

AMENDED IN SENATE JULY 9, 2013
AMENDED IN ASSEMBLY MAY 24, 2013
AMENDED IN ASSEMBLY APRIL 3, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1081

Introduced by Assembly Member Medina
(Coauthors: Assembly Members Ian Calderon, Garcia, and ~~V. Manuel Perez~~ V. Manuel Pérez)

February 22, 2013

An act to amend Sections 13101~~and~~ *and* 13102 of the Government Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 1081, as amended, Medina. Economic development: goods-movement-related infrastructure.

Existing law requires the Governor, in conjunction with the Governor's Budget, to submit annually to the Legislature a proposed 5-year infrastructure plan containing specified information concerning infrastructure needed by state agencies, public schools, and public postsecondary educational institutions, and a proposal for funding the needed infrastructure.

This bill would require the infrastructure plan to include *additional* information, *including, but not limited to, information* related to infrastructure identified by state and federal transportation ~~authorities~~ *and authorities*, recommendations for private sector financing, *and strategies to address state goods movement needs*, 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) California is the ninth largest economy in the world with a
4 state gross product of over \$1.9 trillion in 2011. As a global
5 economy, international trade-related commerce represents
6 approximately one-quarter of California’s economy. If California
7 were a country, it would be the 11th largest exporter in the world.
8 In 2011, California exported \$159 billion in products through
9 California ports to 220 foreign destinations, which accounted for
10 over 11 percent of total United States exports in goods.

11 (b) California’s significance in the global marketplace results
12 from a variety of factors, including its strategic west coast location,
13 providing direct access to the growing markets in Asia; its diverse
14 regional economies; its large, ethnically diverse population,
15 representing both a ready workforce and significant consumer
16 base; its access to a wide variety of venture and other private
17 capital; its broad base of small- and medium-sized businesses; and
18 its culture of innovation and entrepreneurship, particularly in the
19 area of high technology.

20 (c) California’s largest industry sector is trade, transportation,
21 and utilities, which encompasses everything from major retail
22 outlets, to import-export businesses, to transportation and
23 warehousing. Manufacturing, of course, is the cornerstone to the
24 industry sector. California leads the nation in export-related jobs.
25 The United States Department of Commerce estimates that for
26 every one million dollars of increased trade activity, 11 new jobs
27 are supported. Workers in trade-related jobs earn on average 13
28 percent to 28 percent higher wages than the national average.
29 One-fifth of all manufacturing workers in California depend on
30 exports for their jobs.

31 (d) It is the state’s goods-movement-related infrastructure
32 network that allows raw materials and semimanufactured products
33 to reach other manufacturers and assemblers and then move on to
34 California ports for export to other nations or across the United
35 States. California’s competitiveness is dependent upon the efficient
36 connectivity between differing modes of transportation, including
37 highways, waterways, rail, and air.

1 (e) Much of this infrastructure is, however, over 30 years old
2 and requires maintenance as well as improvements and expansion
3 to accommodate the state’s population growth and evolving policy
4 priorities. Inclusion of goods-movement-related infrastructure
5 within the state’s five-year plan would enhance the state’s ability
6 to develop a more efficient goods movement and logistical network,
7 attract private capital, and support the retention and expansion of
8 jobs.

9 SEC. 2. Section 13101 of the Government Code is amended
10 to read:

11 13101. As used in this article:

12 (a) “Goods-movement-related infrastructure” means air, water,
13 land, and sea port of entry facilities, roads, rail, and other facilities
14 and infrastructure projects that move goods, energy, and
15 information.

16 (b) “Infrastructure” means real property, including land and
17 improvements to the land, structures, and equipment integral to
18 the operation of structures, easements, rights-of-way, and other
19 forms of interest in property, roadways, and water conveyances.

20 SEC. 3. Section 13102 of the Government Code is amended
21 to read:

22 13102. In conjunction with the Governor’s Budget submitted
23 pursuant to Section 13337, the Governor shall submit annually a
24 proposed five-year infrastructure plan to the Legislature. This plan
25 shall cover a five-fiscal-year period beginning with the fiscal year
26 that is the same as that covered by the Governor’s Budget with
27 which it is being submitted.

28 The infrastructure plan shall contain the following information
29 for the five years that it covers:

30 (a) (1) Identification of new, rehabilitated, modernized,
31 improved, or renovated infrastructure requested by state agencies.

32 (2) Aggregate funding for transportation as identified in the
33 five-year State Transportation Improvement Program Fund
34 Estimate prepared pursuant to Sections 14524 and 14525.

35 (3) Infrastructure needs for kindergarten and grades 1 to 12,
36 inclusive, public schools necessary to accommodate increased
37 enrollment, class size reduction, and school modernization.

38 (4) The instructional and instructional support facilities needs
39 for the University of California, the California State University,
40 and the California Community Colleges.

1 (5) Identification of new, rehabilitated, modernized, improved,
2 or renovated infrastructure identified by state or federal agencies
3 or regional transportation agencies, not otherwise identified in
4 paragraph (2), that directly relates to enhancing the movement of
5 goods.

6 (6) *Identification of state goods movement needs and strategies*
7 *to address them, as outlined in the state freight plan.*

8 (7) *Identification of goals, objectives, and recommendations,*
9 *as outlined in the California International trade and investment*
10 *strategy pursuant to Section 13996.55.*

11 (b) The estimated cost of providing the infrastructure identified
12 in subdivision (a).

13 (c) A proposal for funding the infrastructure identified in
14 subdivision (a), that includes all of the following:

15 (1) Criteria and priorities used to identify and select the
16 infrastructure it does propose to fund, including criteria used to
17 identify and select infrastructure that by January 1, 2005, shall be
18 consistent with the state planning priorities specified pursuant to
19 Section 65041.1 for infrastructure requested by state agencies
20 pursuant to paragraph (1) of subdivision (a).

21 (2) Sources of funding, including, but not limited to, General
22 Fund, state special funds, federal funds, general obligation bonds,
23 lease-revenue bonds, and installment purchases.

24 (3) An evaluation of the impact of the new state debt on the
25 state’s existing overall debt position if the plan proposes the
26 issuance of new state debt.

27 (4) (A) Recommended specific projects for funding or the
28 recommended type and amount of infrastructure to be funded in
29 order to meet programmatic objectives that shall be identified in
30 the proposal.

31 ~~(5) For goods-movement-related infrastructure, the plan shall~~
32 ~~also include recommendations for private sector financing~~
33 ~~including, but not limited to, public pension fund investors, private~~
34 ~~sector investors, and commercial and industrial users that would~~
35 ~~benefit from the enhanced logistical network.~~

36 (B) Any capital outlay or local assistance appropriations
37 intended to fund infrastructure included in the Governor’s Budget
38 shall derive from, and be encompassed by, the funding proposal
39 contained in the plan.

1 (5) *For goods-movement-related infrastructure, the plan shall*
2 *also include recommendations for private sector financing,*
3 *including, but not limited to, public pension fund investors, private*
4 *sector investors, and commercial and industrial users that would*
5 *benefit from the enhanced logistical network.*

6 ~~(d) Eligible goods-movement-related infrastructure shall also~~
7 ~~be submitted to infrastructure financing exchanges, including, but~~
8 ~~not limited to, the West Coast Infrastructure Exchange.~~

9 (d) *For goods-movement-related infrastructure, the plan shall*
10 *also include any projects that the Department of Transportation*
11 *identifies, within the parameters of existing law, as eligible to*
12 *submit to infrastructure financing exchanges, including, but not*
13 *limited to, the West Coast Infrastructure Exchange.*

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