AMENDED IN SENATE AUGUST 20, 2015

CALIFORNIA LEGISLATURE—2015–16 FIRST EXTRAORDINARY SESSION

SENATE BILL

No. 12

Introduced by Senator Runner (Coauthors: Senators Anderson, *Bates*, Fuller, Gaines, Huff, Moorlach, Stone, and Vidak)

(Coauthors: Assembly Member Bigelow Members Bigelow, Brough, Chang, Gallagher, and Lackey)

July 16, 2015

An act to amend Sections 13975, 14500, and 14526.5 of, and to repeal Section 14534.1 of, the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 12, as amended, Runner. California Transportation Commission.

(1) Existing law establishes in state government the Transportation Agency, which includes various departments and state entities, including the California Transportation Commission. Existing law vests the California Transportation Commission with specified powers, duties, and functions relative to transportation matters. Existing law requires the commission to retain independent authority to perform the duties and functions prescribed to it under any provision of law.

This bill would exclude the California Transportation Commission from the Transportation Agency, establish it as an entity in state government, and require it to act in an independent oversight role. The bill would also make conforming changes.

(2) Existing law requires the Department of Transportation to prepare a state highway operation and protection program every other year for the expenditure of transportation capital improvement funds for projects that are necessary to preserve and protect the state highway system,

SB 12 -2-

excluding projects that add new traffic lanes. The program is required to be based on an asset management plan, as specified. Existing law requires the department to specify, for each project in the program, the capital and support budget and projected delivery date for various components of the project. Existing law provides for the California Transportation Commission to review and adopt the program, and authorizes the commission to decline to adopt the program if it determines that the program is not sufficiently consistent with the asset management plan.

This bill would instead require the commission to program the projects to be contained in the state highway operation and protection program, and additionally require the department to program capital outlay support resources for each project in the program. The bill would require the department to submit its recommendations for projects to the commission, along with detailed project information relative to cost, scope, and schedule. The bill would provide that the commission is not required to program a project recommended approve the program in its entirety, as submitted by the department, and may approve or reject individual projects programmed by the department, and would authorize the commission to program projects not recommended by the department, as specified. department. The bill would require the department to submit any change in a programmed project's cost, scope, or schedule to the commission for its approval.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. The Legislature finds and declares all of the following:
- 3 (a) Over the next 10 years, the state faces a \$59 billion shortfall to adequately maintain the state highway system in a basic state of good repair.
 - (b) The 21st Annual Highway Report by the Reason Foundation, published in September 2014, found the following:
- 8 (1) California has 50,462 lane miles of highways under the 9 administration of the Department of Transportation (Caltrans).
- 10 (2) Overall, California spent \$501,136 per state mile of highway, more than three times the national average, yet California's state

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-3-**SB 12**

highway system ranks 45th in overall performance and cost 2 effectiveness.

- (3) California spent \$102,889 per state mile of highway specifically on maintenance, nearly four times the national average.
- (4) California spent \$48,754 per state mile of highway specifically on administration, more than four times the national average.
- (c) The Legislative Analyst's Office recommended, in the Capital Outlay Support Program Review report issued in May 2014, that Caltrans should be held accountable for the delivery of State Highway Operation and Protection Program (SHOPP) projects by requiring the California Transportation Commission, acting in an independent oversight role, to review and approve individual SHOPP projects, allocate Capital Outlay Support Program funds for SHOPP, and report on Caltrans' project delivery performance, and Caltrans should also be required to provide necessary project information for SHOPP projects to the California Transportation Commission.
- SEC. 2. Section 13975 of the Government Code is amended to read:
- 13975. There is in the state government the Transportation Agency. The agency consists of the Department of the California Highway Patrol, the Department of Motor Vehicles, the Department of Transportation, the High-Speed Rail Authority, and the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun.
- SEC. 3. Section 14500 of the Government Code is amended to read:
- 14500. There is in state government a California Transportation 30 Commission. The commission shall act in an independent oversight role.
- 32 SEC. 4. Section 14526.5 of the Government Code is amended 33 to read:
 - 14526.5. (a) Based on the asset management plan prepared and approved pursuant to Section 14526.4, the commission department shall-program projects in the prepare, for review by the commission, a state highway operation and protection program for the expenditure of transportation funds for major capital improvements improvement projects that are necessary to preserve and protect the state highway system. Projects included in the

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program shall be limited to capital improvements relative to maintenance, safety, and rehabilitation of state highways and bridges that do not add a new traffic lane to the system. As part of the programming process, the commission department shall program capital outlay support resources for each project in the program.

- (b) The program shall include projects that are expected to be advertised prior to July 1 of the year following submission of the program, but which have not yet been funded. The program shall include those projects for which construction is to begin within four fiscal years, starting July 1 of the year following the year the program is submitted.
- (c) The commission, department, at a minimum, shall specify, for each project in the state highway operation and protection program, the capital and support budget, as well as a projected delivery date, for each of the following project components:
- (1) Completion of project approval and environmental documents.
 - (2) Preparation of plans, specifications, and estimates.
- (3) Acquisition of rights-of-way, including, but not limited to, support activities.
 - (4) Construction.
- (d) The department shall submit its recommendations proposed program to the commission not later than January 31 of each even-numbered year. Prior to submitting its-recommendations, proposed program, the department shall make a draft of its proposed-recommendations program available to transportation planning agencies for review and comment and shall include the comments in its submittal to the commission. The department shall provide the commission with detailed information for all recommended programmed projects, including, but not limited to, cost, scope, and schedule.
- (e) The commission shall review the proposed program-it proposes to adopt relative to its overall adequacy, consistency with the asset management plan prepared and approved pursuant to Section 14526.4 and funding priorities established in Section 167 of the Streets and Highways Code, the level of annual funding needed to implement the program, and the impact of those expenditures on the state transportation improvement program.
- 40 The commission is not required to approve the program-a project

5 SB 12

recommended in its entirety, as submitted by the department, and may—program approve or reject individual projects—not recommended programmed by the department. The commission shall adopt—the a program of approved projects and submit it to the Legislature and the Governor not later than April 1 of each even-numbered year.

- (f) Expenditures for these projects shall not be subject to Sections 188 and 188.8 of the Streets and Highways Code.
- (g) Following adoption of the state highway operation and protection program by the commission, any change in a programmed project's cost, scope, or schedule shall be submitted by the department to the commission for its approval before the changes may be implemented.
- SEC. 5. Section 14534.1 of the Government Code is repealed.