

AMENDED IN SENATE APRIL 30, 2009

AMENDED IN SENATE APRIL 13, 2009

SENATE BILL

No. 783

Introduced by Senator Ashburn

February 27, 2009

An act to amend Section 185033 of the Public Utilities Code, relating to high-speed rail, ~~and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 783, as amended, Ashburn. High-speed rail.

Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law requires the authority to prepare and to submit to the Legislature a revised business plan containing specified elements by September 1, 2008.

This bill would require the authority to prepare ~~an expanded, publish, adopt, and submit to the Legislature a~~ business plan addressing specified elements ~~prior to seeking bond funding for the 2009-10 fiscal year pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, which was approved as Proposition 1A by the voters at the November 4, 2008, statewide general election no later than March 1, 2010, and every 2 years thereafter, with a draft of the business plan to be available at least 60 days in advance for public review and comment, followed by a public hearing. The bill would require the authority to submit a draft of the expanded business plan to the Legislature by September 1, 2009, and to adopt the plan at its January 2010 regularly scheduled meeting, following at least one public hearing.~~

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

Vote: $\frac{2}{3}$ -majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Section 185033 of the Public Utilities Code is
2 amended to read:

3 185033. (a) The authority shall prepare, publish, *adopt*, and
4 submit to the Legislature, not later than ~~September 1, 2008, a~~
5 ~~revised March 1, 2010, and every two years thereafter, a business~~
6 *plan. At least 60 days prior to the publication of the plan, the*
7 *authority shall publish a draft business plan for public review and*
8 *comment. The draft plan shall also be submitted to the Senate*
9 *Committee on Transportation and Housing and the Assembly*
10 *Committee on Transportation. The business plan that identifies*
11 *shall identify all of the following: the type of service it the authority*
12 *anticipates it will develop, such as local, express, commuter,*
13 *regional, or interregional; a description of the primary benefits the*
14 *system will provide; a forecast of the anticipated patronage,*
15 *operating costs, and capital costs for the system; an estimate and*
16 *description of the total anticipated federal, state, local, and other*
17 *funds the authority intends to access to fund the construction and*
18 *operation of the system; and the proposed chronology for the*
19 *construction of the eligible corridors of the statewide high-speed*
20 *train system. The revised business plan shall also include a*
21 *discussion of all reasonably foreseeable risks the project may*
22 *encounter, including, but not limited to, risks associated with the*
23 *project's finances, patronage, construction, equipment, and*
24 *technology, and other risks associated with the project's*
25 *development. The plan shall describe the authority's strategies,*
26 *processes, or other actions it intends to utilize to manage those*
27 *risks.*

28 ~~(b) (1) Prior to seeking an allocation of bond funding pursuant~~
29 ~~to the Safe, Reliable High-Speed Passenger Train Bond Act for~~
30 ~~the 21st Century (Chapter 20 (commencing with Section 2704) of~~
31 ~~Division 3 of the Streets and Highways Code) for the 2009-10~~
32 ~~fiscal year, the authority shall prepare an expanded business plan~~
33 ~~that includes, but is not~~

1 (b) (1) In addition to the requirements of subdivision (a), the
2 business plan shall include, but need not be limited to, all of the
3 following elements:

4 (A) Using the most recent patronage forecast for the system,
5 develop a forecast of the expected patronage and service levels
6 for the Phase 1 corridor as identified in paragraph (2) of subdivision
7 (b) of Section 2704.04 of the Streets and Highways Code and by
8 each segment *or combination of segments* for which a project level
9 environmental analysis is being prepared for Phase 1. The forecast
10 shall assume a high, medium, and low level of patronage and a
11 realistic operating planning scenario for each level of service.
12 Alternative fare structures shall be considered when determining
13 the level of patronage.

14 (B) Based on the patronage forecast in subparagraph (A),
15 develop alternative financial pro formas for the different levels of
16 service, and identify the operating break-even points for each
17 alternative. Each pro forma shall assume the terms of subparagraph
18 (J) of paragraph (2) of subdivision (c) of Section 2704.08 of the
19 Streets and Highways Code.

20 (C) Identify the expected schedule for completing environmental
21 review, and initiating and completing construction for each segment
22 of Phase 1.

23 (D) Identify the source of federal, state, and local funds available
24 for the project that will augment funds from the bond act and the
25 level of confidence for obtaining each type of funding.

26 (E) Identify written agreements with public or private entities
27 to fund components of the high-speed rail system, including
28 stations and terminals, any impediments to the completion of the
29 system, such as the inability to gain access to existing railroad
30 rights-of-way.

31 (F) Identify alternative public-private development strategies
32 for the implementation of Phase 1.

33 ~~(2) A draft of the expanded business plan shall be submitted to~~
34 ~~the Senate Committee on Transportation and Housing and the~~
35 ~~Assembly Committee on Transportation on or before September~~
36 ~~1, 2009.~~

37 ~~(3)~~

38 (2) The authority shall hold at least one public hearing on the
39 ~~expanded~~ business plan and shall adopt the ~~expanded~~ plan at its a
40 regularly scheduled meeting ~~in January 2010~~. When adopting the

1 plan, the authority shall take into consideration comments from
2 the public hearing and written comments that it receives in that
3 regard, and any hearings that the Legislature may hold prior to
4 adoption of the ~~expanded~~ plan.

5 ~~SEC. 2. This act is an urgency statute necessary for the~~
6 ~~immediate preservation of the public peace, health, or safety within~~
7 ~~the meaning of Article IV of the Constitution and shall go into~~
8 ~~immediate effect. The facts constituting the necessity are:~~

9 ~~In order to provide for the expeditious development of an~~
10 ~~expanded business plan to govern the implementation of a~~
11 ~~high-speed rail system for the state, it is necessary that this act~~
12 ~~take effect immediately.~~