

AMENDED IN ASSEMBLY JUNE 20, 2016

AMENDED IN SENATE MAY 31, 2016

AMENDED IN SENATE APRIL 26, 2016

AMENDED IN SENATE APRIL 4, 2016

AMENDED IN SENATE MARCH 30, 2016

SENATE BILL

No. 1279

Introduced by Senator Hancock

February 19, 2016

An act to add Section 14525.3 to the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1279, as amended, Hancock. California Transportation Commission: funding prohibition: coal shipment.

Existing law creates the California Transportation Commission, with various duties and responsibilities relative to the programming and allocation of funds for transportation capital projects.

This bill would, except as specified, prohibit the commission from programming or allocating any state funds for ~~any newly proposed project that proposes to allow or facilitate the handling, storage, or transportation of coal in bulk at a port facility that is located at, or adjacent to, a disadvantaged community.~~ *new bulk terminal projects, as defined.* The bill would require ~~a grantee of funds subject to the above prohibition~~ *terminal project grantees* to annually report to the commission that the project is not being used to handle, store, or transport coal in bulk.

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) The Legislature finds and declares that, to
2 avoid the impacts of localized airborne particulate matter associated
3 with the transportation of coal and the increased emissions of
4 greenhouse gases associated with the use of coal, the State of
5 California should make all reasonable and legal efforts to avoid
6 the investment of state moneys in coal-supporting transportation
7 projects.

8 (b) It is the intent of the Legislature that the State of California
9 cease all investments in transportation infrastructure projects that
10 store, transfer, or transport significant amounts of coal in bulk.
11 While it is not the intent of the Legislature to disrupt existing,
12 regular, and lawful interstate and international commerce involving
13 operations that may transport coal at present, it is the intent of the
14 Legislature to avoid making new investments in coal-supporting
15 projects.

16 SEC. 2. Section 14525.3 is added to the Government Code, to
17 read:

18 14525.3. (a) To the extent consistent with federal law, the
19 commission shall not program or allocate any state funds, including
20 proceeds from the sale of general obligation bonds, under its
21 jurisdiction for any *new bulk coal terminal* project proposed on or
22 after January 1, 2017, ~~that proposes to allow or facilitate the~~
23 ~~handling, storage, or transportation of coal in bulk at a port facility~~
24 ~~that is located in, or adjacent to, one or more disadvantaged~~
25 ~~communities identified pursuant to Chapter 4.1 (commencing with~~
26 ~~Section 39710) of Part 2 of Division 26 of the Health and Safety~~
27 ~~Code, 2017.~~

28 (b) (1) The commission shall *evaluate each new terminal*
29 *project before the commission* to determine consistency with this
30 section and also whether or not the purpose or intent of ~~any the~~
31 ~~new terminal project that meets the requirements of this section~~ is
32 to increase the state's overall capacity to facilitate the transportation
33 of ~~coal~~, *coal in bulk*, based on a review of the completed
34 environmental documents and written confirmation from the lead
35 agency of the project, as designated pursuant to the California

1 Environmental Quality Act (Division 13 (commencing with Section
2 21000) of the Public Resources Code).

3 (2) A *terminal project* grantee of funds *identified by the*
4 *commission* as subject to this section shall annually notify the
5 commission that the project is not being used to handle, store, or
6 transport coal in bulk.

7 (c) This section does not apply to a project or ~~infrastructure, at~~
8 ~~a port facility, infrastructure~~ already permitted ~~in operation~~ as of
9 January 1, 2016.

10 ~~(d) This section does not apply to a project, at a port facility,~~
11 ~~that is designed for safety, rehabilitation, congestion reduction~~
12 ~~modernization, maintenance, or repair of an existing operation or~~
13 ~~facility, including rail terminals, yards, facilities, infrastructure,~~
14 ~~and right-of-way.~~

15 (d) For purposes of this section, the following definitions apply:

16 (1) (A) “New bulk coal terminal” means a terminal that stores,
17 handles, or transports coal in bulk to a degree or significance that
18 is categorized as having the potential for significant impacts in
19 an environmental document prepared pursuant to the California
20 Environmental Quality Act (Division 13 (commencing with Section
21 21000) of the Public Resources Code) as a result of the storage,
22 handling, or transport of coal in bulk.

23 (B) “New bulk coal terminal” does not include a project that
24 is designed for safety, rehabilitation, congestion reduction,
25 modernization, maintenance, or repair of an existing operation or
26 facility, including rail terminals, railyards, rail facilities, rail
27 infrastructure, and rail right-of-way.

28 (2) (A) “Terminal project” or “terminal” means a yard, depot,
29 or off-road or other facility that exchanges freight in bulk between
30 transportation modes.

31 (B) “Terminal project” does not include a project that is
32 designed for safety, rehabilitation, congestion reduction,
33 modernization, maintenance, or repair of an existing operation or
34 facility, including rail terminals, railyards, rail facilities, rail
35 infrastructure, and rail right-of-way.