

AMENDED IN SENATE AUGUST 28, 2000
AMENDED IN SENATE MAY 23, 2000
AMENDED IN ASSEMBLY JANUARY 25, 2000
AMENDED IN ASSEMBLY JANUARY 3, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 1093

Introduced by Assembly Member Strom-Martin
(Coauthors: Assembly Members Alquist, Calderon, and
Longville)
(Coauthor: Senator Rainey)

February 25, 1999

An act to amend Section 14526 of, ~~and to add Section 14035.12 to,~~ the Government Code, and to amend Sections 163 and 164 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1093, as amended, Strom-Martin. Transportation funding.

~~(1) Existing law specifies the powers and duties of the Department of Transportation.~~

~~This bill would create in the State Transportation Fund the Short Line Railroad Improvement Account to be administered by the department. The bill would authorize the department to approve grants to short line railroads, as defined, to be funded from the account. The bill would specify~~

~~the purposes for which the funds may be used and would limit the total annual amount of grants that may be awarded to a particular short line railroad and funded from the account to \$500,000 and not to exceed 10% of the total amount of any grants made.~~

~~(2) Existing law requires the department and the California Transportation Commission to prepare fund estimates for the expenditure of all transportation funds that are available to the state. The fund estimates are based on specified authorized annual expenditures including annual expenditures for local assistance to fund certain specified local programs.~~

This bill would include short line rail capital improvement and rehabilitation within the listing of specified local programs. The bill would make corresponding changes in provisions governing the programming and expenditure of funds for interregional and regional capital improvements. The bill would specify that funds that are subject to Article XIX of the California Constitution, including, but not limited to, revenues derived from taxes imposed by the state on motor vehicle fuels for use in motor vehicles upon public streets and highways and revenues derived from specified commercial vehicle registration fees, and funds available in the Public Transportation Account may not be expended for rail freight projects.

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 14035.12 is added to the~~
- 2 ~~Government Code, to read:~~
- 3 ~~14035.12. (a) There is hereby created in the State~~
- 4 ~~Transportation Fund the Short Line Railroad~~
- 5 ~~Improvement Account to be administered by the~~
- 6 ~~department.~~
- 7 ~~(b) Any short line railroad may apply to the~~
- 8 ~~department for a grant under this section.~~
- 9 ~~(c) The department may approve grants from funds~~
- 10 ~~appropriated therefor by the Legislature and deposited~~



1 in the Short Line Railroad Improvement Account for any
2 or all of the following purposes:

3 (1) To fund the cost of capital improvement projects
4 designed to improve unit service including construction
5 or improvement of short segments of rail line including
6 side track, team track, or connections between existing
7 lines, construction and improvement of loading,
8 unloading, storage and transfer facilities of a rail user.

9 (2) To fund the state matching portion of federal
10 grants for rail-highway grade crossing improvement
11 projects.

12 (3) To fund the cost of capital improvement projects
13 designed to increase the carrying or load capacity of a rail
14 line, to rehabilitate track bed and structures, including
15 bridges, trestles, and tunnels, for drainage and erosion
16 control, and to repair projects.

17 (4) To fund the restoration of railroad facilities
18 damaged or destroyed by a circumstance described in
19 subdivision (b) of Section 8558 and the Governor has
20 declared a state of emergency.

21 (5) To fund the purchase of railroad equipment
22 necessary to maintain rail service.

23 (d) The total annual amount of grants that may be
24 awarded to a particular short line railroad and funded
25 from the Short Line Railroad Improvement Account may
26 not exceed five hundred thousand dollars (\$500,000) and
27 may not exceed 10 percent of the total amount of any
28 grants made pursuant to this section.

29 (e) For purposes of this section, a short line railroad is
30 a railroad company or a public agency that operates a rail
31 line, covering a distance of 400 miles or less.

32 (f) No funds available in the Public Transportation
33 Account may be expended for the purpose of grants made
34 pursuant to this section.

35 **SEC. 2.**

36 *SECTION 1.* Section 14526 of the Government Code
37 is amended to read:

38 14526. (a) Not later than March 1, 1998, and
39 December 15 of each odd-numbered year thereafter, and
40 after consulting with the transportation planning



1 agencies, county transportation commissions, and
2 transportation authorities, the department shall submit to
3 the commission its interregional transportation
4 improvement program consisting of all of the following:

5 (1) Projects to improve state highways, pursuant to
6 subdivision (b) of Section 164 of the Streets and Highways
7 Code.

8 (2) Projects to improve the intercity passenger rail
9 system and the short line rail system.

10 (3) Projects to improve interregional movement of
11 people, vehicles, and goods.

