City of Palo Alto
City Council Rail Committee Staff Report

Report Type: Meeting Date: 3/17/2011

Summary Title: Capitol Advocates Legislative Update

Title: Capitol Advocates Legislative Update - 3/3/2011

From: City Manager

Lead Department: City Manager

Please see the attached Capitol Advocates legislative update for your review.

Attachments:
- a: Capitol Advocates HSR Legislative Update 3-3-2011 (PDF)

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Department Head: James Keene, City Manager

City Manager Approval: James Keene, City Manager
MEMORANDUM

To: High Speed Rail Committee
From: Ravi Mehta
Date: March 3, 2011
RE: Legislative Update: Pending legislation that directly or indirectly impacts the California High Speed Rail Project

The 2011 legislative session is in full swing again, with the February 21st deadline to introduce bills behind us. Bills can be heard in Committee after 30 days of introduction. March and April will be extremely busy with committee hearings and related lobbying activity.

Many High Speed Rail bills were introduced. It appears that our collective efforts in educating the legislature and staff were successful. The level of interest and concern over the HSR project is significant. While very few have expressed outright opposition, no one (except Assemblywoman Galgiani) has expressed outright support.

The subject matter of the bills are very telling of the concerns within the legislature. As you can imagine, no legislator is willing to introduce legislation unless he/she has serious concerns and believes that only legislative solutions will resolve the problem and address the issues. There has been a sea change in the mindset of the legislature and we may finally see some response from the HSR Authority.

When committee hearings are scheduled on these bills, there is an expectation, at least by the authors that have agreed to carry our sponsored bills, that we will have plenty of witnesses to testify. I will give adequate notice and hope we will not disappoint Assemblymen Brian Jones, David Valadeo, and Richard Gordon.
High Speed Rail Legislation

AB 16  (Perea D)  High-Speed Rail Authority.
Introduced: 12/6/2010
Status: 1/24/2011-Referred to Com. on TRANS.
Is Fiscal: Y
Location: 1/24/2011-A. TRANS.
Summary: This bill would require the authority to make every effort to purchase high-speed train rolling stock and related equipment that are manufactured in California, consistent with federal and state laws.

AB 31  (Beall D)  Land use: high-speed rail: local master plan.
Introduced: 12/6/2010
Last Amend: 2/14/2011
Status: 2/15/2011-Re-referred to Com. on L. GOV.
Is Fiscal: Y
Location: 2/15/2011-A. L. GOV.
Summary: This bill would establish the High-Speed Rail Local Master Plan Pilot Program, applicable to specified cities and counties, and would authorize each of those jurisdictions to prepare and adopt, by ordinance, a master plan for development in the areas surrounding the high-speed rail system in each jurisdiction. The bill would authorize the high-speed rail master plan to include incentives for encouraging investment and coherent growth in the areas surrounding the high-speed rail system in each participating jurisdiction. The bill would also authorize the participating jurisdictions to collaborate with the State Air Resources Board to develop incentives to encourage development while concurrently reducing greenhouse gas emissions, consistent with or pursuant to the California Global Warming Solutions Act of 2006 or another specified provision of law requiring the board to provide greenhouse gas emission reduction targets for the preparation of regional sustainable communities strategies. The bill would authorize the master plan to exceed the requirements of the jurisdiction's general plan or the applicable regional sustainable communities strategy with respect to fostering sustainable communities around the high-speed rail system.

AB 41  (Hill D)  Conflicts of interest: disqualification.
Introduced: 12/6/2010
Status: 1/24/2011-Referred to Com. on E. & R.
Is Fiscal: Y
Summary: Existing provisions of the Political Reform Act of 1974 prohibit a public official at any level of state or local government from making, participating in making, or attempting to use his or her official position to influence a governmental decision in which he or she knows or has reason to know that he or she has a financial interest, as defined. Existing law also requires specified elected and appointed officers at the state and local level of government to disclose specified financial interests by filing periodic statements of economic interests. Existing law further requires public officials who hold specified offices and who have a financial interest in a decision within the meaning of the Political Reform Act of 1974 to publicly identify the financial interest giving rise to the conflict of
interest or potential conflict of interest, recuse themselves from discussing and voting on the matter, and leave the room until after the discussion, vote, and other disposition of the matter is concluded, except as specified. This bill would add members of the High-Speed Rail Authority to those specified offices who must publicly identify a financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly.

