

**ASSEMBLY BILL**

**No. 1105**

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**Introduced by Assembly Member Gordon**

February 18, 2011

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An act to amend Section 149.6 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1105, as introduced, Gordon. High-occupancy toll lanes.

Existing law authorizes the Santa Clara Valley Transportation Authority (VTA) to conduct, administer, and operate a value pricing high-occupancy toll (HOT) lane program on 2 corridors included in the high-occupancy vehicle lane system in Santa Clara County.

This bill would provide that one or both of the corridors selected may be a corridor that extends into an adjacent county, subject to agreement of the congestion management agency or countywide agency responsible for preparation of the county transportation plan in that county.

Existing law requires revenues generated by a HOT lane corridor to be available to VTA for direct expenses related to the operation, maintenance, construction, and administration of the corridor, with any remaining revenues to be used in the corridor where generated exclusively for preconstruction, construction, and other related costs of high-occupancy vehicle facilities and improvement of transit service, including support for transit operations.

This bill would require the remaining revenues generated by a HOT lane corridor that extends into an adjacent county to be shared for eligible purposes by the 2 counties pursuant to an agreement between VTA and the applicable agency in the adjacent county.

Vote: 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 149.6 of the Streets and Highways Code  
2 is amended to read:  
3 149.6. (a) Notwithstanding Sections 149 and 30800, and  
4 Section 21655.5 of the Vehicle Code, the Santa Clara Valley  
5 Transportation Authority (VTA) created by Part 12 (commencing  
6 with Section 100000) of the Public Utilities Code may conduct,  
7 administer, and operate a value pricing program on any two of the  
8 transportation corridors included in the high-occupancy vehicle  
9 lane system in Santa Clara County in coordination with the  
10 Metropolitan Transportation Commission and consistent with  
11 Section 21655.6 of the Vehicle Code. *One or both of the*  
12 *transportation corridors selected for a value pricing program*  
13 *under this section may be a corridor that extends into an adjacent*  
14 *county, subject to agreement of the congestion management agency*  
15 *or the countywide agency responsible for preparation of the county*  
16 *transportation plan pursuant to Section 66531 of the Government*  
17 *Code in the adjacent county.*  
18 (1) VTA, under the circumstances described in subdivision (b),  
19 may direct and authorize the entry and use of those high-occupancy  
20 vehicle lanes by single-occupant vehicles for a fee. The fee  
21 structure shall be established from time to time by the authority.  
22 A high-occupancy vehicle lane may only be operated as a  
23 high-occupancy toll (HOT) lane during the hours that the lane is  
24 otherwise restricted to use by high-occupancy vehicles.  
25 (2) VTA shall enter into a cooperative agreement with the Bay  
26 Area Toll Authority to operate and manage the electronic toll  
27 collection system.  
28 (b) Implementation of the program shall ensure that Level of  
29 Service C, as measured by the most recent issue of the Highway  
30 Capacity Manual, as adopted by the Transportation Research  
31 Board, is maintained at all times in the high-occupancy vehicle  
32 lanes, except that subject to a written agreement between the  
33 department and VTA that is based on operating conditions of the  
34 high-occupancy vehicle lanes, Level of Service D shall be  
35 permitted on the high-occupancy vehicle lanes. If Level of Service

1 D is permitted, the department and VTA shall evaluate the impacts  
2 of these levels of service on the high-occupancy vehicle lanes, and  
3 indicate any effects on the mixed-flow lanes. Continuance of Level  
4 of Service D operating conditions shall be subject to the written  
5 agreement between the department and VTA. Unrestricted access  
6 to the lanes by high-occupancy vehicles shall be available at all  
7 times. At least annually, the department shall audit the level of  
8 service during peak traffic hours and report the results of that audit  
9 at meetings of the program management team.

10 (c) Single-occupant vehicles that are certified or authorized by  
11 the authority for entry into, and use of, the high-occupancy vehicle  
12 lanes in Santa Clara County, *and, if applicable, an adjacent county*  
13 *as provided in subdivision (a)*, are exempt from Section 21655.5  
14 of the Vehicle Code, and the driver shall not be in violation of the  
15 Vehicle Code because of that entry and use.

16 (d) VTA shall carry out the program in cooperation with the  
17 department pursuant to a cooperative agreement that addresses all  
18 matters related to design, construction, maintenance, and operation  
19 of state highway system facilities in connection with the value  
20 pricing program. With the assistance of the department, VTA shall  
21 establish appropriate traffic flow guidelines for the purpose of  
22 ensuring optimal use of the high-occupancy toll lanes by  
23 high-occupancy vehicles without adversely affecting other traffic  
24 on the state highway system.

