

AMENDED IN ASSEMBLY APRIL 16, 2013

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 528

Introduced by Assembly Member Lowenthal

February 20, 2013

An act to *repeal Sections 14036.2 and 14036.3 of, and to repeal and add Section 14036 of, the Government Code, and to amend Section 185033 of the Public Utilities Code, relating to transportation.*

LEGISLATIVE COUNSEL'S DIGEST

AB 528, as amended, Lowenthal. State Rail Plan: High-Speed Rail Authority business plan.

~~Existing~~

(1) *Existing* law requires the Department of Transportation to prepare a 10-year State Rail Plan biennially for submission to the Legislature, Governor, and specified entities. The plan consists of 2 elements, a passenger rail element and a freight rail element, and sets forth various items that are required to be included in each element. Existing law *separately* requires the High-Speed Rail Authority to prepare, publish, adopt, and submit to the Legislature, not later than January 1, 2012, and every 2 years thereafter, a specified business plan, with specified elements, and to publish, at least 60 days prior to the publication of the plan, a draft business plan for public review and comment, as specified.

This bill would revise and recast the items required to be included in the 2 elements of the *10-year State Rail Plan* and *would eliminate the 10-year timeframe for the State Rail Plan*. The bill would change the *first* date to May 1, 2014, by which the High-Speed Rail Authority is

required to prepare, publish, adopt, and submit to the Legislature, ~~and every 2 years thereafter, a specified~~ *the* business plan. The bill would *also* make changes to the ~~specified~~ elements required to be included in the business plan.

(2) *Existing law requires the department to identify in the rail passenger development plan the 3 most decrepit intercity rail passenger stations in the state used by trains operated by the National Railroad Passenger Corporation (AMTRAK) and those rail passenger stations that require upgraded parking facilities, as specified. Existing law requires the department to consider and estimate the cost of specified types of rail service improvements to the San Joaquin Amtrak route, and to report its findings in the rail passenger development plan submitted in 1991 pursuant to the provisions governing the preparation of the State Rail Plan.*

This bill would repeal these requirements.

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; 49 U.S.C. Sec. 22701 et seq.)
- 5 requires comprehensive rail plans in order for states to be eligible
- 6 for new federal rail capital grants. To comply with federal law,
- 7 the state rail plan must include, at a minimum, all of the following:
- 8 (1) An inventory of the existing *rail* transportation system and
- 9 rail services and facilities within the state, and an analysis of the
- 10 role 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.

1 (b) The Department of Transportation, pursuant to Section 14036
2 of the Government Code, is responsible for the preparation of a
3 ~~10-year~~ state rail plan. Furthermore, the department has been
4 designated by the Federal Railroad Administration as the
5 responsible agency for development of the federally required state
6 rail plan.

7 (c) *Implementation of any recommended passenger rail services*
8 *identified in the plan is contingent upon a negotiated agreement*
9 *between a freight rail operator and the passenger service sponsor*
10 *or operator.*

11 (d) *Used and unused capacity of freight railroads is important*
12 *to the economic well-being of the state as it supports the state's*
13 *role as the nation's gateway for international trade, provides an*
14 *environmentally preferred alternative for the movement of goods,*
15 *and supports employment opportunities in the goods movement*
16 *logistics industry.*

17 SEC. 2. Section 14036 of the Government Code is repealed.

18 SEC. 3. Section 14036 is added to the Government Code, to
19 read:

20 14036. (a) The department shall prepare a ~~10-year~~ State Rail
21 Plan. Pursuant to Section 22702 of Title 49 of the United States
22 Code, the department is designated as the state rail transportation
23 authority to prepare, maintain, coordinate, and administer the plan.

24 (b) The passenger rail element shall contain all of the following:

25 (1) A statement of compliance with the requirements set forth
26 in the federal Passenger Rail Investment and Improvement Act of
27 2008 (PRIIA; Public Law 110-432; 49 U.S.C. Sec. 22701 et seq.).

28 (2) Plans for a comprehensive and integrated statewide passenger
29 rail system, including high-speed rail, conventional intercity and
30 commuter rail, and connections to urban rail systems.

31 (3) A review of all high-speed rail routes, the rail freight system,
32 conventional intercity and commuter rail systems, and urban rail
33 system connections to high-speed rail and conventional intercity
34 and commuter rail systems, including a statement of the state's
35 passenger rail objectives for routes in the state.

36 (4) In consultation with the freight railroad industry, an
37 identification of the improvements that have utility to both rail
38 freight and passenger rail services in the state.

39 (5) An inventory of the existing rail transportation system and
40 rail services and facilities in the state, and an analysis of the role

1 of rail transportation within the state’s overall transportation
2 system.

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

4 (1) Environmental aspects that include air quality, land use, and
5 community impacts.

6 (2) Financing issues that include a means to obtain federal and
7 state funding.

8 (3) Rail issues that include regional, intrastate, and interstate
9 issues.

10 (4) Intermodal connections that include seaports and intermodal
11 terminals.

12 (5) A statement of current system deficiencies.

13 (6) Service objectives that improve efficiency, accessibility,
14 and safety.

15 (7) New technology that includes logistics and process
16 improvement.

17 (8) Light density rail line analyses that include traffic density,
18 track characteristics, project selection criteria, and benefit-cost
19 criteria.

20 (d) The final plan shall be submitted to the Transportation
21 Agency for approval pursuant to Section 22702 of Title 49 of the
22 United States Code. On or before March 1, 2017, the approved
23 plan shall thereafter be submitted to the Legislature, the Governor,
24 the Public Utilities Commission, the High-Speed Rail Authority,
25 and the commission.

26 (e) The plan shall be updated, at a minimum, every five years
27 thereafter.

