

AMENDED IN SENATE AUGUST 19, 2008

AMENDED IN SENATE AUGUST 5, 2008

AMENDED IN SENATE JULY 2, 2008

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 the heading of Division 1 (commencing with Section 66500) to Title 7.1 of, and to add Division 2 (commencing with Section 66538) to Title 7.1 of, the Government Code, to add Article 6.5 (commencing with Section 130356) to Chapter 4 of Division 12 of the Public Utilities—An act to add Chapter 2 (commencing with Section 55830) to Part 3 of Division 2 of Title 5 of the Government 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: fees. Regional transportation agencies: climate protection and system preservation fee.~~

(1) 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 *various regional transportation agencies throughout the state with specified powers and duties relative to transportation planning, programming, and operations.*

This bill would authorize ~~the authority and the commission~~ *a regional transportation agency, as defined*, subject to voter approval, to impose a climate change mitigation and adaptation fee or a climate protection and system preservation fee in their respective jurisdictions, as specified *its jurisdiction*. The bill would specify 2 alternative options for imposing the fees *fee*, which would either be a motor vehicle fuel fee or a vehicle fee, subject to certain maximum amounts, to be collected by the Department of Motor Vehicles or the State Board of Equalization, as specified.

~~In the Bay Area, the~~

The bill would provide for the climate protection and system preservation fee to be imposed for a maximum of 30 years pursuant to an expenditure plan adopted jointly by $\frac{2}{3}$ vote of the Metropolitan Transportation Commission regional transportation agency and the Bay Area Air Quality Management District applicable air quality management district, with fee revenues to be used for programs and projects that meet at least one of a list of regional environmental or transportation needs. The bill would require the board of supervisors of each county and or city and county in the Bay Area region jurisdiction of the regional transportation agency, upon the request of the commission agency and district, to submit a ballot measure to the region's voters, thereby imposing a state-mandated local program. The ballot measure would require approval by a majority of voters within the region jurisdiction of the agency. In an area with more than one regional transportation agency, the fee could be imposed only to the extent a fee has not previously been imposed under these provisions.

~~In the County of Los Angeles, the bill would provide for the climate change mitigation and adaptation fee to be imposed for a maximum of 30 years pursuant to a climate change and adaptation expenditure plan adopted by a majority vote of the Los Angeles County Metropolitan Transportation Authority, with fee revenues to be used for public transit and projects and programs that meet at least one of a list of regional environmental or transportation needs, with capital projects subject to a requirement that they be able to begin construction by December 31,~~

2018. The bill would require the portions of the expenditure plan relating to public transit to first be approved by a $\frac{2}{3}$ vote of the municipal transit operators in the county and a $\frac{2}{3}$ vote of the authority. The bill would provide for the authority to call a special election no later than November 6, 2012, for the purpose of submitting the ordinance containing the fee and expenditure plan to the voters of the County of Los Angeles, with majority voter approval required.

The bill would also provide that if the State Air Resources Board adopts a statewide fee on motor vehicles or on the retail sale of motor vehicle fuels under its existing authority, then that fee shall be collected in the Bay Area region and in the County of Los Angeles only to the extent that it exceeds a fee imposed pursuant to this bill for the duration of the term that this fee is imposed. The bill would require the Metropolitan Transportation Commission and the Los Angeles County Metropolitan Transportation Authority, if the State Air Resources Board adopts a fee applicable at the time of purchase of a motor vehicle for purposes of implementation of the California Global Warming Solutions Act of 2006, to exempt those vehicles from the vehicle fee imposed under this act for a one-year period, as specified.

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

This bill would repeal this authorization.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that the Legislature finds there is no mandate contained in the bill that will result in costs incurred by a local agency or school district for a new program or higher level of service which require reimbursement pursuant to these constitutional and statutory provisions.

