

AMENDED IN SENATE MAY 23, 2016

AMENDED IN ASSEMBLY APRIL 11, 2016

AMENDED IN ASSEMBLY APRIL 4, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2847

Introduced by Assembly Member Patterson
(Principal coauthor: Assembly Member Wilk)

February 19, 2016

An act to amend Section 185033 of, and to add Section 185033.6 to, the Public Utilities Code, relating to high-speed rail.

LEGISLATIVE COUNSEL’S DIGEST

AB 2847, as amended, Patterson. High-Speed Rail Authority: reports.

Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law requires the authority, on a biennial basis, to prepare a business plan containing specified elements and also requires the preparation of various other reports.

This bill would require the business plan to identify projected financing costs for each segment or combination of segments of the high-speed rail system, if financing is proposed by the authority. The bill, in the business plan and in another report, would require the authority to identify any significant changes in scope for segments of the high-speed rail system identified in the previous version of each report and to provide an explanation of adjustments in cost and schedule attributable to the changes.

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 185033 of the Public Utilities Code is
2 amended to read:
3 185033. (a) The authority shall prepare, publish, adopt, and
4 submit to the Legislature, not later than May 1, 2014, and every
5 two years thereafter, a business plan. At least 60 days prior to the
6 publication of the plan, the authority shall publish a draft business
7 plan for public review and comment. The draft plan shall also be
8 submitted to the Senate Committee on Transportation and Housing,
9 the Assembly Committee on Transportation, the Senate Committee
10 on Budget and Fiscal Review, and the Assembly Committee on
11 Budget.
12 (b) (1) The business plan shall include, but need not be limited
13 to, all of the following elements:
14 (A) A description of the type of service the authority is
15 developing and the proposed chronology for the construction of
16 the statewide high-speed rail system, and the estimated capital
17 costs for each segment or combination of segments.
18 (B) Projected financing costs, if financing is proposed for a
19 segment or combination of segments.
20 (C) A forecast of the expected patronage, service levels, and
21 operating and maintenance costs for the Phase 1 corridor as
22 identified in paragraph (2) of subdivision (b) of Section 2704.04
23 of the Streets and Highways Code and by each segment or
24 combination of segments for which a project level environmental
25 analysis is being prepared for Phase 1. The forecast shall assume
26 a high, medium, and low level of patronage and a realistic operating
27 planning scenario for each level of service.
28 (D) Alternative financial scenarios for different levels of service,
29 based on the patronage forecast in subparagraph (C), and the
30 operating break-even points for each alternative. Each scenario
31 shall assume the terms of subparagraph (J) of paragraph (2) of
32 subdivision (c) of Section 2704.08 of the Streets and Highways
33 Code.

1 (E) The expected schedule for completing environmental review,
2 and initiating and completing construction for each segment or
3 combination of segments of Phase 1.

4 (F) An estimate and description of the total anticipated federal,
5 state, local, and other funds the authority intends to access to fund
6 the construction and operation of the system, and the level of
7 confidence for obtaining each type of funding.

8 (G) Any written agreements with public or private entities to
9 fund components of the high-speed rail system, including stations
10 and terminals, and any impediments to the completion of the
11 system.

12 (H) Alternative public-private development strategies for the
13 implementation of Phase 1.

14 (I) A discussion of all reasonably foreseeable risks the project
15 may encounter, including, but not limited to, risks associated with
16 the project's finances, patronage, right-of-way acquisition,
17 environmental clearances, construction, equipment, and technology,
18 and other risks associated with the project's development. The
19 plan shall describe the authority's strategies, processes, or other
20 actions it intends to utilize to manage those risks.

21 (2) To the extent feasible, the business plan should draw upon
22 information and material developed according to other
23 requirements, including, but not limited to, the preappropriation
24 review process and the preexpenditure review process in the Safe,
25 Reliable High-Speed Passenger Train Bond Act for the 21st
26 Century pursuant to Section 2704.08 of the Streets and Highways
27 Code. The authority shall hold at least one public hearing on the
28 business plan and shall adopt the plan at a regularly scheduled
29 meeting. When adopting the plan, the authority shall take into
30 consideration comments from the public hearing and written
31 comments that it receives in that regard, and any hearings that the
32 Legislature may hold prior to adoption of the plan.

33 SEC. 2. Section 185033.6 is added to the Public Utilities Code,
34 to read:

35 185033.6. The authority, in each report prepared pursuant to
36 Sections 185033 and 185033.5, shall identify any significant
37 changes in scope for segments identified in the previous version

- 1 of each report and shall provide an explanation of adjustments in
- 2 cost and schedule attributable to ~~these~~ *those* changes.

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