

## California High Speed Rail Authority

**BUDGET NO. 2665**

**REPORT no. 1**

### **PUBLIC UTILITIES CODE - PUC**

**DIVISION 19.5. CALIFORNIA HIGH-SPEED RAIL SERVICE [185000. - 185038.]**

*( Division 19.5 added by Stats. 1996, Ch. 796, Sec. 1. )*

**CHAPTER 3. Responsibilities of the Authority [185030. - 185038.]**

*( Chapter 3 added by Stats. 1996, Ch. 796, Sec. 1. )*

**185032.**

(a) (1) Upon an appropriation in the Budget Act for that purpose, 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 shall include an appropriate network of conventional intercity passenger rail service and shall be coordinated with existing and planned commuter and urban rail systems.

(2) The authorization and responsibility for planning, construction, and operation of high-speed passenger train service at speeds exceeding 125 miles per hour in this state is exclusively granted to the authority.

(3) Except as provided in paragraph (2), nothing in this subdivision precludes other local, regional, or state agencies from exercising powers provided by law with regard to planning or operating, or both, passenger rail service.

(b) The plan, upon completion, shall be submitted to the Legislature and the Governor for approval by the enactment of a statute.

*(Amended by Stats. 2000, Ch. 791, Sec. 2. Effective January 1, 2001.)*

Bill	Lead Authors	Subject	Latest Bill Version	Last History Action	Status	Fiscal Committee	Vote Required
AB-1703	Florez, Costa	High-speed rail service.	Chaptered 09/28/2000	09/28/2000 - Chaptered by Secretary of State - Chapter 791, Statutes of 2000. 09/28/2000 - Approved by the Governor.	-		
AB-1869	Anderson	State boards and commissions: reorganization.	Amended Assembly 04/03/2008	08/31/2008 - From committee without further action pursuant to Joint Rule 62(a).	Assembly-Died - Business and Professions	Yes	Majority
SB-690	Costa	Transportation: high-speed rail service.	Enrolled 07/14/2001	01/07/2002 - Stricken from Senate file. Veto sustained.	-		

Bill	Lead Authors	Subject	Latest Bill Version	Last History Action	Status	Fiscal Committee	Vote Required
SB-1175	Polanco	High-speed rail service.	Amended Assembly 08/07/2000	11/30/2000 - From Assembly without further action.	-	Yes	Majority
SB-1420		Transportation: High-Speed Rail Act.	Chaptered 09/24/1996		-		
SB-1637	Committee on Transportation	Transportation.	Chaptered 09/25/1998		-		
SB-1840	Costa	Transportation: High-Speed Rail Authority.	Amended Assembly 06/20/2000	11/30/2000 - From Assembly without further action.	-	Yes	Majority

**COMMENTS/RECOMMENDATIONS:**

Authority recommends deletion as other reporting requirements now exist for business, financing, and strategic plans. The Assembly Committee on Transportation agrees.

## **REPORT NO. 2**

### **AB 105 (Chapter 6, Statutes of 2011) SECTION 37(a)**

#### **SEC. 37.**

Of the amounts appropriated in Items 2665-004-6043, 2665-304-0890, 2665-304-6043, 2665-305-0890, and 2665-305-6043 of Section 2.00 of the Budget Act of 2010, a total of fifty-five million three hundred twenty thousand dollars (\$55,320,000) shall be available for expenditure only after the submittal of a report to the Joint Legislative Budget Committee and a 30-day review period, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine. The High-Speed Rail Authority shall have discretion concerning how the fifty-five million three hundred twenty thousand dollars (\$55,320,000) in restricted expenditures is allocated among the five items of appropriation listed above. The authority shall submit the report no later than February 14, 2011. The report shall include, but not necessarily be limited to, all of the following:

- (a) A report on contract expenditures for community outreach, including detail by type of expenditure and activity. Detail on meetings by segment and community, and a summary of correspondence, e-mail, media, Internet Web site, and other outreach efforts shall be included in this report.
- (b) A copy of the strategic plan that the authority is developing pursuant to the requirements of the State Administrative Manual.
- (c) A report on the performance of the program manager contractor. The authority shall indicate all the measures it has taken to address the findings and recommendations of the Bureau of State Audits in its April 2010 report, how the authority evaluates the performance of the contractor, and what those evaluations suggest in terms of resolution to the deficiencies noted by the Bureau of State Audits.
- (d) A report on how the authority has addressed other recommendations of the Bureau of State Audits not otherwise covered by this section.