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

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

1 SECTION 1. ~~The heading of Division 1 (commencing with~~
2 ~~Section 66500) is added to Title 7.1 of the Government Code, to~~
3 ~~read:~~

4
5 DIVISION 1. GENERAL PROVISIONS

1 SEC. 2. ~~Division 2 (commencing with Section 66538) is added~~
2 ~~to Title 7.1 of the Government Code, to read:~~

3
4 ~~DIVISION 2. CLIMATE PROTECTION AND SYSTEM~~
5 ~~PRESERVATION FEE~~
6

7 ~~66538. (a) Subject to approval of the voters pursuant to~~
8 ~~subdivision (c), the Metropolitan Transportation Commission may~~
9 *SECTION 1. Chapter 2 (commencing with Section 55830) is*
10 *added to Part 3 of Division 2 of Title 5 of the Government Code,*
11 *to read:*

12
13 *CHAPTER 2. CLIMATE PROTECTION AND SYSTEM PRESERVATION*
14 *FEE*
15

16 *55830. (a) Subject to approval of the voters pursuant to*
17 *subdivision (g), a regional transportation agency may impose a*
18 *regionwide climate protection and system preservation fee within*
19 *the Bay Area region. As used in this section, "Bay Area region"*
20 *means the area within the jurisdiction of the commission, as defined*
21 *in Section 66502: its jurisdiction.*

22 *(b) As used in this chapter, "regional transportation agency"*
23 *means any of the following:*

24 *(1) A transportation planning agency as defined in Section*
25 *29532 or 29532.1.*

26 *(2) A county transportation commission pursuant to Division*
27 *12 (commencing with Section 130000) of the Public Utilities Code.*

28 *(3) A regional transportation agency as defined in Section*
29 *66502.*

30 *(4) An agency designated to submit a county transportation*
31 *plan pursuant to Section 66531.*

32 *(5) Any other local or regional transportation entity that is*
33 *designated by statute as a regional transportation agency.*

34 *(6) A joint exercise of powers authority as defined in Chapter*
35 *5 (commencing with Section 6500) of Division 7 of Title 1, with*
36 *the consent of a transportation planning agency or county*
37 *transportation commission for the jurisdiction.*

38 *(c) As used in this chapter, "air district" or "district" shall*
39 *have the same meaning as defined in Section 39025 of the Health*
40 *and Safety Code.*

1 The

2 (d) The fee shall be in addition to any other levies that the
3 ~~commission~~ regional transportation agency is authorized to
4 impose. The fee may be implemented for a period not to exceed
5 30 years. In implementing the fee, the ~~commission~~ regional
6 transportation agency shall utilize one of the following
7 mechanisms:

8 (1) A fee on all motor vehicle fuels sold in the ~~Bay Area region~~
9 jurisdiction of the regional transportation agency. As used in this
10 paragraph, “motor vehicle” does not include aircraft. The fee shall
11 be established by the ~~commission~~ regional transportation agency
12 at a rate determined by the ~~commission~~ regional transportation
13 agency, but not to exceed 3 percent of the retail sales price of motor
14 vehicle fuel at the time the ~~commission~~ regional transportation
15 agency adopts the expenditure plan.

16 (2) (A) An annual per-vehicle fee for each vehicle registered
17 in the ~~Bay Area region~~ jurisdiction of the regional transportation
18 agency that would vary based on the carbon emissions produced
19 by the vehicle. If the ~~commission~~ regional transportation agency
20 imposes the fee under this mechanism, the ~~commission~~ regional
21 transportation agency shall consult with the Department of Motor
22 Vehicles and other appropriate state or federal agencies for
23 applicable data to determine the amount of the fee for each vehicle.
24 The rate of the fee shall not exceed ninety dollars (\$90). A
25 registered owner of a vehicle who meets the eligibility requirements
26 for assistance programs under Chapter 2 (commencing with Section
27 11200) or Chapter 3 (commencing with Section 12000) of Part 3
28 of, Part 5 (commencing with Section 17000) of, or Chapter 10
29 (commencing with Section 18900), Chapter 10.1 (commencing
30 with Section 18930), or Chapter 10.3 (commencing with Section
31 18937) of Part 6 of, Division 9 of the Welfare and Institutions
32 Code shall be exempt from the payment of any fee imposed
33 pursuant to this paragraph. ~~If the State Air Resources Board adopts~~
34 ~~a fee, applicable at the time of purchase of a motor vehicle, for~~
35 ~~purposes of implementation of the California Global Warming~~
36 ~~Solutions Act of 2006, Division 25.5 (commencing with Section~~
37 ~~38500) of the Health and Safety Code, the commission shall~~
38 ~~exempt vehicles from the climate protection and system~~
39 ~~preservation fee for the first year of registration.~~

