

ASSEMBLY BILL

No. 2222

Introduced by Assembly Member Holden

February 18, 2016

An act to amend Section 39719 of the Health and Safety Code and to add Part 4 (commencing with Section 75240) to Division 44 of the Public Resources Code, relating to greenhouse gases, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2222, as introduced, Holden. Transit passes.

Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund. Existing law continuously appropriates 10% of the annual proceeds of the fund to the Transit and Intercity Rail Capital Program and 5% of the annual proceeds of the fund to the Low Carbon Transit Operations Program.

This bill would continuously appropriate \$50,000,000 annually from the Greenhouse Gas Reduction Fund for the Transit Pass Program, to be administered by the Department of Transportation. The bill would provide for moneys made available for the program to be allocated by the Controller, as directed by the department, to support transit pass programs of public agencies that provide free or reduced-fare transit passes to public school students and community college, California State University, and University of California students. The bill would require the Department of Transportation, in coordination with the State Air Resources Board, to develop guidelines that describe the

methodologies that recipient public agencies would use to demonstrate that the proposed expenditures will reduce greenhouse gas emissions. The bill would require at least 50 percent of the moneys allocated under the Transit Pass Program to benefit disadvantaged communities, as specified.

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 all of the
- 2 following:
- 3 (a) Student transit pass programs have been shown to increase
- 4 overall transit ridership and fill empty seats on trains and buses,
- 5 resulting in reduced costs per rider and improved service because
- 6 of higher demand.
- 7 (b) Targeting student transit passes to middle school, high
- 8 school, college, and university students can promote the
- 9 development of lifelong transit riders and further bolster the
- 10 capacity and reliability of our transit systems.
- 11 (c) Student transit pass programs in this state and across the
- 12 country have resulted in significant increases in transit ridership
- 13 and have made it easier and cheaper for students to get to schools
- 14 and to jobs.
- 15 (d) Student transit pass programs can help the state reduce
- 16 greenhouse gas emissions, vehicle miles traveled, petroleum use,
- 17 and air pollution, and improve overall community health.
- 18 (e) Student transit passes lower pollution around elementary
- 19 schools, thereby improving student health.
- 20 (f) Schools are often the major generators of traffic in cities,
- 21 and student transit pass programs can help reduce the traffic and
- 22 parking problems in neighborhoods around schools.
- 23 (g) Student transit pass programs can reduce the need for
- 24 colleges to use campus land for expensive parking structures when
- 25 this land and money could be better used for educational purposes.
- 26 (h) Student transit pass programs have decreased the need to
- 27 drive to and from school, along with the costs associated with
- 28 driving to and from school, thereby reducing the overall cost of
- 29 school attendance and reducing parental burdens for working
- 30 families.

1 (i) A University of California, Los Angeles, study of 35 college
2 and university student transit pass programs across the United
3 States in 2001 showed ridership increases of 71 to 200 percent
4 after the implementation of these programs.

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 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 shall be allocated
28 by the Controller, according to requirements of the program, and
29 pursuant to the distribution formula in subdivision (b) or (c) of
30 Section 99312 of, and Sections 99313 and 99314 of, the Public
31 Utilities Code.

32 (C) Twenty percent of the annual proceeds of the fund is hereby
33 continuously appropriated to the Strategic Growth Council for the
34 Affordable Housing and Sustainable Communities Program created
35 by Part 1 (commencing with Section 75200) of Division 44 of the
36 Public Resources Code. Of the amount appropriated in this
37 subparagraph, no less than 10 percent of the annual proceeds, shall
38 be expended for affordable housing, consistent with the provisions
39 of that program.

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

- 8 (A) Acquisition and construction costs of the project.
- 9 (B) Environmental review and design costs of the project.
- 10 (C) Other capital costs of the project.
- 11 (D) Repayment of any loans made to the authority to fund the
12 project.

13 (3) *Beginning in the 2016–17 fiscal year, fifty million dollars*
14 *(\$50,000,000) annually from the proceeds of the fund is hereby*
15 *continuously appropriated to the Transit Pass Program created*
16 *pursuant to Part 4 (commencing with Section 75240) of Division*
17 *44 of the Public Resources Code.*

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

21 SEC. 3. Part 4 (commencing with Section 75240) is added to
22 Division 44 of the Public Resources Code, to read:

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PART 4. TRANSIT PASS PROGRAM

26 75240. The Transit Pass Program is hereby created, to be
27 administered by the Department of Transportation. Moneys made
28 available for the program shall be allocated by the Controller, as
29 directed by the department, to support transit pass programs that
30 provide free or reduced-fare transit passes to public school students
31 and community college, California State University, and University
32 of California students.

33 75241. An eligible applicant under the program shall be a
34 public agency, including, but not limited to, a transit operator,
35 school district, community college district, the California State
36 University, the University of California, or a city or county.

37 75242. The Department of Transportation, in coordination with
38 the State Air Resources Board, shall develop guidelines that
39 describe the methodologies that recipient public agencies shall use
40 to demonstrate that the proposed expenditures will reduce

1 greenhouse gas emissions. Chapter 3.5 (commencing with Section
2 11340) of Part 1 of Division 3 of the Government Code does not
3 apply to the development of guidelines for the program pursuant
4 to this part.

5 75243. At least 50 percent of the moneys allocated pursuant
6 to this part shall benefit disadvantaged communities consistent
7 with the guidance provided by the State Air Resources Board
8 pursuant to Section 39715 of the Health and Safety Code.

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