**AB 57** (Beall D) Metropolitan Transportation Commission.

- **Introduced:** 12/6/2010
- **Last Amend:** 2/2/2011
- **Status:** 2/3/2011-Re-referred to Com. on TRANS.
- **Is Fiscal:** Y
- **Location:** 2/3/2011-A. TRANS.

**Summary:** The Metropolitan Transportation Commission Act creates the Metropolitan Transportation Commission as a regional agency in the 9-county San Francisco Bay Area with comprehensive regional transportation planning and other related responsibilities. Existing law requires the commission to consist of 19 members, including 2 members each from the Counties of Alameda and Santa Clara, and establishes a 4-year term of office for members of the commission. This bill would, instead, require the commission to consist of 21 members, including one member appointed by the Mayor of the City of Oakland and one member appointed by the Mayor of the City of San Jose. The bill would require the initial term of those 2 members to end in February 2015. The bill would, effective with the commission term commencing February 2015, prohibit more than 3 members of the commission from being residents of the same county, as specified. By imposing new requirements on a local agency, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**AB 58** (Galgiani D) High-speed rail.

- **Introduced:** 12/6/2010
- **Status:** 1/27/2011-Referred to Com. on TRANS.
- **Is Fiscal:** Y
- **Location:** 1/27/2011-A. TRANS.

**Summary:** This bill would authorize the Governor to appoint up to 5 deputy directors exempt from civil service who would serve at the pleasure of the executive director. This bill contains other related provisions and other existing laws.

**AB 76** (Harkey R) High-speed rail.

- **Introduced:** 12/22/2010
- **Status:** 1/27/2011-Referred to Com. on TRANS.
- **Is Fiscal:** Y
- **Location:** 1/27/2011-A. TRANS.

**Summary:** Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of $9.95 billion in general
obligation bonds for high-speed rail and related purposes. Article XVI of the California Constitution authorizes the Legislature, at any time after the approval of a general obligation bond act by the people, to reduce the amount of the indebtedness authorized by the act to an amount not less than the amount contracted at the time of the reduction or to repeal the act if no debt has been contracted. This bill would reduce the amount of general obligation debt authorized pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to the amount contracted as of January 1, 2012.

**AB 133**  
(Galgiani D) High-speed rail.  
Introduced: 1/12/2011  
Status: 2/3/2011-Referred to Com. on TRANS.  
Is Fiscal: Y  
Location: 2/3/2011-A. TRANS.  

**Summary:** Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of $9.95 billion in general obligation bonds for high-speed rail and related purposes. The federal Passenger Rail Investment and Improvement Act of 2008 (PRIIA) and the federal Consolidated Appropriations Act, 2010 provide funding for allocation nationally to high-speed rail and other related projects. This bill would require federal funds made available to the state for high-speed rail purposes under the above-referenced federal acts to be available, upon appropriation, for certain work on one or more specified rail corridors approved by the Federal Railroad Administration, in a manner consistent with certain provisions of, and subject to certain conditions of, the bond act.

**AB 145**  
(Galgiani D) High-speed rail.  
Introduced: 1/13/2011  
Status: 2/3/2011-Referred to Com. on TRANS.  
Is Fiscal: Y  
Location: 2/3/2011-A. TRANS.  

**Summary:** This bill would revise and recast these provisions by repealing and reenacting the California High-Speed Train Act. The bill would continue the High-Speed Rail Authority in existence to make policy decisions relative to implementation of high-speed rail consistent with Proposition 1A. The bill would create the Department of High-Speed Trains within the Business, Transportation and Housing Agency, which would implement those policies. The bill would transfer certain of the existing powers and responsibilities of the authority to the department and would specify additional powers and duties of the authority and department relative to implementation of the high-speed rail project, including the annual submission of a 6-year high-speed train capital improvement program and progress report to the Legislature. The director of the department would be appointed by the Governor, who would serve at the pleasure of the authority, and the Governor would be authorized to appoint up to 10 officers of the department who would be exempt from civil service and serve at the pleasure of the director. The bill would provide for acquisition and disposition by the department of rights-of-way for the high-speed rail project.
**AB 385** (Harkey R) High-speed rail.

**Introduced:** 2/14/2011  
**Status:** 2/15/2011-From printer. May be heard in committee March 17.  
**Is Fiscal:** N  
**Location:** 2/14/2011-A. PRINT

**Summary:** Existing law creates the High-Speed Rail Authority, with various powers and duties relative to development and implementation of high-speed train service. This bill would state the intent of the Legislature to enact legislation relative to the implementation of high-speed rail.