1 (B) The Department of Motor Vehicles, if requested by the
 2 ~~commission~~ *regional transportation agency* pursuant to this
 3 section, shall impose and collect the registration fees set forth in
 4 this paragraph for every motor vehicle registered in the ~~Bay Area~~
 5 ~~region~~ *jurisdiction of the regional transportation agency where*
 6 *the fee is to be imposed.* After deducting all costs incurred pursuant
 7 to this section, the Department of Motor Vehicles shall distribute
 8 the fees collected to the ~~commission~~ *regional transportation*
 9 *agency.*

10 (e) *In the case of an area with more than one regional*
 11 *transportation agency serving the same jurisdiction, in whole or*
 12 *in part, the fee authorized by this chapter may only be imposed in*
 13 *that area to the extent that a fee authorized by this chapter has not*
 14 *previously been imposed.*

15 ~~(b)~~

16 (f) (1) The ~~commission~~ *regional transportation agency* and the
 17 ~~Bay Area Air Quality Management District~~ *applicable air district*
 18 shall jointly adopt an expenditure plan for the revenues derived
 19 from the fee. To be eligible for inclusion in the expenditure plan,
 20 a project or program shall meet at least one of the following
 21 regional environmental or transportation needs:

22 (A) Cost-effectively reduce greenhouse gas emissions directly
 23 associated with the operation of motor vehicles.

24 (B) Infrastructure to promote safe bicycling and walking.

25 (C) Capital or operating expenses of public transit systems.

26 (D) Improve the operational efficiency of the existing state
 27 highway and local roadway system without a physical expansion
 28 of the system.

29 (E) Maintenance and rehabilitation of local streets and roads,
 30 *the state highway system, sidewalks, or bicycle routes.*

31 The expenditure plan shall describe proposed transportation
 32 projects and programs and the estimated cost of each. Adoption
 33 of the expenditure plan by the ~~commission~~ *regional transportation*
 34 *agency* and the district shall include a finding by the ~~commission~~
 35 *regional transportation agency* and the district that the expenditure
 36 plan will achieve a nexus between payment of the fee and the
 37 mitigation of greenhouse gas emissions or the other improvements
 38 funded by the fee.

39 (2) *Project expenditures shall reflect an equitable distribution*
 40 *of revenues throughout the region where the fee is being imposed,*

1 *with not less than 95 percent of revenues from each county, based*
2 *on population, being invested over the 30-year life of the fee in*
3 *projects attributable to that county. In addition, during every*
4 *five-year period, no less than 80 percent of the revenues from each*
5 *county, based on population, that are invested during that period,*
6 *shall be invested in projects attributable to that county. The*
7 *regional transportation agency shall allocate any accrued interest*
8 *according to the same formulas. At the time of development of the*
9 *expenditure plan, the regional transportation agency shall use*
10 *population data from the most recent United States Census, and*
11 *shall take into account estimated increases in population it projects*
12 *over the 30-year period.*

13 ~~(2)~~

14 (3) The expenditure plan development process shall include the
15 development of a diverse working group, with representatives from
16 regional agencies and commissions, local agencies such as cities,
17 counties, and congestion management agencies, nonprofit
18 transportation and land use experts, academic institutions working
19 on climate change and vehicle miles traveled reduction, and other
20 interested groups. This working group shall make recommendations
21 to the ~~commission~~ *regional transportation agency* and the district
22 on which projects to include in the expenditure plan. For those
23 projects or programs in the expenditure plan, the ~~commission~~
24 *regional transportation agency* and the district shall prioritize
25 expenditures that are most cost effective at producing reductions
26 in greenhouse gas emissions from motor vehicle use in the ~~Bay~~
27 ~~Area region~~ *jurisdiction of the regional transportation agency and*
28 *addressing maintenance and rehabilitation needs of the region's*
29 *transportation system. These reductions should include the*
30 *associated greenhouse gas emission benefits of reduced traffic*
31 *congestion to ensure the reductions accurately reflect the full*
32 *benefits of the project or program.*

33 (3) Estimates of cost, greenhouse gas reduction, and mobility
34 improvement for each project shall be prepared by the ~~commission~~
35 *regional transportation agency* and district, in consultation with
36 project sponsors. An equity analysis shall be conducted, showing
37 the costs and benefits to each income and geographic group of the
38 proposed expenditure plan. A goal of the expenditure plan is to
39 select cost-effective projects that collectively provide at least as
40 much benefit to low-income households, on average, as may be

1 imposed in costs. Estimates of other funding required to complete
2 any project shall be based on an estimate of funds reasonably
3 expected to be available during the duration of the fee commencing
4 with the year that the fee is initially imposed.

