

AMENDED IN SENATE APRIL 20, 2015

**SENATE BILL**

**No. 231**

---

---

**Introduced by Senator Gaines**

February 13, 2015

---

---

An act to amend Sections 75212 and 75230 of the Public Resources Code, and to amend Section 99313 of the Public Utilities Code, relating to transportation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 231, as amended, Gaines. Transportation programs.

(1) 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 specified portions of the annual proceeds in the Greenhouse Gas Reduction Fund to various programs including 5% for the Low Carbon Transit Operations Program and 20% for the Affordable Housing and Sustainable Communities Program.

This bill would include water-borne transit ~~that serves as the key transit trunk line in a region~~ as an eligible project that may be funded under these 2 programs. Because the bill would expand the allowable purposes for which the continuously appropriated funds allocated to the program may be expended, it would thereby make an appropriation.

(2) Existing law requires the transfer of a specified portion of the sales tax on diesel fuel, in addition to various other revenues, to the Public Transportation Account, a trust fund in the State Transportation Fund. Funds in the account are required to be allocated to various public transportation and transportation planning purposes. Specified revenues

in the account are allocated by the Controller to local transportation agencies for public transportation purposes, pursuant to a program commonly known as the State Transit Assistance program. These funds are allocated by formulas based 50% on population and 50% on transit operator revenue, and are continuously appropriated for purposes of the program.

This bill would provide that for the purposes of the population-based formula, the population of the area under the jurisdiction of the Tahoe Regional Planning Agency shall be deemed to be 145,000 for each fiscal year beginning with 2015–16. The bill would identify certain special fund revenues in the Public Transportation Account that are to be used to comply with this provision. Because the bill would require a change to the allocation of funds that are continuously appropriated, it would make an appropriation.

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. Section 75212 of the Public Resources Code is
- 2 amended to read:
- 3 75212. Projects eligible for funding pursuant to the program
- 4 include any of the following:
- 5 (a) Intermodal, affordable housing projects that support infill
- 6 and compact development.
- 7 (b) Transit capital projects and programs supporting transit
- 8 ridership, including water-borne transit that serves as the key trunk
- 9 ~~line within a region.~~ *transit.*
- 10 (c) Active transportation capital projects that qualify under the
- 11 Active Transportation Program, including pedestrian and bicycle
- 12 facilities and supportive infrastructure, including connectivity to
- 13 transit stations.
- 14 (d) Noninfrastructure-related active transportation projects that
- 15 qualify under the Active Transportation Program, including
- 16 activities that encourage active transportation goals conducted in
- 17 conjunction with infrastructure improvement projects.
- 18 (e) Transit-oriented development projects, including affordable
- 19 housing and infrastructure at or near transit stations or connecting
- 20 those developments to transit stations.

1 (f) Capital projects that implement local complete streets  
2 programs.

3 (g) Other projects or programs designed to reduce greenhouse  
4 gas emissions and other criteria air pollutants by reducing  
5 automobile trips and vehicle miles traveled within a community.

6 (h) Acquisition of easements or other approaches or tools that  
7 protect agricultural lands that are under pressure of being converted  
8 to nonagricultural uses, particularly those adjacent to areas most  
9 at risk of urban or suburban sprawl or those of special  
10 environmental significance.

11 (i) Planning to support implementation of a sustainable  
12 communities strategy, including implementation of local plans  
13 supporting greenhouse gas emissions reduction efforts and  
14 promoting infill and compact development.

15 SEC. 2. Section 75230 of the Public Resources Code is  
16 amended to read:

17 75230. (a) The Low Carbon Transit Operations Program is  
18 hereby created to provide operating and capital assistance for transit  
19 agencies to reduce greenhouse gas emissions and improve mobility,  
20 with a priority on serving disadvantaged communities.

21 (b) Funding for the program is continuously appropriated  
22 pursuant to Section 39719 of the Health and Safety Code from the  
23 Greenhouse Gas Reduction Fund established pursuant to Section  
24 16428.8 of the Government Code.

25 (c) Funding shall be allocated by the Controller consistent with  
26 the requirements of this part and with Section 39719 of the Health  
27 and Safety Code, upon a determination by the Department of  
28 Transportation that the expenditures proposed by a transit agency  
29 meet the requirements of this part and guidelines developed  
30 pursuant to subdivision (f), and the amount of funding requested  
31 that is currently available.