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**AB 952** (Jones R) High-speed rail. (Sponsored by cities of Atherton, Menlo Park, Palo Alto, & Pico Rivera)

**Introduced:** 2/18/2011  
**Status:** 2/20/2011-From printer. May be heard in committee March 22.  
**Is Fiscal:** Y  
**Location:** 2/18/2011-A. PRINT

**Summary:** Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 9 members, including 5 members appointed by the Governor. Members of the authority are subject to the Political Reform Act of 1974. This bill would prohibit a member or employee of the authority from being the recipient of any gift, as defined, for purposes of the Political Reform Act. The bill would prohibit a construction company, engineering firm, consultant, legal firm, or any other company, vendor, or business entity with a contract or seeking a contract with the authority, or subcontractor of any of the foregoing, or owner, employee, or any member of their immediate families of any of these companies, firms, vendors, entities, or subcontractors, from making any gift to a member or employee of the authority, or to any member of their immediate families. The bill would allow the authority itself to receive gifts, subject to approval of the Senate. The bill would also allow the authority to transfer the gifts it receives to any person only with the approval of the Senate. This bill contains other related provisions.

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**AB 953** (Jones R) High-speed rail. (Sponsored by cities of Atherton, Menlo Park, Palo Alto, & Pico Rivera)

**Introduced:** 2/18/2011  
**Status:** 2/20/2011-From printer. May be heard in committee March 22.  
**Is Fiscal:** Y  
**Location:** 2/18/2011-A. PRINT

**Summary:** This bill would provide that no funds from Proposition 1A shall be available to the High-Speed Rail Authority for construction of the high-speed train system until adequate environmental studies are completed based on a new ridership study that uses an acceptable ridership evaluation methodology. The bill would require the authority to contract with the Institute of Transportation Studies at the University of California at Berkeley to complete a revised ridership study, using the ridership methodology of the institute. The bill would require the authority to use that ridership study as the basis for
subsequent environmental studies. The bill would also require the authority to reconsider its adoption of the optimal high-speed rail route based both on the new ridership study and the ridership methodology.

AB 1092  *(Lowenthal, Bonnie D)*  High-speed rail.

**Introduced:** 2/18/2011  
**Status:** 2/20/2011-From printer. May be heard in committee March 22.  
**Is Fiscal:** Y  
**Location:** 2/18/2011-A. PRINT

**Summary:** This bill would require the authority to report biannually to the Legislature beginning March 1, 2012, on the status of the project, including overall progress, the project budget, expenditures to date, a comparison of the current and project work schedule and the baseline schedule contained in the 2009 business plan, project milestones, and other related issues.

AB 1164  *(Gordon D)*  High-Speed Rail Authority: appointees: Senate confirmation.  
*(Carried at the suggestion of the cities of Atherton, Menlo Park, Palo Alto, & Pico Rivera)*

**Introduced:** 2/18/2011  
**Status:** 2/20/2011-From printer. May be heard in committee March 22.  
**Is Fiscal:** Y  
**Location:** 2/18/2011-A. PRINT

**Summary:** Existing law creates the High-Speed Rail Authority within the state government with various powers and duties relative to development and implementation of a high-speed passenger train system. Existing law provides that 5 of the 9 members comprising the authority shall be appointed by the Governor. This bill would require that those gubernatorial appointments be made with the advice and consent of the Senate.

AB 1206  *(Galgiani D)*  High-speed rail: contracts: small businesses.

**Introduced:** 2/18/2011  
**Status:** 2/20/2011-From printer. May be heard in committee March 22.  
**Is Fiscal:** Y  
**Location:** 2/18/2011-A. PRINT

**Summary:** This bill would require the authority to identify essential components of, and adopt, a small emerging business enterprise program as part of contracts to be awarded by the authority relative to development and construction of the high-speed rail system. The bill would require the authority to provide certain bidding preferences and to establish a goal methodology to determine the appropriate level of involvement of small emerging business enterprises in authority contracts. The bill would require at least one public hearing by the authority before the program is adopted and would require the authority to include a plan for outreach to small emerging business enterprises. The bill would require the authority to report annually to the Legislature in that regard.
SB 22  (La Malfa R) High-speed rail.

Introduced: 12/6/2010
Status: 1/20/2011-Referred to Com. on RLS.
Is Fiscal: N
Location: 1/20/2011-S. RLS.

