

AMENDED IN ASSEMBLY AUGUST 20, 2012

AMENDED IN ASSEMBLY JULY 5, 2012

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AMENDED IN SENATE MAY 1, 2012

AMENDED IN SENATE MARCH 29, 2012

SENATE BILL

No. 1117

Introduced by Senator DeSaulnier
(Coauthor: Assembly Member Bonnie Lowenthal)

February 17, 2012

An act to amend Sections 14036 and 14522 of the Government Code, and to add Section 185033.1 to the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1117, as amended, DeSaulnier. Passenger rail: planning.

Existing law creates the California Transportation Commission, with various powers and duties relating to the programming and allocation of certain funds available for transportation capital improvement projects and various other transportation policy matters, and authorizes the commission to develop guidelines for preparation of regional transportation plans. Existing law creates the Department of Transportation with various powers and duties relating to the state highway system and other transportation modes, including the authority to contract for conventional rail passenger service. Existing law requires the department to prepare a 10-year State Rail Plan on a biennial basis, with both passenger and freight rail elements. Existing law creates the High-Speed Rail Authority to develop and implement a high-speed rail

system in the state, with specified powers and duties, including preparation of a business plan on a biennial basis. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes.

This bill would require the California Transportation Commission to include in its guidelines for regional transportation plans policy direction regarding the integration of all passenger rail services into a coordinated system with emphasis on intermodal facilities and cost-effective rail services, as specified. The bill would revise the requirements for the 10-year state rail plan prepared by the department to require the plan to be consistent with the federal Passenger Rail Investment and Improvement Act of 2008 and to contain various passenger *and freight* rail elements, including, among other things, plans for a comprehensive and integrated statewide rail system, a statement of the state's passenger rail service objectives, and identification of improvements that have utility both for freight and passenger rail services. The bill would delete the requirement ~~for that the state rail plan to have a freight rail element and would delete the requirement that it~~ be prepared on a biennial basis. The bill would require the department to submit a draft plan under these new requirements for review and comment to the commission and authority by December 1, 2015, and would require public hearings on the plan. The bill would require the final plan to be approved by the Secretary of Business, Transportation and Housing by March 1, 2016, and then to be submitted to the Legislature, Governor, and various state agencies. The bill would require the plan to be updated at least every 5 years.

This bill would also impose certain requirements on the High-Speed Rail Authority with regard to implementation of blended systems by the authority, including preparation of a plan in that regard, by December 31, 2013, which would be incorporated into the authority's business plan *and would be required to be consistent with any written agreements with 3rd parties operating or hosting connecting passenger rail services, as specified.*

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

3 (a) Passage of the federal Passenger Rail Investment and
4 Improvement Act of 2008 (PRIIA) requires comprehensive rail
5 plans in order for states to be eligible for new federal rail capital
6 grants. To comply with federal law, the state rail plan must include,
7 at a minimum, all of the following:

8 (1) An inventory of the existing transportation system and rail
9 services and facilities within the state, and an analysis of the role
10 of rail transportation within the state's surface transportation
11 system.

12 (2) A review of all rail lines within the state, including proposed
13 high-speed rail corridors.

14 (3) A statement of the state's passenger rail objectives.

15 (4) A general analysis of the transportation, economic, and
16 environmental impacts of rail in the state, including congestion
17 mitigation, trade and economic development, air quality, land use,
18 energy use, and community impacts.

19 (5) A long-range investment program for current and future
20 freight and passenger rail infrastructure in the state.

21 (b) The Department of Transportation, pursuant to Section 14036
22 of the Government Code, is responsible for the preparation of a
23 10-year state rail plan, to be updated biennially. Furthermore, the
24 department has been designated by the Federal Railroad
25 Administration as the responsible agency for development of the
26 federally required state rail plan.

27 (c) In addition to the PRIIA requirements, California should
28 build upon its existing rail planning activities, as follows:

29 (1) To foster more complete integration of passenger rail
30 throughout the transportation system, including high-speed,
31 intercity, commuter, and connections to urban passenger rail
32 systems.

33 (2) To support the state's goal of an integrated, multimodal
34 transportation system and to establish a framework for the delivery
35 of cost-effective rail services in California that promote climate
36 stabilization, job access, environmental enhancements, and
37 improved mobility.

1 (3) To address issues relating to the shared use of rail lines by
2 freight and passenger services *and compliance with the grant*
3 *provisions of Section 24405(c) of Title 49 of the United States*
4 *Code.*

5 (4) To provide detailed insight into the concerns facing the
6 state's transportation system and to set forth a vision of how rail
7 transportation can address those issues.

8 SEC. 2. Section 14036 of the Government Code is amended
9 to read:

10 14036. (a) The department shall prepare a 10-year State Rail
11 Plan. *The plan shall consist of a passenger rail element and a*
12 *freight rail element.* Pursuant to Section 22702 of Title 49 of the
13 United States Code, the department is designated as the state rail
14 transportation authority to prepare, maintain, coordinate, and
15 administer the plan.

16 (b) The passenger rail element shall:

17 (1) Comply with the requirements set forth in the federal
18 Passenger Rail Investment and Improvement Act of 2008 (PRIIA;
19 Public Law 110-432).

20 (2) Include plans for a comprehensive and integrated statewide
21 passenger rail system, including high-speed rail, conventional
22 intercity and commuter rail, and connections to urban rail systems.

23 (3) Review all high-speed rail routes, the rail freight system,
24 conventional intercity and commuter rail systems, and urban rail
25 system connections to high-speed rail and conventional intercity
26 and commuter rail systems, including a statement of the state's
27 passenger rail objectives for routes in the state.

