

## Senate Bill No. 1420

### CHAPTER 796

An act to add Division 19.5 (commencing with Section 185000) to the Public Utilities Code, relating to transportation.

[Approved by Governor September 22, 1996. Filed with Secretary of State September 24, 1996.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 1420, Kopp. Transportation: High-Speed Rail Act.

Existing law provides for the funding and regulation of rail transportation. An existing Intercity High-Speed Rail Commission was created in 1993 to conduct studies and to prepare a high-speed rail plan for the state.

This bill would create the High-Speed Rail Authority in state government. The bill would prescribe the membership of the authority, and provide for the compensation of members. The bill would require the authority to direct the development and implementation of intercity high-speed rail service that is fully coordinated with other public transportation services. The authority would be required to prepare a plan for the construction and operation of a high-speed train network for the state, consistent with and continuing the work of the Intercity High-Speed Rail Commission, and to submit that plan to the Legislature and the Governor, or to the voters of the state, for approval, except as specified. The bill would terminate the authority on December 31, 2000, unless that plan has been so approved by that date. The bill would prescribe various powers of the authority relative to planning, contracting for the construction of, financing, and operating, a high-speed rail system.

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

SECTION 1. Division 19.5 (commencing with Section 185000) is added to the Public Utilities Code, to read:

#### DIVISION 19.5. CALIFORNIA HIGH-SPEED RAIL SERVICE

##### CHAPTER 1. GENERAL PROVISIONS, FINDINGS, AND DEFINITIONS

185000. This division shall be known, and may be cited, as the California High-Speed Rail Act.

185010. The Legislature hereby finds and declares all of the following:

(a) California, over the past decades, has built an extensive network of freeways and airports to meet the state's growing transportation needs.

(b) These facilities are not adequate to meet the mobility needs of the current population.

(c) The population of the state and the travel demands of its citizens are expected to continue to grow at a rapid rate.

(d) The cost of expanding the current network of highways and airports fully to meet current and future transportation needs is prohibitive, and a total expansion strategy would be detrimental to air quality.

(e) Intercity rail service, when coordinated with urban transit and airports, is an efficient, practical, and less polluting transportation mode that can fill the gap between future demand and present capacity.

(f) Advances in rail technology have allowed intercity rail systems in Europe and Japan to attain speeds of up to 200 miles per hour and compete effectively with air travel for trips in the 200 to 500-mile range.

(g) Development of a high-speed rail system is a necessary and viable alternative to automobile and air travel in the state.

(h) In order for the state to have a comprehensive network of high-speed intercity rail systems by the year 2020, it must begin preparation of a high-speed intercity rail plan similar to California's former freeway plan and designate an entity with stable and predictable funding sources to implement the plan.

(i) Utilizing existing human and manufacturing resources to build a large network of high-speed rail systems will generate jobs and economic growth for today's population and produce a transportation network for future generations.

(j) Upon confirmation of the need and costs by detailed studies, the private sector, together with the state, can build and operate new high-speed intercity rail systems utilizing private and public financing.

(k) The existing high-speed rail commission is completing its work and a successor authority to continue planning is necessary.

185012. As used in this division, unless the context requires otherwise, the following terms have the following meanings:

(a) "Authority" means the High-Speed Rail Authority.

(b) "Department" means the Department of Transportation.

(c) "High-speed rail" means intercity passenger rail service that utilizes an alignment and technology that makes it capable of sustained speeds of 200 miles per hour or greater.



CHAPTER 2. THE HIGH-SPEED RAIL AUTHORITY

185020. (a) There is in state government a High-Speed Rail Authority consisting of nine members.

(b) The authority is composed of nine members as follows:

- (1) Five members appointed by the Governor.
- (2) Two members appointed by the Senate Committee on Rules.
- (3) Two members appointed by the Speaker of the Assembly.

(c) Members of the authority shall hold office for terms of four years. A vacancy shall be filled by the appointing power making the original appointment, by appointing a member to serve the remainder of the term.