5 ~~(4)~~

6 (5) The expenditure plan presented to the voters include
7 sufficient funding to operate and maintain each project for the
8 duration of the fee, unless other fund sources are already available
9 for this purpose.

10 ~~(5)~~

11 (6) The final expenditure plan shall be approved by the
12 ~~commission~~ *regional transportation agency* and the district by a
13 two-thirds vote of their respective boards.

14 ~~(e)~~

15 (g) (1) Following the joint adoption by the ~~commission~~ *regional*
16 *transportation agency* and district of an expenditure plan, the board
17 of supervisors of each county and city and county in the ~~Bay Area~~
18 ~~region~~ *jurisdiction of the regional transportation agency where*
19 *the fee is to be imposed* shall, upon the request of the ~~commission~~
20 *regional transportation agency* and district, submit to the voters
21 at a local election consolidated with a statewide primary or general
22 election specified by the ~~commission~~ *regional transportation*
23 *agency*, a measure, adopted by the ~~commission~~ *regional*
24 *transportation agency*, authorizing the ~~commission~~ *regional*
25 *transportation agency* to impose the fee throughout the ~~Bay Area~~
26 ~~region~~ *jurisdiction of the regional transportation agency*.

27 (2) The measure may not be grouped with state or local measures
28 on the ballot, but shall be set forth in a separate category.

29 (3) The ~~commission~~ *regional transportation agency* shall
30 reimburse each county ~~and~~ *or* city and county in the region for the
31 cost of submitting the measure to the voters. These costs shall be
32 reimbursed from revenues derived from the fee if the measure is
33 approved by the voters or, if the measure is not approved, from
34 any funds of the ~~commission~~ *regional transportation agency* that
35 are available for general transportation planning.

36 ~~(d)~~

37 (h) Upon approval of the measure by a majority of voters within
38 the region voting at a local election, the ~~commission~~ *regional*
39 *transportation agency* may impose the fee in all counties in the
40 ~~Bay Area region~~ *its jurisdiction where the fee is to be imposed*.

1 ~~(e)~~

2 ~~(i)~~ (1) The ~~commission~~ *regional transportation agency* shall
3 contract with the State Board of Equalization, pursuant to the Fee
4 Collection Procedures Law, Part 30 (commencing with Section
5 55001) of Division 2 of the Revenue and Taxation Code, for the
6 administration of the fee imposed under paragraph (1) of
7 subdivision (a), and the board shall be reimbursed for its actual
8 cost in the administration of the fee and for its actual cost of
9 preparation to administer the fee based upon an independent audit.

10 (2) The State Board of Equalization shall adopt the necessary
11 rules and regulations to administer the fee.

12 (3) After deducting its cost of administering the fee, the State
13 Board of Equalization shall periodically transmit the net revenues
14 to the ~~commission~~ *regional transportation agency* as promptly as
15 possible. Transmittal of those revenues shall be made at least twice
16 in each calendar quarter.

17 ~~(f)~~

18 ~~(j)~~ The net revenues of the fee shall be deposited into the Climate
19 Protection and System Preservation Fund, to be created and
20 administered by the ~~commission~~ *regional transportation agency*,
21 and shall be expended in accordance with this section.

22 ~~(g)~~

23 ~~(k)~~ The net revenues received by the ~~commission~~ *regional*
24 *transportation agency* shall be expended only in accordance with
25 the expenditure plan adopted pursuant to subdivision ~~(b)~~ ~~(f)~~, except
26 that the ~~commission~~ *regional transportation agency* may deduct
27 from those revenues funds to reimburse the ~~commission~~ *regional*
28 *transportation agency* and district for expenses incurred in the
29 initial implementation of this section and, thereafter, costs of
30 administration, not to exceed ~~5~~ 2 percent of annual net revenues.

31 ~~(h)~~

32 ~~(l)~~ The expenditure plan shall include a process of ensuring
33 periodic public review of the progress of the expenditure plan and
34 citizen oversight.

35 ~~(i)~~

36 ~~(m)~~ The ~~commission~~ *regional transportation agency* shall update
37 the expenditure plan to reflect the completion of projects included
38 in the initial voter-approved plan and to add additional projects
39 that meet the requirements of subdivision ~~(b)~~ ~~(f)~~. Any amendment

1 shall comply with all of the requirements for the plan prescribed
2 by this section.