28 (4) In consultation with the freight railroad industry, identify
29 improvements that have utility to both rail freight and passenger
30 rail services in the state.

31 (5) Include an inventory of the existing rail transportation system
32 and rail services and facilities in the state, and an analysis of the
33 role of rail transportation within the state's overall transportation
34 system.

35 (6) *The freight rail element of the plan and any*
36 *recommendations related to the freight rail system shall include*
37 *a recognition that implementation of the recommended passenger*
38 *rail services shall be contingent upon a negotiated agreement*
39 *between a freight rail operator and the passenger service sponsor*
40 *or operator.*

1 (c) *The freight rail element shall contain all of the following:*

2 (1) *Environmental aspects, which shall include air quality, land*
3 *use, and community impacts.*

4 (2) *Financing issues, which shall include a means to obtain*
5 *federal and state funding.*

6 (3) *Rail issues, which shall include regional, intrastate, and*
7 *interstate issues. In this regard, the used and unused capacity of*
8 *freight railroads shall be considered an asset to the economic*
9 *well-being of the state as it supports the state's role as the nation's*
10 *gateway for international trade, provides an environmentally*
11 *preferred alternative for the movement of goods, and supports the*
12 *employment opportunities in logistics industry.*

13 (4) *Intermodal connections, which shall include seaports and*
14 *intermodal terminals.*

15 (5) *Current system deficiencies.*

16 (6) *Service objectives, such as improving efficiency,*
17 *accessibility, and safety.*

18 (7) *New technology, which shall include logistics and process*
19 *improvement.*

20 (8) *Light density rail line analyses, which shall include traffic*
21 *density, track characteristics, project selection criteria, and*
22 *benefit-cost criteria.*

23 ~~(e)~~

24 (d) (1) The department shall submit, for review and comment,
25 a draft plan developed pursuant to this section to the High-Speed
26 Rail Authority and the commission on or before December 1, 2015.

27 (2) Prior to final adoption of the plan, the department shall hold
28 at least two public workshops on the draft plan, with at least one
29 workshop in northern California and one in southern California.

30 ~~(4)~~

31 (3) On or before March 1, 2016, the final plan shall be submitted
32 to the Business, Transportation and Housing Agency for approval
33 pursuant to Section 22702 of Title 49 of the United States Code.

34 ~~(5)~~

35 (4) The approved plan shall thereafter be submitted to the
36 Legislature, the Governor, the Public Utilities Commission, the
37 High-Speed Rail Authority, and the commission.

38 ~~(d)~~

39 (e) The plan shall be updated, at a minimum, every five years
40 thereafter. The process for review and approval shall be essentially

1 the same as provided for the initial plan pursuant to subdivision
2 (e) (d).

3 SEC. 3. Section 14522 of the Government Code is amended
4 to read:

5 14522. In cooperation with the regional transportation planning
6 agencies, the commission may prescribe study areas for analysis
7 and evaluation by such agencies and guidelines for the preparation
8 of the regional transportation plans.

9 The commission shall include in these guidelines policy direction
10 regarding the integration of all passenger rail services, including
11 high-speed, intercity, commuter, and urban passenger rail services,
12 into a coordinated system with an emphasis on intermodal facilities
13 connecting the various passenger rail systems with each other as
14 well as with the overall transportation system, and provision of
15 cost-effective passenger rail services that contribute to climate
16 stabilization, job access, environmental enhancements, and
17 improved mobility.

18 SEC. 4. Section 185033.1 is added to the Public Utilities Code,
19 to read:

20 185033.1. (a) Consistent with Proposition 1A (2008) and the
21 policy objectives set forth in the State Rail Plan adopted pursuant
22 to Section 14036 of the Government Code, the authority shall plan
23 for implementation of blended systems, consistent with its business
24 plan prepared pursuant to Section 185033 *and consistent with any*
25 *written agreements with third parties operating or hosting rail*
26 *passenger services in the conventional intercity and commuter rail*
27 *corridors and in the Phase I corridors, upon which the blended*
28 *systems will operate, or to which the blended systems will connect.*

29 The authority's plan pursuant to this section shall include, at a
30 minimum, both of the following:

31 (1) Identification of investments in passenger rail projects in
32 the Phase I high-speed rail corridor (San Francisco Transbay
33 Terminal-Los Angeles Union Station-Anaheim) that benefit
34 conventional intercity and commuter rail services that are
35 compatible with being upgraded to high-speed rail service in the
36 future.

37 (2) Investments in operable segments in the Phase I high-speed
38 rail corridor that generate sufficient passenger revenue to be
39 attractive to private investors.

1 (b) In developing the blended program, the authority shall
2 ~~consult~~ *do both of the following:*

3 (1) *Consult* with the department, regional transportation planning
4 agencies, agencies administering or operating commuter rail,
5 freight railroads operating in the conventional intercity and
6 commuter rail corridors and in the Phase I corridors, and firms
7 that have experience in commercial high-speed intercity rail
8 operations.

9 (2) *Ensure the blended program is consistent with any written*
10 *agreements with third parties operating or hosting passenger rail*
11 *services in the conventional intercity and commuter rail corridors*
12 *and in the Phase I corridors, upon which the blended systems will*
13 *operate, or to which the blended systems will connect.*

14 (c) The authority shall submit a draft of its blended program to
15 the California Transportation Commission, the department, and
16 the Legislature on or before December 31, 2013. The program
17 shall subsequently be incorporated into the authority's business
18 plan prepared pursuant to Section 185033.