

Date of Hearing: June 26, 2017

ASSEMBLY COMMITTEE ON BUDGET

Philip Y. Ting, Chair

SB 103 (Committee on Budget and Fiscal Review) – As Amended June 23, 2017

**SUBJECT:** Transportation: advance mitigation: trade corridor improvements

**SUMMARY:** Specifically, this bill:

- 1) Requires Caltrans to develop by January 1, 2019 an outreach plan to increase procurement opportunities for new and limited contracting small business enterprises including minority and disadvantaged groups, to report annually on the outcomes of these efforts, and requires the newly created Inspector General to audit Caltrans' efforts.
- 2) Requires Caltrans to achieve, at a minimum, 25 percent small business participation in state-funded contracts and procurements.
- 3) Requires the California Workforce Development Board to establish the preapprenticeship development and training grant program created by the Road Repair and Accountability Act of 2017 (SB 1) by July 1, 2018 instead of January 1, 2019, and to report annually on its accomplishments.
- 4) Directs state and federal funds to the Trade Corridors Enhancement Account to be allocated for trade corridor infrastructure projects and requires that funded projects are consistent with Article XIX of the California Constitution.
- 5) Requires the California Transportation Commission (CTC) to allocate 60 percent of funds available in the Trade Corridor Enhancement Account for trade corridor infrastructure projects nominated by regional transportation agencies and other local agencies, with the remaining 40 percent of funds to be allocated by Caltrans.
- 6) Eligible projects include:
  - a) Highway improvements to more efficiently accommodate the movement of freight.
  - b) Freight rail system improvements.
  - c) Projects that enhance the capacity and efficiency of ports.
  - d) Truck corridor improvements including dedicated truck facilities or truck toll facilities.
  - e) Border access improvements that maximize the state's ability to access funds made available to the state by federal law.
  - f) Surface transportation, local roads, and connector road improvements to facilitate the movement of goods from ports.

- 7) Prohibits funding projects that include the purchase of fully automated cargo handling equipment.
- 8) Requires the CTC to adopt guidelines for the program that allocates funding for trade infrastructure improvements that 1) address the state's most urgent needs; 2) balances the demands of various land ports of entry, seaports, and airports; 3) emphasizes projects that improve trade corridor mobility and reduce emissions, especially in disadvantaged communities ; 4) supports integrating statewide goods movement priorities in a corridor approach; and 5) includes disadvantaged communities measures.
- 9) Creates the Advance Mitigation Account in the State Transportation Fund as a revolving fund and states that the Advance Mitigation Program is to become self-sustaining.
- 10) Prohibits funds in the Advance Mitigation Account from being used for high-speed rail or for projects associated with or interacting with the high-speed rail program.
- 11) Allows other transportation agencies to use mitigation credits generated under the program.
- 12) Retains the cap on the Department of Fish and Game approving more than eight regional conservation investment strategies (RCIS), but exempts from the cap, RCISs requested by a state water or transportation infrastructure agency to mitigate an infrastructure project.
- 13) Requires Caltrans to report biennially on how the use of Advance Mitigation has accelerated transportation project delivery and requires the Department of Fish and Wildlife to report biennially on the extent to which the use of Advance Mitigation has improve the quality of habitat mitigation provided by Caltrans for transportation projects.

**COMMENTS:** This bill includes provisions included in the 2017 budget package related to transportation.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

None on File.

**Opposition**

None on File.

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