

AMENDED IN SENATE MAY 2, 2013

**SENATE BILL**

**No. 557**

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**Introduced by Senator Hill**

(Coauthors: Assembly Members Gordon and Mullin)

February 22, 2013

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An act to add Sections 2704.76 and 2704.77 to the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 557, as amended, Hill. High-speed rail.

Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law, pursuant to the Safe, Reliable, High-Speed Passenger Train Bond Act for the 21st Century, authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other related purposes. Existing law appropriates specified funds from the High-Speed Passenger Train Bond Fund and from federal funds for high-speed rail and connecting rail projects.

This bill would add detail to provisions governing the expenditure of certain of those appropriated funds. The bill would specify that of the \$1,100,000,000 appropriated for early high-speed rail improvement projects in the Budget Act of 2012, \$600,000,000 and \$500,000,000 shall be allocated solely for purposes of specified memoranda of understanding approved by the High-Speed Rail Authority for the Metropolitan Transportation Commission region and the southern California region, respectively. The bill would limit fund transfer authority between certain appropriations to temporary transfers for account management purposes. The bill would restrict use of certain appropriated funds, to the extent they are allocated to the San

Francisco-San Jose segment of the high-speed rail system, to implement a rail system in that segment that primarily consists of a 2-track blended system to be used jointly by high-speed trains and Caltrain commuter trains, with the system to be contained substantially within the existing Caltrain right-of-way. *These provisions would be effective until a specified time, and would be inoperative thereafter.*

This bill would also require any track expansion for the San Francisco to San Jose segment beyond the blended system approach to be approved by all 9 parties to the Bay Area High-Speed Rail Early Investment Strategy Memorandum of Understanding, 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. Section 2704.76 is added to the Streets and  
2 Highways Code, to read:  
3 2704.76. (a) (1) Of the one billion one hundred million dollars  
4 (\$1,100,000,000) appropriated pursuant to Item 2665-104-6043  
5 of Section 2.00 of the Budget Act of 2012, six hundred million  
6 dollars (\$600,000,000) shall be allocated solely for purposes of  
7 the Metropolitan Transportation Commission Memorandum of  
8 Understanding, as approved by the High-Speed Rail Authority on  
9 April 12, 2012, in High-Speed Rail Authority Resolution 12-11,  
10 and five hundred million dollars (\$500,000,000) shall be allocated  
11 for purposes of the Southern California Memorandum of  
12 Understanding, as approved by the High-Speed Rail Authority on  
13 April 12, 2012, in High-Speed Rail Authority Resolution 12-10.  
14 (2) Transfers from Item 2665-104-6043 of Section 2.00 of the  
15 Budget Act of 2012 pursuant to Provision 2 of that item to Item  
16 2665-004-6043 or Item 2665-306-6043 shall be limited to  
17 temporary transfers for account management purposes. Funds  
18 appropriated by Item 2665-104-6043 of Section 2.00 of the Budget  
19 Act of 2012 shall not otherwise be used in high-speed rail project  
20 segments other than the segments that are the subjects of the two  
21 memoranda of understanding referenced in paragraph (1).  
22 (b) Funds appropriated pursuant to Items 2660-104-6043,  
23 2660-304-6043, and 2665-104-6043 of Section 2.00 of the Budget  
24 Act of 2012, to the extent those funds are allocated to projects in  
25 the San Francisco to San Jose segment, shall be used solely to

1 implement a rail system in that segment that primarily consists of  
2 a two-track blended system to be used jointly by high-speed rail  
3 trains and Peninsula Joint Powers Board commuter trains  
4 (Caltrain), with the system to be contained substantially within the  
5 existing Caltrain right-of-way.

6 *(c) This section shall remain in effect as long as the*  
7 *appropriation in Item 2665-104-6043 of Section 2.00 of the Budget*  
8 *Act of 2012 remains available for encumbrance or liquidation,*  
9 *and shall be inoperative thereafter.*

10 SEC. 2. Section 2704.77 is added to the Streets and Highways  
11 Code, to read:

12 2704.77. Any track expansion for the San Francisco to San  
13 Jose segment of the high-speed rail system beyond the blended  
14 system approach identified in the April 2012 California High-Speed  
15 Rail Program Revised 2012 Business Plan and approved by the  
16 High-Speed Rail Authority in April 2012 shall require approval  
17 from all nine parties to the Bay Area High-Speed Rail Early  
18 Investment Strategy Memorandum of Understanding, as follows:

- 19 (a) The High-Speed Rail Authority.
- 20 (b) The Metropolitan Transportation Commission.
- 21 (c) The Peninsula Corridor Joint Powers Board.
- 22 (d) The San Francisco County Transportation Authority.
- 23 (e) The San Mateo County Transportation Authority.
- 24 (f) The Santa Clara County Valley Transportation Authority.
- 25 (g) The City of San Jose.
- 26 (h) The City and County of San Francisco.
- 27 (i) The Transbay Joint Powers Authority.