



SOLANO COUNTY

Legislative Committee Meeting

Committee
Supervisor Erin Hannigan (Chair)
Supervisor Linda J. Seifert

Staff
Michelle Heppner

February 1, 2016
1:30 p.m.

Solano County Administration Center
Sixth Floor Conference Center, Room 6003
675 Texas Street
Fairfield, CA 94533

AGENDA

- I. **I. Public Comment** (Items not on the agenda)
- II. **Confirmation of the Chair for 2016**
- III. **Discussion of Federal Bills and consider making a recommendation (Waterman & Associates)**
 - a. Fiscal Year 2017 Budget and Appropriations outlook
 - b. Drought bill update
 - c. Solano County trip to Washington DC
- IV. **Report on State Budget and Legislation and consider making a recommendation for a position on legislation (Paul Yoder)**

Delta Bills

[SB 554](#) ([Wolk](#) D) Delta levee maintenance. (Page 2)
Current Analysis: 01/25/2016 [Senate Floor Analyses \(text 1/4/2016\)](#) (Page 7)

Health & Social Services

Medi-Cal Funding and Accountability Act – Request for Endorsement (Page 10)

[SB 547](#) ([Liu](#) D) Aging and long-term care services, supports, and program coordination. (Page 22)
Current Analysis: 01/26/2016 [Senate Floor Analyses \(text 1/26/2016\)](#) (Page 30)

Solid Waste

[AB 45](#) ([Mullin](#) D) Household hazardous waste. (Page 37)
Current Analysis: 01/26/2016 [Assembly Floor Analysis \(text 1/21/2016\)](#) (Page 44)

Transportation

[AB 1591](#) ([Frazier](#) D) Transportation funding. (Page 50)

IV. Adjourn

Introduced by Senator Wolk

February 26, 2015

An act to ~~add Section 167 to amend Section 12987.5 of, and to amend and repeal Section 12986 of,~~ the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 554, as amended, Wolk. ~~California Water Commission: disqualifying financial interest: removal from office. Delta levee maintenance.~~

Existing law establishes a delta levee maintenance program pursuant to which a local agency may request reimbursement for costs incurred in connection with the maintenance or improvement of project or nonproject levees in the Sacramento-San Joaquin Delta. Existing law declares legislative intent to reimburse eligible local agencies under this program, until July 1, 2018, in an amount not to exceed 75% of those costs that are incurred in excess of \$1,000 per mile of levee. Existing law, until July 1, 2018, authorizes the board to provide funds to an eligible local agency under this program in the form of an advance in an amount that does not exceed 75% of the estimated state share. Existing law, on and after July 1, 2018, declares the intent of the Legislature to reimburse eligible local agencies under this program in an amount not to exceed 50% of those costs that are incurred in any year for the maintenance and improvement of levees.

This bill would declare legislative intent to reimburse up to 75% of those costs incurred in any year for the maintenance or improvement of levees in excess of \$1,000 per mile of levee and would authorize the

board to advance funds in an amount that does not exceed 75% of the estimated state share to an eligible local agency.

~~Existing law, the Political Reform Act of 1974, prohibits a public official at any level of state or local government from making, participating in making, or in any way 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. Existing law provides that a public official has a financial interest in a decision if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the official, a member of his or her immediate family, or as specified.~~

~~This bill would remove a member of the California Water Commission from office if after trial a court finds that the commission member has knowingly participated in any commission decision in which the member has a disqualifying financial interest in the decision.~~

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 12986 of the Water Code, as amended by
2 Section 3 of Chapter 549 of the Statutes of 2012, is amended to
3 read:

4 12986. (a) It is the intent of the Legislature to reimburse an
5 eligible local agency pursuant to this part for costs incurred in any
6 year for the maintenance or improvement of project or nonproject
7 levees as follows:

8 (1) No costs incurred shall be reimbursed if the entire cost
9 incurred per mile of project or nonproject levee is one thousand
10 dollars (\$1,000) or less.

11 (2) Not more than 75 percent of any costs incurred in excess of
12 one thousand dollars (\$1,000) per mile of project or nonproject
13 levee shall be reimbursed.

14 (3) (A) As part of the project plans approved by the board, the
15 department shall require the local agency or an independent
16 financial consultant to provide information regarding the agency's
17 ability to pay for the cost of levee maintenance or improvement.
18 Based on that information, the department may require the local

1 agency or an independent financial consultant to prepare a
2 comprehensive study on the agency's ability to pay.

3 (B) The information or comprehensive study of the agency's
4 ability to pay shall be the basis for determining the maximum
5 allowable reimbursement eligible under this part. Nothing in this
6 paragraph shall be interpreted to increase the maximum
7 reimbursement allowed under paragraph (2).