3 (j)

4 (n) (1) “Bonds” means any bonds, notes, variable rate and
5 variable maturity securities, and any other evidence of indebtedness
6 issued pursuant to this ~~division~~ chapter.

7 (2) The ~~commission~~ regional transportation agency shall have
8 and may exercise all rights and powers, expressed or implied, that
9 are necessary to carry out the purposes and intent of this ~~division~~
10 chapter, including the power to do all of the following:

11 (A) Issue bonds payable from and secured by a pledge by the
12 ~~commission~~ regional transportation agency of all or any part of
13 the net revenues deposited into the Climate Protection and System
14 Preservation Fund to finance the activities authorized by this
15 ~~division~~ chapter and to purchase, refund, or otherwise acquire, at
16 or before maturity, any outstanding bonds, and to sell those bonds
17 at public or private sale in the form and on the terms and conditions
18 as the ~~commission~~ regional transportation agency shall approve.

19 (B) Pledge all or any part of net revenues deposited into the
20 Climate Protection and System Preservation Fund to secure bonds
21 and any repayment or reimbursement obligations of the ~~commission~~
22 regional transportation agency to any provider of bond insurance
23 or letter of credit or line of credit facility determined to be
24 appropriate by the ~~commission~~ regional transportation agency to
25 provide for the payment of debt service on any bonds of the
26 ~~commission~~ regional transportation agency issued pursuant to
27 this ~~division~~ chapter, and the state hereby pledges to, and agrees
28 with, the holders of bonds that the state will not limit, alter, or
29 restrict the rights hereby vested in the ~~commission~~ regional
30 transportation agency to fulfill each pledge of revenues and any
31 other terms of any agreement made with or for the benefit of the
32 holders of bonds or in any way impair the rights or remedies of
33 the holders of the bonds or the providers of bond insurance or letter
34 of credit or line of credit facilities.

35 (C) Do all acts necessary and convenient for the full exercise
36 of the powers granted in this ~~division~~ chapter.

37 (3) The ~~commission~~ regional transportation agency may issue
38 bonds in accordance with the Revenue Bond Law of 1941 (Chapter
39 6 (commencing with Section 54300) of Part 1 of Division 2 of
40 Title 5 of the Government Code) for any of the purposes authorized

1 by this ~~division~~ *chapter*. The ~~commission~~ *regional transportation*
2 *agency* shall constitute a “local agency” within the meaning of
3 Section 54307 of the Government Code. The operation of the
4 projects authorized by this ~~division~~ *chapter* or any grouping or
5 units thereof shall constitute an “enterprise” within the meaning
6 of that section.

7 (4) Article 3 (commencing with Section 54380) of Chapter 6
8 of Part 1 of Division 2 of Title 5 of the Government Code shall
9 not apply to the issuance and sale of bonds pursuant to this ~~division~~
10 *chapter* and the ~~commission~~ *regional transportation agency* shall
11 authorize the issuance of such bonds by resolution of its board.

12 (5) Any bond issued pursuant to this section shall contain on
13 its face a statement to the following effect: “Neither the full faith
14 and credit nor the taxing power of the State of California is pledged
15 to the payment of principal of, or the interest on, this bond.”

16 (6) The ~~commission~~ *regional transportation agency* may bring
17 an action to determine the validity of any of its bonds pursuant to
18 Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of
19 the Code of Civil Procedure.

20 (7) The ~~commission~~ *regional transportation agency*, its income
21 and property, all bonds issued by it, and the interest on the bonds
22 are exempt from all taxation by this state or any political
23 subdivision of this state.

24 (8) Bonds issued by the ~~commission~~ *regional transportation*
25 *agency* are legal investments for all trust funds, the funds of all
26 insurance companies, banks, trust companies, executors,
27 administrators, trustees, and other fiduciaries. The bonds are
28 securities that may legally be deposited with, and received by, any
29 state or municipal officer or agency or political subdivision of the
30 state for any purpose for which the deposit of bonds or obligations
31 of the state is now, or may hereafter be, authorized by law,
32 including deposits to secure public funds.

