

ASSEMBLY BILL

No. 12

Introduced by Assembly Member Nazarian

August 26, 2015

An act to add Section 130243 to the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 12, as introduced, Nazarian. Los Angeles County Metropolitan Transportation Authority.

Existing law creates the Los Angeles County Metropolitan Transportation Authority with specified powers and duties relative to transportation planning, programming, and operations in Los Angeles County.

This bill would authorize the Los Angeles County Metropolitan Transportation Authority to enter into agreements with private entities for certain transportation projects in Los Angeles County, including on the state highway system, subject to various terms and requirements. The bill would authorize the authority to impose tolls and user fees for use of those projects. For any project on the state highway system, the bill would require the authority to implement the project in cooperation with the Department of Transportation pursuant to an agreement that addresses specified matters. The bill would provide that a facility constructed by a private entity would at all times be owned by a governmental agency, except as provided. The bill would authorize the authority to issue bonds to finance any costs necessary to implement a project and to finance any expenditures, payable from the revenues generated from the project or other available resources, as specified.

This bill would provide that its provisions are severable.

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 130243 is added to the Public Utilities
2 Code, to read:
3 130243. (a) For purposes of this section, the following terms
4 have the following meanings:
5 (1) “Department” means the Department of Transportation.
6 (2) “LACMTA” means the Los Angeles County Metropolitan
7 Transportation Authority.
8 (b) (1) In addition to the other powers it possesses, and
9 notwithstanding any other law, the LACMTA may do the
10 following:
11 (A) Construct, develop, lease, jointly develop, own, operate,
12 maintain, control, use, jointly use, or dispose of rights-of-way,
13 high-occupancy toll lanes, rail lines, monorails, buslines, stations,
14 terminals, tunnels, parking lots, air rights, land rights, development
15 rights, entrances and exits, and any other facilities together with
16 any physical structures necessary for, incidental to, or convenient
17 for, the access of persons and vehicles to those facilities. A facility
18 constructed pursuant to this section may also include additional
19 high-occupancy vehicle lanes or the conversion of existing lanes
20 to high-occupancy vehicle lanes, conversion of existing
21 high-occupancy vehicle lanes to high-occupancy toll lanes,
22 additional toll roads, toll lanes, and transit projects.
23 (B) Acquire, lease, sell, or otherwise contract, with respect to
24 any interest in, or rights to the use or joint use of, any of the
25 facilities described in subparagraph (A) for transportation and
26 transit projects and improvements in the County of Los Angeles,
27 including on the state highway system in the County of Los
28 Angeles, subject to compliance with federal law and this section.
29 (2) The authority granted pursuant to this section is intended to
30 supplement and be independent of any other authority that the
31 LACMTA possesses and does not limit, replace, or detract from
32 that authority.
33 (c) (1) The LACMTA may solicit proposals for projects, or
34 projects may be proposed by a private entity to the LACMTA and
35 selected by the LACMTA, for facilities described in subdivision

(b). The LACMTA may enter into agreements with private entities for the studying, planning, designing, developing, financing, construction, maintenance, rebuilding, improvement, repair, or operation, or any combination thereof, by private entities of facilities described in subdivision (b). A project may be proposed and selected individually or as part of a related or larger project.

(2) Except for the criteria described in paragraph (1) and for applicable provisions related to providing security for construction and completion of the facility, the LACMTA is not subject to any other law relating to public contract procurements in the Government Code, the Public Contract Code, or this code with respect to facilities described in subdivision (b).

(d) Any construction, alteration, demolition, repairs, or other works of improvement performed under a contract awarded pursuant to this section shall be considered a public works project subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code, and shall be enforced by the Department of Industrial Relations in the same way it carries out this responsibility under the Labor Code.

(e) For any project pursuant to this section on the state highway system, the LACMTA shall implement the project in cooperation with the department pursuant to an agreement that addresses all matters related to design, construction, maintenance, and operation of state highway system facilities in connection with the project. The plans and specifications for a project on the state highway system developed, maintained, repaired, rehabilitated, reconstructed, or operated pursuant to this section shall comply with the department's standards for state transportation projects. The LACMTA shall establish appropriate performance measures for the purpose of ensuring optimal use of the state highway system. An agreement between the LACMTA and the department shall identify the respective obligations and liabilities of each party to the agreement and assign each party responsibilities relating to the project.

(f) The LACMTA may impose tolls and user fees for use of a facility constructed pursuant to this section. The toll revenues and user fees shall be applied to the payment of the capital outlay costs for the project, the costs associated with operations, toll and user fee collection, administration of the facility, reimbursement to the department or other governmental entity for the costs of services

1 to develop and maintain the project, police services, a reasonable
2 return on investment and for other purposes allowed under federal
3 law.

4 (g) (1) Except as provided in paragraph (2), a facility
5 constructed by a private entity pursuant to this section shall, at all
6 times, be owned by a governmental agency.

7 (2) The LACMTA may elect to provide for ownership of the
8 facility by a private entity during the term of the agreement with
9 the private entity for up to 35 years provided that reversion of
10 ownership of the facility is effective at the end of the term at no
11 charge to the LACMTA. The LACMTA may continue to charge
12 fees for use of the facility after the agreement with the private
13 entity terminates.

14 (h) The LACMTA may issue bonds, as set forth in Chapter 5
15 (commencing with Section 130500), at any time to finance any
16 costs necessary to implement a project established pursuant to this
17 section and to finance any expenditures, payable from the revenues
18 generated from the project or other available resources.

19 (i) A lease to a private entity entered into pursuant to this section
20 is deemed to be public property for a public purpose and exempt
21 from leasehold, real property, and ad valorem taxation, except for
22 the use, if any, of that property for ancillary commercial purposes.

23 (j) The provisions of this section are severable. If any provision
24 of this section or its application is held invalid, that invalidity shall
25 not affect other provisions or applications that can be given effect
26 without the invalid provision or application.

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