8 (4) Reimbursements made to the local agency in excess of the
9 maximum allowable reimbursement shall be returned to the
10 department.

11 (5) The department may recover, retroactively, excess
12 reimbursements paid to the local agency from any time after
13 January 1, 1997, based on an updated study of the agency's ability
14 to pay.

15 (6) All final costs allocated or reimbursed under a plan shall be
16 approved by the Central Valley Flood Protection Board for project
17 and nonproject levee work.

18 (7) Costs incurred pursuant to this part that are eligible for
19 reimbursement include construction costs and associated
20 engineering services, financial or economic analyses,
21 environmental costs, mitigation costs, and habitat improvement
22 costs.

23 (b) Upon completion of its evaluation pursuant to Sections 139.2
24 and 139.4, by January 1, 2008, the department shall recommend
25 to the Legislature and the Governor priorities for funding under
26 this section.

27 (c) Reimbursements made pursuant to this section shall reflect
28 the priorities of, and be consistent with, the Delta Plan established
29 pursuant to Chapter 1 (commencing with Section 85300) of Part
30 4 of Division 35.

31 ~~(d) This section shall become inoperative on July 1, 2018, and,
32 as of January 1, 2019, is repealed, unless a later enacted statute,
33 that becomes operative on or before January 1, 2019, deletes or
34 extends the dates on which it becomes inoperative and is repealed.~~

35 *SEC. 2. Section 12986 of the Water Code, as amended by*
36 *Section 2 of Chapter 549 of the Statutes of 2012, is repealed.*

37 ~~12986. (a) It is the intent of the Legislature to reimburse from~~
38 ~~the General Fund an eligible local agency pursuant to this part for~~
39 ~~costs incurred in any year for the maintenance or improvement of~~
40 ~~project or nonproject levees as follows:~~

1 ~~(1) No costs incurred shall be reimbursed if the entire cost~~
2 ~~incurred per mile of levee is one thousand dollars (\$1,000) or less.~~

3 ~~(2) Fifty percent of any costs incurred in excess of one thousand~~
4 ~~dollars (\$1,000) per mile of levee shall be reimbursed.~~

5 ~~(3) The maximum total reimbursement from the General Fund~~
6 ~~shall not exceed two million dollars (\$2,000,000) annually.~~

7 ~~(b) This section shall become operative on July 1, 2018.~~

8 *SEC. 3. Section 12987.5 of the Water Code is amended to read:*

9 12987.5. (a) In an agreement entered into under Section 12987,
10 the board may provide for an advance to the applicant in an amount
11 not to exceed 75 percent of the estimated state share. The
12 agreement shall provide that no advance shall be made until the
13 applicant has incurred costs averaging one thousand dollars
14 (\$1,000) per mile of levee.

15 (b) Advances made under subdivision (a) shall be subtracted
16 from amounts to be reimbursed after the work has been performed.
17 If the department finds that work has not been satisfactorily
18 performed or where advances made actually exceed reimbursable
19 costs, the local agency shall promptly remit to the state all amounts
20 advanced in excess of reimbursable costs. If advances are sought,
21 the board may require a bond to be posted to ensure the faithful
22 performance of the work set forth in the agreement.

23 ~~(c) This section shall become inoperative on July 1, 2018, and,~~
24 ~~as of January 1, 2019, is repealed, unless a later enacted statute,~~
25 ~~that becomes operative on or before January 1, 2019, deletes or~~
26 ~~extends the dates on which it becomes inoperative and is repealed.~~

27 **SECTION 1.** Section 167 is added to the Water Code, to read:

28 167. (a) A member of the commission shall not participate in
29 any commission decision in which the member has a disqualifying
30 financial interest in the decision within the meaning of Section
31 87103 of the Government Code.

32 (b) Upon the request of any person, or on the Attorney General's
33 own initiative, the Attorney General may file a complaint in the
34 Superior Court for the County of Sacramento alleging that a
35 commission member has knowingly violated this section and the
36 facts upon which the allegation is based and asking that the member
37 be removed from office. Further proceedings shall be in accordance
38 as near as may be with rules governing civil actions. If after trial
39 the court finds that the commission member has knowingly violated

1 ~~this section, it shall pronounce judgment that the member be~~
2 ~~removed from office.~~

O

THIRD READING

Bill No: SB 554
Author: Wolk (D)
Amended: 1/4/16
Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 9-0, 1/12/16
AYES: Pavley, Stone, Allen, Hertzberg, Hueso, Jackson, Monning, Vidak, Wolk

SENATE APPROPRIATIONS COMMITTEE: 7-0, 1/21/16
AYES: Lara, Bates, Beall, Hill, Leyva, Mendoza, Nielsen

SUBJECT: Delta levee maintenance

SOURCE: Author

DIGEST: This bill makes permanent the state's 75 percent maximum cost share for Delta levee maintenance costs in excess of \$1,000 per mile.