33 ~~(k) If the State Air Resources Board adopts a statewide fee on~~
34 ~~motor vehicles or on the retail sale of motor vehicle fuels under~~
35 ~~its authority in Section 38597 of the Health and Safety Code, then~~
36 ~~that fee shall be collected in counties in the Bay Area region only~~
37 ~~in an amount by which that fee exceeds the amount of the fee~~
38 ~~imposed under this division for the duration of the term that the~~
39 ~~fee under this division is imposed, notwithstanding any other~~
40 ~~provision of law.~~

1 ~~(t)~~
 2 ~~(o)~~ The provisions of this section are severable. If any provision
 3 of this section or its application is held invalid, that invalidity shall
 4 not affect other provisions or applications that can be given effect
 5 without the invalid provision or application.

6 ~~SEC. 3. Article 6.5 (commencing with Section 130356) is~~
 7 ~~added to Chapter 4 of Division 12 of the Public Utilities Code, to~~
 8 ~~read:~~

9
 10 ~~Article 6.5. CLIMATE CHANGE MITIGATION AND~~
 11 ~~ADAPTATION FEE~~
 12

13 ~~130356. (a) Subject to approval of an ordinance pursuant to~~
 14 ~~Section 130357 and majority voter approval pursuant to Section~~
 15 ~~130358, the Los Angeles County Metropolitan Transportation~~
 16 ~~Authority may impose a countywide climate change mitigation~~
 17 ~~and adaptation fee. The fee shall be in addition to any other levies~~
 18 ~~that the authority is authorized to impose. The fee may be~~
 19 ~~implemented for a period not to exceed 30 years. In implementing~~
 20 ~~the fee, the authority shall utilize one of the following mechanisms:~~

21 ~~(1) A fee on all motor vehicle fuels sold in the County of Los~~
 22 ~~Angeles. As used in this paragraph, “motor vehicle” does not~~
 23 ~~include aircraft. The fee shall be established by the authority at a~~
 24 ~~rate determined by the authority, but not to exceed 3 percent of~~
 25 ~~the retail sales price of motor vehicle fuel at the time the authority~~
 26 ~~adopts the expenditure plan.~~

27 ~~(2) (A) An annual per-vehicle fee for each vehicle registered~~
 28 ~~in the County of Los Angeles that would vary based on the carbon~~
 29 ~~emissions produced by the vehicle. If the authority imposes the~~
 30 ~~fee under this mechanism, the authority shall consult with the~~
 31 ~~Department of Motor Vehicles and other appropriate state or federal~~
 32 ~~agencies for applicable data to determine the amount of the fee for~~
 33 ~~each vehicle. The rate of the fee shall not exceed ninety dollars~~
 34 ~~(\$90). A registered owner of a vehicle who meets the eligibility~~
 35 ~~requirements for assistance programs under Chapter 2~~
 36 ~~(commencing with Section 11200) or Chapter 3 (commencing with~~
 37 ~~Section 12000) of Part 3 of, Part 5 (commencing with Section~~
 38 ~~17000) of, or Chapter 10 (commencing with Section 18900),~~
 39 ~~Chapter 10.1 (commencing with Section 18930), or Chapter 10.3~~
 40 ~~(commencing with Section 18937) of Part 6 of, Division 9 of, the~~

1 ~~Welfare and Institutions Code shall be exempt from the payment~~
2 ~~of any fee imposed pursuant to this paragraph. If the State Air~~
3 ~~Resources Board adopts a fee, applicable at the time of purchase~~
4 ~~of a motor vehicle, for purposes of implementation of the California~~
5 ~~Global Warming Solutions Act of 2006, Division 25.5~~
6 ~~(commencing with Section 38500) of the Health and Safety Code,~~
7 ~~the authority shall exempt vehicles from the climate change~~
8 ~~mitigation and adaptation fee for the first year of registration.~~

9 ~~(B) The Department of Motor Vehicles, if requested by the~~
10 ~~authority pursuant to this section, shall impose and collect the~~
11 ~~registration fees set forth in this paragraph for every motor vehicle~~
12 ~~registered in the County of Los Angeles. After deducting all costs~~
13 ~~incurred pursuant to this section, the department shall distribute~~
14 ~~the fees set forth in this paragraph collected to the authority.~~

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

24 ~~(c) The climate change mitigation and adaptation expenditure~~
25 ~~plan development process shall include a working group with~~
26 ~~representatives from the authority and from the municipal transit~~
27 ~~operators in Los Angeles County. The working group shall make~~
28 ~~recommendations to the authority on which projects to include in~~
29 ~~the expenditure plan. Before the authority may adopt the~~
30 ~~expenditure plan pursuant to subdivision (b), the provisions of the~~
31 ~~plan that relate to transit projects and expenditures shall be~~
32 ~~approved by a two-thirds majority of the municipal transit operators~~
33 ~~in Los Angeles County and a two-thirds vote of the authority. The~~
34 ~~expenditure plan shall provide for an allocation of all transit~~
35 ~~operating funds in accordance with Section 99285.~~