Summary: This bill would state the intent of the Legislature to reexamine the bond funding mechanism of the authority relative to the authority's high-speed rail project.

SB 31  (Correa D) Local government: lobbyist registration.  (Not HSR related, but has local Government impact)

Introduced: 12/6/2010
Status: 1/20/2011-Referred to Com. on RLS.
Is Fiscal: N
Location: 1/20/2011-S. RLS.

Summary: The Political Reform Act of 1974 provides for the comprehensive regulation of lobbyists, as defined. This bill would state the intent of the Legislature to enact legislation that will require each local government to create a lobbyist registration program as a condition of the local government being eligible to apply for any discretionary grant from any state agency or department.

SB 50  (Correa D) Conflicts of interest: disqualification.

Introduced: 12/15/2010
Status: 1/20/2011-Referred to Com. on E. & C.A.
Is Fiscal: Y
Location: 12/15/2010-S. PRINT

Summary: Existing provisions of the Political Reform Act of 1974 prohibit a public official at any level of state or local government from making, participating in making, or attempting to use his or her official position to influence a governmental decision in which he or she knows or has reason to know that he or she has a financial interest, as defined. Existing law also requires specified elected and appointed officers at the state and local level of government to disclose specified financial interests by filing periodic statements of economic interests. Existing law further requires public officials who hold specified offices and who have a financial interest in a decision within the meaning of the Political Reform Act of 1974 to publicly identify the financial interest giving rise to the conflict of interest or potential conflict of interest, recuse themselves from discussing and voting on the matter, and leave the room until after the discussion, vote, and other disposition of the matter is concluded, except as specified. This bill would add members of the High-Speed Rail Authority to those specified offices who must publicly identify a financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly.
SB 517  (Lowenthal D) High-Speed Rail Authority.

Introduced: 2/17/2011
Status: 2/18/2011-From printer. May be acted upon on or after March 20.
Is Fiscal: Y
Location: 2/17/2011-S. PRINT

Summary: The bill would provide for the Secretary of Business, Transportation and Housing to serve on the authority as a nonvoting, ex officio member. The bill would require the secretary to propose an annual budget for the authority upon consultation with the authority. The bill would require the members of the authority appointed by the Governor to be appointed with the advice and consent of the Senate. The bill would provide for the members that are appointed to have specified background or experience, as specified.


Introduced: 2/18/2011
Status: 2/19/2011-From printer. May be acted upon on or after March 21.
Is Fiscal: Y
Location: 2/18/2011-S. PRINT

Summary: Existing law requires the authority to prepare, publish, adopt, and submit to the Legislature a business plan containing specified elements beginning January 1, 2012, and every 2 years thereafter. This bill would require the authority to include in the business plan to be submitted on January 1, 2012, or as an addendum to that plan to be submitted as soon as possible after that date, a strategy for ensuring the participation of small business enterprises in contracts awarded by the authority with state or federal funds during all phases of the project.

SB 734  (Price D) Small business participation goals.

Introduced: 2/18/2011
Status: 2/20/2011-From printer. May be acted upon on or after March 22.
Is Fiscal: Y
Location: 2/18/2011-S. PRINT

Summary: Existing law provides for various programs to encourage the participation of small businesses, as certified by the Department of General Services, in state agency contracts, and sets forth the duties of the Director of General Services and the directors of other state agencies in this regard. This bill would extend the application of the above-referenced small business participation goals and reporting provisions to the High-Speed Rail Authority relative to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century.

SB 735  (Price D) High-speed rail: contracts.

Introduced: 2/18/2011
Status: 2/19/2011-From printer. May be acted upon on or after March 21.
Summary: This bill would require the authority, in awarding contracts for the construction of the high-speed rail system, to require that 25% of the workforce used at each worksite be from the local workforce. The bill would require the authority to also grant an additional contract price preference of 2.5% of the bid amount to qualified state-certified microbusinesses that are local to a worksite. The bill would require the Department of Housing and Community Development to evaluate the effect of these requirements and to submit quarterly reports to the authority in that regard. The bill would require the authority to include the findings of the department in its business plan.

SB 749  (Steinberg D) High-speed rail.

Introduced: 2/18/2011
Status: 2/20/2011-From printer. May be acted upon on or after March 22.
Is Fiscal: N
Location: 2/18/2011-S. PRINT

Summary: Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 9 members, including 5 members appointed by the Governor. This bill would provide that the members of the authority appointed by the Governor are subject to appointment with the advice and consent of the Senate.