32 (d) Moneys for the program shall be expended to provide transit  
33 operating or capital assistance that meets all of the following  
34 criteria:

35 (1) Expenditures supporting new or expanded bus or rail  
36 services, new or expanded water-borne ~~transit that serves as the~~  
37 ~~key trunk line within a region,~~ *transit*, or expanded intermodal  
38 transit facilities, and may include equipment acquisition, fueling,  
39 and maintenance, and other costs to operate those services or  
40 facilities.

1 (2) The recipient transit agency demonstrates that each  
2 expenditure directly enhances or expands transit service to increase  
3 mode share.

4 (3) The recipient transit agency demonstrates that each  
5 expenditure reduces greenhouse gas emissions.

6 (e) For transit agencies whose service areas include  
7 disadvantaged communities as identified pursuant to Section 39711  
8 of the Health and Safety Code, at least 50 percent of the total  
9 moneys received pursuant to this chapter shall be expended on  
10 projects or services that meet requirements of subdivision (d) and  
11 benefit the disadvantaged communities, consistent with the  
12 guidance developed by the State Air Resources Board pursuant to  
13 Section 39715 of the Health and Safety Code.

14 (f) The Department of Transportation, in coordination with the  
15 State Air Resources Board, shall develop guidelines that describe  
16 the methodologies that recipient transit agencies shall use to  
17 demonstrate that proposed expenditures will meet the criteria in  
18 subdivisions (d) and (e) and establish the reporting requirements  
19 for documenting ongoing compliance with those criteria.

20 (g) Chapter 3.5 (commencing with Section 11340) of Part 1 of  
21 Division 3 of Title 2 of the Government Code does not apply to  
22 the development of guidelines for the program pursuant to this  
23 section.

24 (h) A transit agency shall submit the following information to  
25 the Department of Transportation before seeking a disbursement  
26 of funds pursuant to this part:

27 (1) A list of proposed expense types for anticipated funding  
28 levels.

29 (2) The documentation required by the guidelines ~~in~~ developed  
30 pursuant to subdivision (f) to demonstrate compliance with  
31 subdivisions (d) and (e).

32 (i) Before authorizing the disbursement of funds, the department,  
33 in coordination with the State Air Resources Board, shall determine  
34 the eligibility, in whole or in part, of the proposed list of expense  
35 types, based on the documentation provided by the recipient transit  
36 agency to ensure ongoing compliance with the guidelines  
37 developed pursuant to subdivision (f).

38 (j) The department shall notify the Controller of approved  
39 expenditures for each transit agency, and the amount of the

1 allocation for each transit agency determined to be available at  
2 that time of approval.

3 (k) The recipient transit agency shall provide annual reports to  
4 the Department of Transportation, in the format and manner  
5 prescribed by the department, consistent with the internal  
6 administrative procedures for use of fund proceeds developed by  
7 the State Air Resources Board.

8 (l) The Department of Transportation and recipient transit  
9 agencies shall comply with the guidelines developed by the State  
10 Air Resources Board pursuant to Section 39715 of the Health and  
11 Safety Code to ensure that the requirements of Section 39714 of  
12 the Health and Safety Code are met to maximize the benefits to  
13 disadvantaged communities as described in Section 39711 of the  
14 Health and Safety Code.

15 SEC. 3. Section 99313 of the Public Utilities Code is amended  
16 to read:

17 99313. (a) From the funds made available pursuant to  
18 subdivision (c) of Section 99312, an amount shall be allocated by  
19 the Controller to each transportation planning agency and county  
20 transportation commission, and the San Diego Metropolitan Transit  
21 Development Board, based on the ratio of the population of the  
22 area under its jurisdiction to the total population of the state.

23 (b) For the purposes of this section, notwithstanding subdivision  
24 (a), the population of the area under the jurisdiction of the  
25 transportation planning agency designated pursuant to subdivision  
26 (b) of Section 29532.1 of the Government Code shall be deemed  
27 to be 145,000 for each fiscal year beginning with the 2015–16  
28 fiscal year. However, in making the population-based allocations  
29 pursuant to this section and subdivision (b) of Section 99312.1,  
30 the Controller shall make any additional allocation required by  
31 this subdivision solely from the revenues deposited in the account  
32 pursuant to Section 99312 and not from the revenues deposited  
33 into the account pursuant to Section 99312.1, in a manner  
34 consistent with the intent of this subdivision to provide an  
35 additional allocation ~~from the cumulative amount available from~~  
36 ~~the account~~ for population-based allocations, and the Controller  
37 may make any necessary accounting adjustments in that regard.

O