36 ~~(d) The authority shall use no more than 2 percent of fee~~
37 ~~revenues to administer the fee and the projects and programs~~
38 ~~funded by fee revenues.~~

39 ~~(e) Fee revenues shall be deposited in the Climate Change~~
40 ~~Mitigation and Adaptation Fund, to be created by the authority.~~

1 Revenues in the fund shall be available to the authority to fund
 2 projects and programs that advance the goals of the expenditure
 3 plan. Fee revenues may be used in conjunction with other funds
 4 available to the authority for these purposes. The authority may
 5 distribute a portion of revenues through a competitive grant
 6 program for the county and cities within the jurisdiction of the
 7 authority through the authority's existing call for projects program
 8 as established by Los Angeles County Proposition A of 1980 and
 9 Proposition C of 1990.

10 (f) (1) A minimum of two-thirds of net fee revenues, after
 11 administrative costs as described in subdivision (d), shall be used
 12 to fund

13 public transit projects and programs. The remaining funds shall
 14 be used to meet at least one of the following transportation needs:

15 (A) Cost-effectively reduce greenhouse gas emissions directly
 16 associated with the operation of motor vehicles.

17 (B) Fund maintenance and rehabilitation of local streets and
 18 roads, sidewalks, or bicycle routes.

19 (C) Fund capital or operating expenses of public transit systems.

20 (D) Improve the operational efficiency of the existing state
 21 highway and local roadway system without a physical expansion
 22 of the system.

23 (2) A capital project listed in the expenditure plan to be approved
 24 by the voters pursuant to Section 130357 must be able to begin
 25 construction no later than December 31, 2018. A capital project
 26 that is not able to comply with this requirement shall not be funded
 27 from fee revenues.

28 (g) The authority may issue bonds payable from fee revenues.
 29 Proceeds from the bonds shall be used for the purposes in
 30 subdivision (f).

31 (h) If the State Air Resources Board adopts a statewide fee on
 32 motor vehicles or on the retail sale of motor vehicle fuels under
 33 its authority in Section 38597 of the Health and Safety Code, then
 34 that fee shall be collected in Los Angeles County only in an amount
 35 by which that fee exceeds the amount of the fee imposed under
 36 this article for the duration of the term that the fee under this article
 37 is imposed, notwithstanding any other provision of law.

38 130357. To impose the fee authorized under this article, both
 39 of the following shall be required:

1 ~~(a) An ordinance proposing the fee and the expenditure plan~~
2 ~~and submitting the fee and the expenditure plan to the voters for~~
3 ~~approval is approved by a majority vote of the board.~~

4 ~~(b) A majority of the voters in the County of Los Angeles~~
5 ~~approve a ballot measure pursuant to Section 130358.~~

6 ~~130358. The authority may call a special election, to occur no~~
7 ~~later than November 6, 2012, for the purposes of submitting the~~
8 ~~ordinance containing the fee and the expenditure plan to the voters~~
9 ~~of the County of Los Angeles. The election shall be consolidated~~
10 ~~with a statewide primary or general election specified by the~~
11 ~~authority.~~

12 ~~130359. The provisions of this article are severable. If any~~
13 ~~provision of this article or its application is held invalid, that~~
14 ~~invalidity shall not affect other provisions or applications that can~~
15 ~~be given effect without the invalid provision or application.~~

16 ~~SEC. 4.~~

17 ~~SEC. 2. Chapter 12 (commencing with Section 8500) of Part~~
18 ~~2 of Division 2 of the Revenue and Taxation Code is repealed.~~

19 ~~SEC. 5.~~

20 ~~SEC. 3. The Legislature finds that there is no mandate contained~~
21 ~~in this act that will result in costs incurred by a local agency or~~
22 ~~school district for a new program or higher level of service which~~
23 ~~require reimbursement pursuant to Section 6 of Article XIII B of~~
24 ~~the California Constitution and Part 7 (commencing with Section~~
25 ~~17500) of Division 4 of Title 2 of the Government Code.~~