(d) (1) The authority shall be terminated on December 31, 2000, unless a financial plan for the implementation of a high-speed rail system has been approved by the Legislature by the enactment of a statute, or by the voters, pursuant to Section 185036, prior to that date.

(2) If the authority exists after January 1, 2001, the appointing powers shall, by lot, select members' terms in such a way that new appointments are evenly staggered.

(e) Members of the authority are subject to the Political Reform Act of 1974 (Title 9 (commencing with Section 81000)).

(f) From among its members, the authority shall elect a chairperson, who shall preside at all meetings of the authority, and a vice chairperson to preside in the absence of the chairperson.

(g) Five members of the authority constitute a quorum for taking any action by the authority.

185022. (a) Each member of the authority shall receive compensation of one hundred dollars (\$100) for each day that the member is attending to the business of the authority, but shall not receive more than five hundred dollars (\$500) in any calendar month.

(b) Members of the authority shall be reimbursed for their actual travel expenses incurred in attending to the business of the authority.

185024. (a) The authority shall appoint an executive director, who shall serve at the pleasure of the authority, to administer the affairs of the authority as directed by the authority.

(b) The executive director is exempt from civil service and shall be paid a salary established by the authority and approved by the Department of Personnel Administration.

(c) The executive director may, as authorized by the authority, appoint necessary staff to carry out the provisions of this part.

CHAPTER 3. RESPONSIBILITIES OF THE AUTHORITY

185030. The authority shall direct the development and implementation of intercity high-speed rail service that is fully integrated with the state's existing intercity rail and bus network,



consisting of interlinked conventional and high-speed rail lines and associated feeder buses. The intercity network in turn shall be fully coordinated and connected with commuter rail lines and urban rail transit lines developed by local agencies, as well as other transit services, through the use of common station facilities whenever possible.

185032. The authority shall prepare a plan for the construction and operation of a high-speed train network for the state, consistent with and continuing the work of the Intercity High-Speed Rail Commission conducted prior to January 1, 1997. The plan, upon completion, shall be either submitted to the Legislature and the Governor for approval by the enactment of a statute or to the voters of the state for approval.

185034. The authority may do any of the following:

(1) Conduct engineering and other studies related to the selection and acquisition of rights-of-way and the selection of a franchisee, including, but not limited to, environmental impact studies, socioeconomic impact studies, and financial feasibility studies.

(2) Evaluate alternative high-speed rail technologies, systems and operators, and select an appropriate high-speed rail system.

(3) Establish criteria for the award of a franchise.

(4) Accept grants, fees, and allocations from the state, from political subdivisions of the state or from the federal government, foreign governments, and private sources.

(5) Select a proposed franchisee, a proposed route, and proposed terminal sites.

(6) Enter into contracts with public and private entities for the preparation of the plan.

(7) Prepare a detailed financing plan, including any necessary taxes, fees, or bonds to pay for the construction of the high-speed train network.

(8) Develop a proposed high-speed rail financial plan, including necessary taxes, bonds, or both, or other indebtedness, and submit the plan to the Secretary of State for placement on the ballot at the November general election in 1998 or 2000. If a plan is submitted, the Secretary of State shall place it on the ballot unless the the Secretary of the Business, Transportation and Housing Agency or the Director of Finance notifies the Secretary of State that the financial plan is not consistent with the state's transportation needs or the fiscal condition of the state.

185036. Upon approval by the Legislature, by the enactment of a statute, or approval by the voters of a financial plan providing the necessary funding for the construction of a high-speed network, the authority may do any of the following:

(a) Enter into contracts with private or public entities for the design, construction and operation of high-speed trains. The contracts may be separated into individual tasks or segments or may



include all tasks and segments, including a design-build or design-build-operate contract.

(b) Acquire rights-of-way through purchase or eminent domain.

(c) Issue debt, secured by pledges of state funds, federal grants, or project revenues. The pledge of state funds shall be limited to those funds expressly authorized by statute or voter-approved initiatives.

(d) Enter into cooperative or joint development agreements with local governments or private entities.

(e) Set fares and schedules.

(f) Relocate highways and utilities.

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