

**ASSEMBLY BILL**

**No. 13**

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**Introduced by Assembly Member Grove**

August 31, 2015

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An act to amend Section 39719 of the Health and Safety Code, relating to greenhouse gases, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 13, as introduced, Grove. Greenhouse Gas Reduction Fund: streets and highways.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law continuously appropriates 20% of the annual proceeds of the fund to the Strategic Growth Council for the Affordable Housing and Sustainable Communities Program, as provided.

This bill would reduce the continuous appropriation to the Strategic Growth Council for the Affordable Housing and Sustainable Communities Program by half.

This bill, beginning in the 2016–17 fiscal year, would continuously appropriate 50% of the annual proceeds of the Greenhouse Gas

Reduction Fund, with 50% of that appropriation to the Department of Transportation for maintenance of the state highway system or for projects that are part of the state highway operation and protection program, and 50% to cities and counties for local street and road purposes.

Vote: majority. Appropriation: yes. 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 that  
2 investments in highway maintenance and rehabilitation reduce  
3 congestion and improve fuel efficiency, thereby achieving  
4 significant reductions in greenhouse gas emissions.

5 SEC. 2. Section 39719 of the Health and Safety Code is  
6 amended to read:

7 39719. (a) The Legislature shall appropriate the annual  
8 proceeds of the fund for the purpose of reducing greenhouse gas  
9 emissions in this state in accordance with the requirements of  
10 Section 39712.

11 (b) To carry out a portion of the requirements of subdivision  
12 (a), annual proceeds are continuously appropriated for the  
13 following:

14 (1) Beginning in the 2015–16 fiscal year, and notwithstanding  
15 Section 13340 of the Government Code, ~~35~~ 25 percent of annual  
16 proceeds are continuously appropriated, without regard to fiscal  
17 years, for transit, affordable housing, and sustainable communities  
18 programs as following:

19 (A) Ten percent of the annual proceeds of the fund is hereby  
20 continuously appropriated to the Transportation Agency for the  
21 Transit and Intercity Rail Capital Program created by Part 2  
22 (commencing with Section 75220) of Division 44 of the Public  
23 Resources Code.

24 (B) Five percent of the annual proceeds of the fund is hereby  
25 continuously appropriated to the Low Carbon Transit Operations  
26 Program created by Part 3 (commencing with Section 75230) of  
27 Division 44 of the Public Resources Code. ~~Funds Moneys~~ shall be  
28 allocated by the Controller, according to requirements of the  
29 program, and pursuant to the distribution formula in subdivision

1 (b) or (c) of Section 99312 of, and Sections 99313 and 99314 of,  
2 the Public Utilities Code.

3 (C) ~~Twenty-Ten~~ percent of the annual proceeds of the fund is  
4 hereby continuously appropriated to the Strategic Growth Council  
5 for the Affordable Housing and Sustainable Communities Program  
6 created by Part 1 (commencing with Section 75200) of Division  
7 44 of the Public Resources Code. Of the amount appropriated in  
8 this subparagraph, no less than ~~10~~ 5 percent of the annual proceeds,  
9 *proceeds* shall be expended for affordable housing, consistent with  
10 the provisions of that program.

11 (2) Beginning in the 2015–16 fiscal year, notwithstanding  
12 Section 13340 of the Government Code, 25 percent of the annual  
13 proceeds of the fund is hereby continuously appropriated to the  
14 High-Speed Rail Authority for the following components of the  
15 initial operating segment and Phase I Blended System as described  
16 in the 2012 business plan adopted pursuant to Section 185033 of  
17 the Public Utilities Code:

- 18 (A) Acquisition and construction costs of the project.
- 19 (B) Environmental review and design costs of the project.
- 20 (C) Other capital costs of the project.
- 21 (D) Repayment of any loans made to the authority to fund the  
22 project.

23 (3) *Beginning in the 2016–17 fiscal year, notwithstanding*  
24 *Section 13340 of the Government Code, 50 percent of the annual*  
25 *proceeds of the fund is hereby continuously appropriated, without*  
26 *regard to fiscal years, and allocated as follows:*

- 27 (A) *Fifty percent to the Department of Transportation for*  
28 *maintenance of the state highway system or for projects that are*  
29 *part of the state highway operation and protection program,*  
30 *prepared pursuant to Section 14526.5 of the Government Code.*
- 31 (B) *Fifty percent shall be apportioned by the Controller to cities*  
32 *and counties for local street and road purposes consistent with*  
33 *the formula in subparagraph (C) of paragraph (3) of subdivision*  
34 *(a) of Section 2103 of the Streets and Highways Code.*

35 (c) In determining the amount of annual proceeds of the fund  
36 for purposes of the calculation in subdivision (b), the funds subject  
37 to Section 39719.1 shall not be included.

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