28 *SEC. 4. Section 14036.2 of the Government Code is repealed.*

29 ~~14036.2.—The department shall identify in the rail passenger
30 development plan prepared pursuant to Section 14036, the three
31 most decrepit intercity rail passenger stations in the state used by
32 trains operated by the National Railroad Passenger Corporation
33 (Amtrak). The department shall also identify those rail passenger
34 stations which require upgraded parking facilities to encourage
35 automobile drivers to utilize available rail passenger service.~~

36 *SEC. 5. Section 14036.3 of the Government Code is repealed.*

37 ~~14036.3.—The department shall consider and estimate the cost
38 of each of the following types of service improvements to the San
39 Joaquin Amtrak route, and report its findings in the rail passenger
40 development plan submitted in 1991 pursuant to Section 14036:~~

1 ~~(a) Checked baggage service:~~

2 ~~In order to better serve the elderly, disabled, and passengers~~
3 ~~traveling with small children, the department shall investigate the~~
4 ~~possibility of Amtrak offering this type of passenger convenience~~
5 ~~on at least one of the three daily roundtrips, including the least~~
6 ~~patronized roundtrip where enroute delays due to baggage handling~~
7 ~~would be most absorbable. Particular consideration should be given~~
8 ~~to offering baggage service to major stations, including off-line~~
9 ~~staffed Amtrak stations served by feeder buses, if service to all~~
10 ~~staffed stations cannot be implemented immediately. The~~
11 ~~department shall also consider funding capital needs at stations~~
12 ~~necessary to offer baggage service from funds available pursuant~~
13 ~~to Section 14037.~~

14 ~~(b) Custom class service:~~

15 ~~In order to provide a higher level of service to passengers~~
16 ~~desiring a guaranteed, reserved seat, the department shall~~
17 ~~investigate implementation of custom class service on the San~~
18 ~~Joaquin route, similar to the enhanced service offered as an option~~
19 ~~on the Amtrak San Diegan route. If custom class service is offered,~~
20 ~~due consideration should be given to similar higher levels of service~~
21 ~~on major feeder bus routes, as warranted. The department shall~~
22 ~~also investigate the potential availability of cellular telephone~~
23 ~~service on this route.~~

24 ~~(c) Dining service:~~

25 ~~The department shall investigate steps that may need to be taken~~
26 ~~to restore quality dining car service, offering full, hot meals,~~
27 ~~substantially similar to the service offered on this route prior to~~
28 ~~the removal of high-level cars in December of 1989.~~

29 ~~SEC. 4.~~

30 ~~SEC. 6.~~ Section 185033 of the Public Utilities Code is amended
31 to read:

32 185033. (a) The authority shall prepare, publish, adopt, and
33 submit to the Legislature, not later than May 1, 2014, and every
34 two years thereafter, a business plan. At least 60 days prior to the
35 publication of the plan, the authority shall publish a draft business
36 plan for public review and comment. The draft plan shall also be
37 submitted to the Senate Committee on Transportation and Housing,
38 the Assembly Committee on Transportation, the Senate Committee
39 on Budget and Fiscal Review, and the Assembly Committee on
40 Budget.

- 1 (b) (1) The business plan shall include, but need not be limited
 2 to, all of the following elements:
- 3 (A) The type of service the authority is developing and the
 4 proposed chronology for the construction of the statewide
 5 high-speed rail system.
- 6 (B) Using the most recent patronage forecast for the system,
 7 develop a forecast of the expected patronage, service levels, and
 8 operating and maintenance costs for the Phase 1 corridor as
 9 identified in paragraph (2) of subdivision (b) of Section 2704.04
 10 of the Streets and Highways Code and by each segment or
 11 combination of segments for which a project level environmental
 12 analysis is being prepared for Phase 1. The forecast shall assume
 13 a high, medium, and low level of patronage and a realistic operating
 14 planning scenario for each level of service.
- 15 (C) Based on the patronage forecast in subparagraph (A),
 16 develop alternative financial scenarios for the different levels of
 17 service, and identify the operating break-even points for each
 18 alternative. Each scenario shall assume the terms of subparagraph
 19 (J) of paragraph (2) of subdivision (c) of Section 2704.08 of the
 20 Streets and Highways Code.
- 21 (D) Identify the expected schedule for completing environmental
 22 review, and initiating and completing construction for each segment
 23 or combination of segments of Phase 1.
- 24 (E) Identify the source of federal, state, and local funds available
 25 for the project that will augment funds from the bond act.
- 26 (F) Identify written agreements with public or private entities
 27 to fund components of the high-speed rail system, including
 28 stations and terminals, and identify any impediments to the
 29 completion of the system.
- 30 (G) Identify alternative public-private development strategies
 31 for the implementation of Phase 1.
- 32 (H) A discussion of all reasonably foreseeable risks the project
 33 may encounter, including, but not limited to, risks associated with
 34 the project's finances, patronage, right-of-way acquisition,
 35 environmental clearances, construction, equipment, and technology,
 36 and other risks associated with the project's development. The
 37 plan shall describe the authority's strategies, processes, or other
 38 actions it intends to utilize to manage those risks.
- 39 (2) To the extent feasible, the business plan should draw upon
 40 information and material developed according to other

1 requirements, including, but not limited to, the preappropriation
2 review process and the preexpenditure review process in the Safe,
3 Reliable High-Speed Passenger Train Bond Act for the 21st
4 Century pursuant to Section 2704.08 of the Streets and Highways
5 Code. The authority shall hold at least one public hearing on the
6 business plan and shall adopt the plan at a regularly scheduled
7 meeting. When adopting the plan, the authority shall take into
8 consideration comments from the public hearing and written
9 comments that it receives in that regard, and any hearings that the
10 Legislature may hold prior to adoption of the plan.

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