) or Chapter 3 (commencing with
5 Section 12000) of Part 3 of, Part 5 (commencing with Section
6 17000) of, or Chapter 10 (commencing with Section 18900),
7 Chapter 10.1 (commencing with Section 18930), or Chapter 10.3
8 (commencing with Section 18937) of Part 6 of, Division 9 of, the
9 Welfare and Institutions Code shall be exempt from the payment
10 of any fee imposed pursuant to this paragraph.

11 (b) As part of the ordinance under Section 66538.1, the
12 commission shall adopt a climate change mitigation and adaptation
13 expenditure plan. The expenditure plan shall describe the specific
14 projects and programs that would be eligible for the revenues from
15 the fee, consistent with subdivision (e). The expenditure plan shall
16 also describe funds other than revenues from the fee that the
17 commission anticipates will be expended on those projects and
18 programs, and a schedule for anticipated availability of funds for
19 the projects and programs.

20 (c) The commission shall use no more than 2 percent of fee
21 revenues to administer the fee and the projects and programs
22 funded by fee revenues.

23 (d) Fee revenues shall be deposited in the Climate Change
24 Mitigation and Adaptation Fund, to be created by the commission.
25 Revenues in the fund shall be available to the commission to fund
26 projects and programs that advance the goals of the expenditure
27 plan. Fee revenues may be used in conjunction with other funds
28 available to the commission for these purposes.

29 (e) (1) Net fee revenues, after administrative costs as described
30 in subdivision (c), shall be used to fund both of the following:

31 (A) Public transit projects and programs.

32 (B) Congestion management projects and programs.

33 (2) A minimum of two-thirds of net fee revenues shall be used
34 for the purposes in subparagraph (A) of paragraph (1).

35 (3) A capital project listed in the expenditure plan to be
36 approved by the voters pursuant to Section 66538.2 must be able
37 to begin construction no later than December 31, 2018. A capital
38 project that is not able to comply with this requirement shall not
39 be funded from fee revenues.

1 (f) *The commission may issue bonds payable from fee revenues.*
2 *Proceeds from the bonds shall be used for the purposes in*
3 *subdivision (e).*

4 *SEC. 2. Section 66538.1 is added to the Government Code, to*
5 *read:*

6 *66538.1. To impose the fee authorized under Section 66538,*
7 *both of the following shall be required:*

8 (a) *An ordinance proposing the fee and the expenditure plan*
9 *and submitting the fee and the expenditure plan to the voters for*
10 *approval is approved by a majority vote of the membership of the*
11 *commission.*

12 (b) *A majority of the voters in the Bay Area region approve a*
13 *ballot measure pursuant to Section 66538.2.*

14 *SEC. 3. Section 66538.2 is added to the Government Code, to*
15 *read:*

16 *66538.2. The commission may call a special election, to occur*
17 *no later than November 6, 2012, for the purposes of submitting*
18 *the ordinance containing the fee and the expenditure plan*
19 *described in Section 66538.1 to the voters of each county in the*
20 *Bay Area region. The election shall be consolidated with a*
21 *statewide primary or general election specified by the commission.*

22 **SECTION 4.**

23 *SEC. 4. Article 6.5 (commencing with Section 130356) is added*
24 *to Chapter 4 of Division 12 of the Public Utilities Code, to read:*

25

26 **Article 6.5. CLIMATE CHANGE MITIGATION AND**
27 **ADAPTATION FEE**

28

29 130356. (a) Subject to approval of an ordinance pursuant to
30 Section 130357 and majority voter approval pursuant to Section
31 130358, the Los Angeles County Metropolitan Transportation
32 Authority may impose a countywide climate change mitigation
33 and adaptation fee. The fee shall be in addition to any other levies
34 that the authority is authorized to impose. The fee may be
35 implemented for a period not to exceed 30 years. In implementing
36 the fee, the authority shall utilize one of the following mechanisms:

37 (1) A fee on all motor vehicle fuels sold in the County of Los
38 Angeles. As used in this paragraph, “motor vehicle” does not
39 include aircraft. The fee shall be established by the authority at a

1 rate determined by the authority, but not to exceed 3 percent of
2 the retail sales price of motor vehicle fuel.