#### **COMMENTS/RECOMMENDATIONS:**

Authority recommends elimination as this was a one-time report that was already completed.

## **REPORT NO. 3**

### **AB 105 (Chapter 6, Statutes of 2011) SECTION 38(a)**

#### **SEC. 38.**

Of the amounts appropriated in Items 2665-004-6043, 2665-304-0890, 2665-304-6043, 2665-305-0890, and 2665-305-6043 of Section 2.00 of the Budget Act of 2011, 25 percent of the total amount shall be available for expenditure only after the submittal of a report to the Joint Legislative Budget Committee and a 60-day review period, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine. The High-Speed Rail Authority shall have discretion concerning how the 25 percent in restricted expenditures is allocated among the five items of appropriation listed above. The authority shall submit the report no later than October 14, 2011. The report shall include, but not necessarily be limited to, all of the following:

**(a)** A complete legal analysis of the revenue guarantee or other mechanisms to reduce the operator's risk that the authority indicates it would provide to the operator. To mitigate risk, the authority shall provide an analysis of the revenue contribution to the project from the private operator with and without a revenue guarantee or other mechanism to reduce the operator's risk. The authority shall discuss alternative financing approaches to make up for any lost revenue in the case of no revenue guarantee or other mechanisms to reduce the operator's risk.

**(b)** A financial plan update with alternative funding scenarios. To mitigate risk, the authority shall report on alternative funding options if no significant federal funds are received beyond the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5) and no revenue guarantee or other mechanisms to reduce the operator's risk are allowable. The plan shall also include construction alternatives for a constrained funding environment, including what investments would be made and construction completed if the nonbond resources only equal bond funding.

#### **COMMENTS/RECOMMENDATIONS:**

Authority recommends elimination as this was a one-time report that was already completed.

## **REPORT NO. 4**

### **AB 115 Chapter 38 of the Statutes of 2011) SECTION 38(b)**

#### **Sec. 38.**

Of the amounts appropriated in Items 2665-004-6043, 2665-304-0890, 2665-304-6043, 2665-305-0890, and 2665-305-6043 of Section 2.00 of the Budget Act of 2011, 50 percent of the total amount shall be available for expenditure only after the submittal of a report to the Joint Legislative Budget Committee and a 60-day review period, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine. The High-Speed Rail Authority shall have discretion concerning how the 50 percent in restricted expenditures is allocated among the five items of appropriation listed above. The authority shall submit the report no later than October 14, 2011. The report shall include, but not necessarily be limited to, all of the following:

(a) A complete legal analysis of the revenue guarantee or other mechanisms to reduce the operator's risk that the authority indicates it would provide to the operator. To mitigate risk, the authority shall provide an analysis of the revenue contribution to the project from the private operator with and without a revenue guarantee or other mechanism to reduce the operator's risk. The authority shall discuss alternative financing approaches to make up for any lost revenue in the case of no revenue guarantee or other mechanisms to reduce the operator's risk.

(b) A financial plan update with alternative funding scenarios. To mitigate risk, the authority shall report on alternative funding options if no significant federal funds are received and no revenue guarantee or other mechanisms to reduce the operator's risk are allowable. The plan shall also include construction alternatives for a constrained funding environment, including what investments would be made and construction completed if the nonbond resources only equal bond funding.

(c) A public outreach plan for the Bakersfield to Los Angeles segment.

(d) A formal response and full analysis of the April 18, 2011, joint statement on California high-speed rail by congressional and state officials.

(e) A formal response and full analysis of the issues raised in the May 10, 2011, report by the Legislative Analyst entitled "High-Speed Rail Is at a Critical Juncture."

#### **COMMENT/RECOMMENDATIONS:**

Authority recommends deletion as a one-time requirement that has already been completed and that the requirements have been superseded by other reporting requirements. The Assembly Committee on Transportation agrees.