ANALYSIS:

Existing law:

- 1) Creates the Delta levee maintenance subvention program. This program provides reimbursement funds to local agencies for costs of maintaining or improving project or nonproject levees.
- 2) Provides that the reimbursement rate is up to 75 percent of any costs incurred in excess of \$1,000 per mile, based on an assessment of the agency's ability to pay.
- 3) Provides that the 75 percent reimbursement rate ends July 1, 2018, at which time the reimbursement rate would become 50 percent of any costs incurred in excess of \$1,000 per mile.

This bill makes permanent the current 75 percent reimbursement rate for Delta levee maintenance costs in excess of \$1,000 per mile. Specifically, this bill:

- 1) Eliminates the July 1, 2018, sunset on the current authorization of a 75 percent state cost-share in Delta levee maintenance or improvement projects.
- 2) Eliminates the effective date for returning to a 50 percent state cost-share.

Background

Legislature has extended the 75 percent reimbursement rate three times. The Legislature created the Delta levee subvention program in 1996. The 75 percent reimbursement rate was to be in effect for 10 years, at which time the rate would drop to 50 percent. The Legislature has subsequently delayed the reduction in the reimbursement rate in 2006, 2010, and 2012.

Comments

One of the few Delta bright spots. The 2010 Public Policy Institute of California publication *Comparing Futures for the Sacramento - San Joaquin Delta* noted, “The Delta Levee Subventions Program, in particular, has significantly reduced levee failures and is the most important state investments in Delta levees today.” It is still true five years later. Moreover, it is also one of the few Delta programs that have shown tangible results.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee, this bill creates annual cost pressures in the millions of dollars (General Fund) to fund local projects to improve and maintain levees.

SUPPORT: (Verified 1/22/16)

California Central Valley Flood Control Association

OPPOSITION: (Verified 1/22/16)

None received

ARGUMENTS IN SUPPORT: According to the author, “By continuing the current cost share formula, SB 554 ensures that Delta reclamation districts can afford to maintain and improve Delta levees. Maintenance of the Delta levees is important to reduce flood risk and ensure the Delta can continue to serve its many valuable uses – as fertile farmland, a water conveyance, and a rich estuary ecosystem.”

Prepared by: Dennis O'Connor / N.R. & W. / (916) 651-4116
1/25/16 16:16:47

****** END ******

Providing Care for 12 Million Children, Seniors and Working Families

Thanks to a historic bipartisan legislative agreement in 2013, without a single “No” vote and with the governor’s signature, California will receive billions a year in new federal funding for health care for children and seniors. However, this law expires in 2017.

The Medi-Cal Funding and Accountability Act (Act) is a simple, common sense solution that makes the reforms permanent and guarantees ongoing federal health care funding. This change is needed now to ensure that California receives its fair share from Washington DC and to ensure the money is spent as intended.

Government Accountability

At a time of great uncertainty about health care, the Act ensures new federal matching funds are used for those who truly need it. The Act holds the Legislature accountable and prohibits government, bureaucrats or other special interests from diverting funds away from health care for unrelated purposes. Any changes to the use of the funds would have to be approved by voters first.

\$3 Billion Annually in New Federal Matching Funds

Hospitals have agreed to participate in a program that unlocks approximately \$3 billion a year in new federal matching funds, maximizing California’s share. The money must be spent to provide health care services to children and resources for Medi-Cal to serve elderly and low-income Californians. Without these resources, the money would have to come from privately insured patients.

Protect Taxpayers and Access to Hospital Care

People with private insurance shouldn’t have their premiums increased to subsidize Medi-Cal when federal money is available to help cover the cost. Funding guaranteed by the Act will also help prevent closures or cutbacks in local hospitals and emergency rooms.

Statewide Support

Hospitals and health care providers across California have joined together to sponsor this common sense solution, which protects services for children and seniors. There is no organized opposition to the measure.

Providing Care for 12 Million Children, Seniors and Working Families

JOIN US!

Name: _____

Title: _____

Organization/Occupation: _____
(For identification purposes only unless otherwise noted)

Official Organizational Endorsement (Y/N): _____

Address: _____

City/State/Zip: _____

Bus. Phone: _____ Cell Phone: _____

Email: _____

Twitter Handle:@ _____ Facebook: (Y/N) _____

Please contact me so I can participate in media activities.