12 (b) Projects may not be included in the interregional
13 transportation improvement program without a project
14 study report or major investment study.

15 (c) Major projects shall include current costs updated
16 as of November 1 of the year of submittal and escalated
17 to the appropriate year, and shall be consistent with, and
18 provide the information required in, subdivision (b) of
19 Section 14529.

20 (d) Projects included in the interregional
21 transportation improvement program shall be consistent
22 with the adopted regional transportation plan.

23 ~~SEC. 3.~~

24 *SEC. 2.* Section 163 of the Streets and Highways Code
25 is amended to read:

26 163. The Legislature, through the enactment of this
27 section, intends to establish a policy for the use of all
28 transportation funds that are available to the state,
29 including the State Highway Account, the Public
30 Transportation Account, and federal funds. For the
31 purposes of this section, “federal funds” means any
32 obligational authority to be provided under annual
33 federal transportation appropriations acts. The
34 department and the commission shall prepare fund
35 estimates pursuant to Sections 14524 and 14525 of the
36 Government Code based on the following:

37 (a) Annual expenditures for the administration of the
38 department shall be the same as the most recent Budget
39 Act, adjusted for inflation.



1 (b) Annual expenditures for the maintenance and
2 operation of the state highway system shall be the same
3 as the most recent Budget Act, adjusted for inflation and
4 inventory.

5 (c) Annual expenditure for the rehabilitation of the
6 state highway system shall be the same as the most recent
7 Budget Act, or, if a long-range rehabilitation plan has
8 been enacted pursuant to Section 164.6, it shall be based
9 on planned expenditures in a long-range rehabilitation
10 plan prepared by the department pursuant to Section
11 164.6.

12 (d) Annual expenditures for local assistance shall be
13 the amount required to fund local assistance programs
14 required by state or federal law or regulations, including,
15 but not limited to, railroad grade crossing maintenance,
16 bicycle transportation account, congestion mitigation
17 and air quality, regional surface transportation programs,
18 local highway bridge replacement and rehabilitation,
19 local seismic retrofit, local hazard elimination and safety,
20 short line rail capital improvement and rehabilitation,
21 and local emergency relief.

22 (e) After deducting expenditures for administration,
23 operation, maintenance, local assistance, safety, and
24 rehabilitation pursuant to subdivisions (a), (b), (c), and
25 (d), and for expenditures pursuant to Section 164.56, the
26 remaining funds shall be available for capital
27 improvement projects to be programmed in the state
28 transportation improvement program.

29 (f) Notwithstanding any other provision of law,
30 neither funds available in the Public Transportation
31 Account nor funds that are subject to Article XIX of the
32 California Constitution, including, but not limited to,
33 revenues derived from taxes imposed by the state on
34 motor vehicle fuels for use in motor vehicles upon public
35 streets and highways and revenues derived from
36 registration fees imposed upon commercial vehicles
37 under Section 9400 of the Vehicle Code, may be
38 expended for rail freight projects.

39 ~~SEC. 4.~~



1 SEC. 3. Section 164 of the Streets and Highways Code
2 is amended to read:

3 164. (a) Funds made available for transportation
4 capital improvement projects under subdivision (e) of
5 Section 163 shall be programmed and expended for the
6 following program categories:

7 (1) Twenty-five percent for interregional
8 improvements.

9 (2) Seventy-five percent for regional improvements.

10 (b) Sixty percent of the funds available for
11 interregional improvements under paragraph (1) of
12 subdivision (a) shall be programmed and expended for
13 improvements to state highways that are specified in
14 Sections 164.10 to 164.20, inclusive, and that are outside
15 the boundaries of an urbanized area with a population of
16 more than 50,000, and for intercity rail improvements.

17 (c) Not less than 15 percent of the amount of funds
18 programmed under subdivision (b) shall be programmed
19 for intercity rail improvement projects, including
20 separation of grade projects.

21 (d) Funds made available under paragraph (1) of
22 subdivision (a) shall be used for transportation
23 improvement projects that are needed to facilitate
24 interregional movement of people and goods. The
25 projects may include state highway, intercity passenger
26 rail, short line rail, mass transit guideway, or grade
27 separation projects.

28 (e) Funds made available under paragraph (2) of
29 subdivision (a) shall be used for transportation
30 improvement projects that are needed to improve
31 transportation within the region. The projects may
32 include, but shall not be limited to, improving state
33 highways, local roads, public transit, intercity rail, short
34 line rail, pedestrian, and bicycle facilities, and grade
35 separation, transportation system management,
36 transportation demand management, soundwall projects,
37 intermodal facilities, safety, and providing funds to match
38 federal funds.

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