

AMENDED IN SENATE AUGUST 1, 2016

AMENDED IN SENATE JUNE 21, 2016

AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1889

Introduced by Assembly Member Mullin

February 11, 2016

An act to add Section 2704.78 to the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1889, as amended, Mullin. High-Speed Rail Authority: high-speed train operation.

Existing law creates the High-Speed Rail Authority with specified powers and duties relative to the development and implementation of a high-speed train system. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, statewide general election, provides for the issuance of \$9.95 billion for high-speed train capital projects and other associated purposes. The bond act requires the authority to expend the proceeds of the bond act pursuant to certain planning and reporting requirements, which require the authority to approve that the corridor or usable segment would be suitable and ready for high-speed train operations.

~~The Budget Act of 2012 made appropriations for the support of state government, including an appropriation for, among other things, state operations, local assistance, or capital outlay for high-speed rail projects, as specified.~~

This bill would provide for the purposes of ~~that appropriation that the approval by the authority~~ a certain plan that a corridor or usable segment thereof would be ~~suitable~~ “suitable and ready for high-speed train operation is conclusive: operation” if specified conditions are met.

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. (a) In passing AB 3034 (Chapter 267 of the
- 2 Statutes of 2008), the Legislature placed before the voters the Safe,
- 3 Reliable High-Speed Passenger Train Bond Act for the 21st
- 4 Century (Proposition 1A), which was approved and provides \$9
- 5 billion to initiate the construction of a high-speed train system
- 6 connecting the San Francisco Transbay Terminal to Los Angeles
- 7 Union Station and Anaheim and linking California’s major
- 8 population centers.
- 9 (b) Additionally, Proposition 1A included \$950 million for
- 10 intercity, commuter, and urban rail systems that will ultimately
- 11 provide connectivity to the high-speed train system.
- 12 (c) In 2012, the High-Speed Rail Authority released the Revised
- 13 2012 Business Plan, which called for near-term investments in
- 14 northern and southern California, known as the “Bookends,”
- 15 which would enable high-speed trains to share infrastructure with
- 16 existing passenger rail service providers as part of a blended
- 17 system, as envisioned in Proposition 1A.
- 18 (d) Also in 2012, using the Revised Business Plan as a guidepost,
- 19 the Legislature passed and the Governor signed SB 1029 (Chapter
- 20 152 of the Statutes of 2012), appropriating over \$7.5 billion in
- 21 state and federal funding to begin construction of the project in
- 22 the central valley and in the Bookends, and for local connectivity
- 23 projects throughout the state.
- 24 (e) Of the amount appropriated, the Legislature dedicated \$1.1
- 25 billion to passenger rail projects on the system’s Bookends that
- 26 will ultimately be part of the blended system utilizing shared
- 27 infrastructure.
- 28 (f) In 2013, the Legislature passed and the Governor signed SB
- 29 557 (Chapter 216 of the Statutes of 2013), which reaffirmed the
- 30 Legislature’s commitment to investments in the Bookends.

1 (g) *It is the intent of the Legislature, in appropriating funding*
2 *for initial investments, that these projects should proceed to*
3 *construction in the near-term to provide economic benefits, create*
4 *jobs, and advance improved, safer, and cleaner rail transportation*
5 *and that these initial investments are consistent with and further*
6 *the goals of Proposition 1A.*

7 (h) *Consistent with Proposition 1A, these early investments will*
8 *enable passenger train service providers to begin using the*
9 *improvements on a corridor or useable segment thereof while*
10 *additional work is completed to enable high-speed train service.*

11 (i) *Furthermore, it is the intent of the Legislature that nothing*
12 *in this act relieves the High-Speed Rail Authority from its duties*
13 *under Proposition 1A, including the submission to the Director of*
14 *Finance of the plan required pursuant to subdivision (d) of Section*
15 *2704.08 of the Streets and Highways Code.*

16 (j) *As established in Proposition 1A, the required plan shall be*
17 *informed by the work of one or more independent financial services*
18 *firms, financial consulting firms, or other consultants, pursuant*
19 *to paragraph (2) of subdivision (d) of Section 2704.08 of the Streets*
20 *and Highways Code.*

21 (k) *This act clarifies that early investments in the Bookends and*
22 *elsewhere along the system, which will ultimately be used by*
23 *high-speed rail trains, are consistent with the intent of the*
24 *Legislature in appropriating funding and with the will of the voters*
25 *in approving Proposition 1A.*

26 *SEC. 2. Section 2704.78 is added to the Streets and Highways*
27 *Code, to read:*

28 *2704.78. For purposes of the funding plan required pursuant*
29 *to subdivision (d) of Section 2704.08, a corridor or usable segment*
30 *thereof is “suitable and ready for high-speed train operation” if*
31 *bond proceeds are to be used for a capital cost for a project that*
32 *would enable high-speed trains to operate immediately or after*
33 *additional planned investments are made on the corridor or*
34 *useable segment thereof and passenger train service providers*
35 *will benefit from the project in the near-term.*

36 ~~*SECTION 1. Section 2704.78 is added to the Streets and*~~
37 ~~*Highways Code, to read:*~~

38 ~~*2704.78. (a) For the purposes of expenditure or liquidation of*~~
39 ~~*the appropriation made by Item 2665-104-6043 of Section 2.00*~~
40 ~~*of the Budget Act of 2012, as added by Section 3 of Chapter 152*~~

1 of the Statutes of 2012, the approval made by the High-Speed Rail
2 Authority pursuant to Section 2704.08 that a corridor or usable
3 segment thereof would be suitable and ready for high-speed train
4 operation, within the meaning Section 2704.08, shall be conclusive.

5 (b) This section does not relieve the High-Speed Rail Authority
6 of its duties under Section 2704.08, including the report required
7 by subdivision (d) of that section.