3 (2) An annual per-vehicle fee for each vehicle registered in the
4 County of Los Angeles that would vary based on the emissions
5 produced by the vehicle. If the authority imposes the fee under
6 this mechanism, the authority shall consult with the Department
7 of Motor Vehicles and other appropriate state or federal agencies
8 for applicable data to determine the amount of the fee for each
9 vehicle. The rate of the fee shall not exceed ninety dollars (\$90).

10 A registered owner of a vehicle who meets the eligibility
11 requirements for assistance programs under Chapter 2
12 (commencing with Section 11200) or Chapter 3 (commencing with
13 Section 12000) of Part 3 of, Part 5 (commencing with Section
14 17000) of, or Chapter 10 (commencing with Section 18900),
15 Chapter 10.1 (commencing with Section 18930), or Chapter 10.3
16 (commencing with Section 18937) of Part 6 of, Division 9 of, the
17 Welfare and Institutions Code shall be exempt from the payment
18 of any fee imposed pursuant to this paragraph.

19 (b) As part of the ordinance under Section 130357, the authority
20 shall adopt a climate change mitigation and adaptation expenditure
21 plan. The expenditure plan shall describe the specific projects and
22 programs that would be eligible for the revenues from the fee,
23 consistent with subdivision (e). The expenditure plan shall also
24 describe funds other than revenues from the fee that the authority
25 anticipates will be expended on those projects and programs, and
26 a schedule for anticipated availability of funds for the projects and
27 programs.

28 (c) The authority shall use no more than 2 percent of fee
29 revenues to administer the fee and the projects and programs
30 funded by fee revenues.

31 (d) Fee revenues shall be deposited in the Climate Change
32 Mitigation and Adaptation Fund, to be created by the authority.
33 Revenues in the fund shall be available to the authority to fund
34 projects and programs that advance the goals of the expenditure
35 plan. Fee revenues may be used in conjunction with other funds
36 available to the authority for these purposes. The authority may
37 distribute a portion of revenues through a competitive grant
38 program for the county and cities within the jurisdiction of the
39 authority through the authority's existing call for projects program.

1 (e) (1) Net fee revenues, after administrative costs as described
2 in subdivision (c), shall be used to fund both of the following:
3 (A) Public transit projects and programs.
4 (B) Congestion management projects and programs.
5 (2) A minimum of two-thirds of net fee revenues shall be used
6 for the purposes in subparagraph (A) of paragraph (1).
7 (3) A capital project listed in the expenditure plan to be approved
8 by the voters pursuant to Section 130357 must be able to begin
9 construction no later than December 31, 2018. A capital project
10 that is not able to comply with this requirement shall not be funded
11 from fee revenues.
12 (f) The authority may issue bonds payable from fee revenues.
13 Proceeds from the bonds shall be used for the purposes in
14 subdivision (e).
15 130357. To impose the fee authorized under this article, both
16 of the following shall be required:
17 (a) An ordinance proposing the fee and the expenditure plan
18 and submitting the fee and the expenditure plan to the voters for
19 approval is approved by a majority vote of the board.
20 (b) A majority of the voters in the County of Los Angeles
21 approve a ballot measure pursuant to Section 130358.
22 130358. The authority may call a special election, to occur no
23 later than November 6, 2012, for the purposes of submitting the
24 ordinance containing the fee and the expenditure plan to the voters
25 of the County of Los Angeles. The election shall be consolidated
26 with a statewide primary or general election specified by the
27 authority.
28 *SEC. 5. Chapter 12 (commencing with Section 8500) of Part*
29 *2 of Division 2 of the Revenue and Taxation Code is repealed.*

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