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AGENDA

June 27, 2017

Upon Adjournment of Veterans Affairs Committee

State Capitol Room 2040

<u>BILL</u>	<u>AUTHOR</u>	<u>SUBJECT</u>
A.B. 118	Committee on Budget	Transportation

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No:	AB 118	Hearing Date:	June 27, 2017
Author:	Committee on Budget		
Version:	June 26, 2017 Amended		
Urgency:	Yes	Fiscal:	Yes
Consultant:	James Hacker		

Subject: Transportation

Summary: Provides for statutory changes necessary to implement the transportation provisions of the Budget Act of 2017.

Background: As part of the 2017-18 budget package, AB 118 makes statutory changes to implement the budget act.

Proposed Law: This bill makes the following statutory changes:

- 1) *Advance Mitigation Program.* Authorizes the Department of Transportation (Caltrans) to implement the Advance Mitigation Program, including, among other things, purchasing or funding the purchase of mitigation credits from mitigation banks, conservation banks, or in-lieu fee programs approved by one or more regulatory agencies to pay for the mitigation of environmental impacts of transportation projects. 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. Prohibits funds in the Advance Mitigation Account from being used for projects associated with or interacting with the high-speed rail program. 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.
- 2) *Trade Corridor Enhancement Account.* Revises and recasts the requirements of the currently-existing Trade Corridors Improvement Fund and makes them applicable to the Trade Corridor Enhancement Account created by SB 1 (Beall), Chapter 5, Statutes of 2017, and applies those requirements to both state freight funds and certain federal funds apportioned to the state for freight projects. Requires the California Transportation Commission (CTC) to develop guidelines for the program, and to allocate 60 percent of available funding to eligible projects nominated by regional transportation agencies, with the remaining 40 percent allocated for eligible projects nominated by Caltrans. Would prohibit the funding of projects that include the purchase of fully-automated cargo handling equipment, as specified. Would require funded projects to be consistent with Article XIX of the California Constitution.

- 3) *Contracts, Procurement, and Outreach.* Would require Caltrans to develop and share with the Legislature a detailed outreach plan intended to increase procurement opportunities for new and limited contracting small business enterprises owned by women, minorities, LGBT, and other disadvantaged groups, to report on its contracting practices annually, and to subject its outreach plan to review by the inspector general. Requires the department to achieve a minimum of 25 percent small business participation in state-funded contracts and procurements, and to take concrete steps to eliminate improper discrimination and disparities in employment, bidding, and contracting processes. 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.

Fiscal Effect: The funding related to the changes in this bill is contained in the 2017-18 budget act. This bill continuously appropriates the funding in the Advance Mitigation Account to implement the Advance Mitigation Program, and therefore makes an appropriation.

Comments: This bill provides the necessary statutory references to enact the 2017-18 budget related to transportation.

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