

AMENDED IN ASSEMBLY JUNE 16, 2010

SENATE BILL

No. 1371

Introduced by Senators Lowenthal and Correa

February 19, 2010

An act to add Chapter 9.6 (commencing with Section 2425) to Division 3 of the Streets and Highways Code, relating to transportation, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1371, as amended, Lowenthal. Federal transportation economic stimulus funds: 2nd round.

Existing law generally provides for programming and allocation of state and federal transportation capital improvement program funds pursuant to the state transportation improvement program process administered by the California Transportation Commission. Under these provisions, 25% of available funds are available for interregional improvement projects nominated by the Department of Transportation, subject to a requirement that 60% of these funds be available for projects in nonurbanized areas on the interregional road system and for intercity rail projects. The remaining 75% of available funds are available for regional improvement projects nominated by regional agencies. All funds programmed through the state transportation improvement program process are subject to the north-south split, and the regional improvement funds are further subject to the county shares formula.

Existing law establishes special procedures and formulas for allocation and expenditure of federal transportation economic stimulus funds received by the state in 2009.

This bill would require the Department of Transportation to work with local transportation agencies to develop a list of potential projects

that may be awarded within a 90-day period of the award to the state of 2nd round federal transportation economic stimulus funds. The bill would require the department to submit ~~a monthly status report to the Legislature, as specified, Legislative Analyst’s Office and specified committees, or to post on its Internet Web site, a monthly status report~~ with respect to ~~certain milestones~~ for expenditure of these funds. The bill would make related legislative findings and declarations.

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

Vote: 2/3. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) Congress is considering authorizing a second round of federal
4 economic stimulus funding that has the potential to bring \$3.7
5 billion to California for investment in transportation infrastructure.

6 (b) To ensure that this stimulus package provides immediate
7 economic relief by creating or saving jobs in the ~~short-term~~ *short*
8 *term*, the federal legislation is expected to include extremely short
9 timelines for project delivery that will pose significant challenges
10 to state and local agencies.

11 (c) Despite a modest economic recovery, the statewide
12 unemployment rate remains above 12 percent, with some counties
13 experiencing a jobless rate above 20 percent.

14 (d) The state must stand ready to use all stimulus funds available
15 to it within the timelines provided by the second federal economic
16 stimulus act.

17 (e) To this end, it is the intent of the Legislature to enact
18 legislation that does all of the following:

19 (1) Expedites the process by which state and local transportation
20 agencies obligate and award federal funds, easing regulatory and
21 statutory hurdles where appropriate and in a manner that is
22 consistent with the mobility and environmental goals of the state.

23 (2) Establishes an allocation formula that provides flexibility
24 in the use of funds and ensures geographic equity such that all
25 areas of the state benefit from the second federal economic stimulus
26 act.

1 (3) Articulates priorities for project selection that will assist
2 state and local agencies in reducing their backlogs of maintenance
3 and rehabilitation projects and enable Proposition 1B (2006)
4 projects, that may otherwise be delayed due to the fiscal
5 environment of the state, to move forward.

6 SEC. 2. Chapter 9.6 (commencing with Section 2425) is added
7 to Division 3 of the Streets and Highways Code, to read:

8
9 CHAPTER 9.6. SECOND ROUND FEDERAL TRANSPORTATION
10 ECONOMIC STIMULUS FUNDS

11
12 2425. This chapter *shall be known and* may be cited as the
13 Transportation Economic Stimulus Act of 2010.

14 2426. (a) The department shall work with local transportation
15 agencies to develop a list of potential projects that may be awarded
16 within a 90-day period after the award of the second round of
17 federal transportation economic stimulus funds to the state. In
18 doing so, the department shall assess whether the project is
19 included in the federal transportation improvement program, has
20 completed applicable state and federal environmental review
21 processes, and would have sufficient funding from other sources
22 to complete the project if stimulus funds were provided.

23 (b) The department shall submit, on a monthly basis, a status
24 report on the implementation of the federal stimulus act to the
25 Legislative Analyst’s Office and the appropriate policy and fiscal
26 committees of the Legislature. This report shall identify each
27 project funded by the federal stimulus act and indicate whether ~~it~~
28 *a project* has been certified, obligated, and awarded, and has had
29 funds disbursed for it. The report shall also indicate the percentage
30 of funds provided to state and local agencies in accordance with
31 the allocation formula established by this chapter *that* has met each
32 of these milestones. *In lieu of submitting the monthly report to the*
33 *Legislative Analyst’s Office and the committees, the department*
34 *may elect to post the information, or a link to the information, on*
35 *its Internet Web site on a monthly basis.*

36 SEC. 3. This act is an urgency statute necessary for the
37 immediate preservation of the public peace, health, or safety within
38 the meaning of Article IV of the Constitution and shall go into
39 immediate effect. The facts constituting the necessity are:

1 In order to maximize the opportunity for California to receive
2 and expend federal transportation economic stimulus funds, it is
3 necessary for this act to take effect immediately.

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