25 (e) (1) Agreements between VTA, the department, and the  
26 Department of the California Highway Patrol shall identify the  
27 respective obligations and liabilities of those entities and assign  
28 them responsibilities relating to the program. The agreements  
29 entered into pursuant to this section shall be consistent with  
30 agreements between the department and the United States  
31 Department of Transportation relating to this program. The  
32 agreements shall include clear and concise procedures for  
33 enforcement by the Department of the California Highway Patrol  
34 of laws prohibiting the unauthorized use of the high-occupancy  
35 vehicle lanes, which may include the use of video enforcement.  
36 The agreements shall provide for reimbursement of state agencies,  
37 from revenues generated by the program, federal funds specifically  
38 allocated to the authority for the program by the federal  
39 government, or other funding sources that are not otherwise  
40 available to state agencies for transportation-related projects, for

1 costs incurred in connection with the implementation or operation  
2 of the program.

3 (2) The revenues generated by the program shall be available  
4 to VTA for the direct expenses related to the operation (including  
5 collection and enforcement), maintenance, construction, and  
6 administration of the program. The VTA’s administrative costs in  
7 the operation of the program shall not exceed 3 percent of the  
8 revenues.

9 (3) All remaining revenue generated by the program shall be  
10 used in the corridor from which the revenues were generated  
11 exclusively for the preconstruction, construction, and other related  
12 costs of high-occupancy vehicle facilities and the improvement of  
13 transit service, including, but not limited to, support for transit  
14 operations pursuant to an expenditure plan adopted by the VTA.  
15 *To the extent a corridor extends into an adjacent county pursuant*  
16 *to subdivision (a), VTA and the county agency in the adjacent*  
17 *county shall, by agreement, determine how remaining revenue*  
18 *shall be shared for expenditure in Santa Clara County and the*  
19 *adjacent county consistent with this paragraph.*

20 (f) (1) The VTA may issue bonds, refunding bonds, or bond  
21 anticipation notes, at any time to finance construction and  
22 construction-related expenditures necessary to implement the value  
23 pricing program established pursuant to subdivision (a) and  
24 construction and construction-related expenditures that are provided  
25 for in the expenditure plan adopted pursuant to paragraph (3) of  
26 subdivision (e), payable from the revenues generated from the  
27 program.

28 (2) The maximum bonded indebtedness that may be outstanding  
29 at any one time shall not exceed an amount that may be serviced  
30 from the estimated revenues generated from the program.

31 (3) The bonds shall bear interest at a rate or rates not exceeding  
32 the maximum allowable by law, payable at intervals determined  
33 by the authority.

34 (4) Any bond issued pursuant to this subdivision shall contain  
35 on its face a statement to the following effect:

36 “Neither the full faith and credit nor the taxing power of the  
37 State of California is pledged to the payment of principal of,  
38 or the interest on, this bond.”

- 1 (5) Bonds shall be issued pursuant to a resolution of VTA  
2 adopted by a two-thirds vote of its governing board. The resolution  
3 shall state all of the following:
- 4 (A) The purposes for which the proposed debt is to be incurred.
  - 5 (B) The estimated cost of accomplishing those purposes.
  - 6 (C) The amount of the principal of the indebtedness.
  - 7 (D) The maximum term of the bonds and the interest rate.
  - 8 (E) The denomination or denominations of the bonds, which  
9 shall not be less than five thousand dollars (\$5,000).
  - 10 (F) The form of the bonds, including, without limitation,  
11 registered bonds and coupon bonds, to the extent permitted by  
12 federal law, the registration, conversion, and exchange privileges,  
13 if applicable, and the time when all of, or any part of, the principal  
14 becomes due and payable.
  - 15 (G) Any other matters authorized by law.
- 16 (6) The full amount of bonds may be divided into two or more  
17 series and different dates of payment fixed for the bonds of each  
18 series. A bond shall not be required to mature on its anniversary  
19 date.
- 20 (g) Not later than three years after VTA first collects revenues  
21 from any of the projects described in paragraph (1) of subdivision  
22 (a), VTA shall submit a report to the Legislature on its findings,  
23 conclusions, and recommendations concerning the demonstration  
24 program authorized by this section. The report shall include an  
25 analysis of the effect of the HOT lanes on adjacent mixed-flow  
26 lanes and any comments submitted by the department and the  
27 Department of the California Highway Patrol regarding operation  
28 of the lanes.