You may use my name/organization as a coalition member and supporter of the Medi-Cal Funding and Accountability Act:

(Signature required)

Please return by email to CHA@randlecommunications.com
or by fax to (916) 448-5872. *Thank you for your support.*

KEEP A GOOD IDEA WORKING

Coalition List

Health Care Associations

- California Hospital Association
- California Children's Hospital Association
- Hospital Association of San Diego & Imperial Counties
- Hospital Association of Southern California
- Hospital Council of Northern & Central California
- Alliance of Catholic Health Care
- American Academy of Pediatrics - California
- Association of California Healthcare Districts
- Association of California Nurse Leaders
- California Academy of Physician Assistants*
- California Alliance of Child and Family Services*
- California Ambulance Association*
- California Ambulatory Surgery Association*
- California Association of Alcohol and Drug Program Executives, Inc. (CAADPE) *
- California Association of Health Facilities
- California Association of Health Plans
- California Association of Health Underwriters*
- California Association of Medical Product Suppliers*
- California Association of Neurological Surgeons*
- California Association for Nurse Practitioners**
- California Association of Nurse Anesthetists
- California Association of Physician Groups
- California Black Health Network*
- California Chapter of the American College of Cardiology*
- California Council of Community Mental Health Agencies (CCCMHA)*
- California Dental Association
- California Medical Association*
- California Orthopaedic Association*
- California Pharmacists Association
- California Primary Care Association*
- California Psychological Association*
- California Radiological Society*
- California Society of Addiction Medicine (CSAM)*
- California Society of Health-System Pharmacists
- California Society of Industrial Medicine and Surgery*
- California Society of Pathologists
- Children's Specialty Care Coalition
- District Hospital Leadership Forum*
- Infectious Disease Association of California*
- Medical Oncology Association of Southern California, Inc. (MOASC)*
- Mental Health America in California*
- Network of Ethnic Physician Organizations*
- Osteopathic Physicians & Surgeons of California
- PEACH, Inc. (Private Essential Access Community Hospitals)
- Southern California Public Health Association*

Children's Hospitals

- Children's Hospital Los Angeles
- Children's Hospital Orange County
- CHOC Children's at Mission Hospital
- HealthBridge Children's Hospital*
- Loma Linda University Children's Hospital
- Lucile Packard Children's Hospital
- Miller Children's Hospital Long Beach
- Rady Children's Hospital – San Diego
- Valley Children's Healthcare

Hospitals + Healthcare Districts

- Adventist Medical Center – Hanford
- Adventist Medical Center - Reedley
- Alhambra Hospital Medical Center
- Alta Bates Summit Medical Center
- Alvarado Hospital
- Alvarado Parkway Institute

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- Anaheim Regional Medical Center
- Antelope Valley Hospital
- Arroyo Grande Community Hospital
- Bakersfield Memorial Hospital
- Ballard Rehabilitation Hospital
- Banner Lassen Medical Center
- Barlow Respiratory Hospital
- Barstow Community Hospital*
- Barton Health
- Bear Valley Community Healthcare District
- Beverly Hospital*
- BHC Alhambra Hospital
- California Hospital Medical Center
- California Pacific Medical Center
- Canyon Ridge Hospital*
- Casa Colina Centers for Rehabilitation
- Catalina Island Medical Center
- Cedars-Sinai Medical Center
- Centinela Hospital Medical Center
- Central Valley General Hospital
- Chinese Hospital
- Chino Valley Medical Center*
- Citrus Valley Medical Center – Inter Community Campus*
- Citrus Valley Medical Center – Queen of the Valley Campus*
- City of Hope
- Clovis Community Medical Center
- Coalinga Regional Medical Center
- Coast Plaza Hospital*
- College Hospital Cerritos
- College Hospital Costa Mesa*
- College Medical Center
- Colusa Regional Medical Center
- Community Behavioral Health Center
- Community Hospital of Huntington Park*
- Community Hospital Long Beach
- Community Hospital of the Monterey Peninsula
- Community Hospital of San Bernardino
- Community Memorial Hospital
- Community Regional Medical Center
- Corona Regional Medical Center
- Dameron Hospital Association
- Del Amo Hospital*
- Delano Regional Medical Center
- Desert Regional Medical Center*
- Desert Valley Hospital*
- Doctors Hospital of Manteca*
- Doctors Medical Center of Modesto*
- Dominican Hospital
- East Los Angeles Doctors Hospital*
- Eastern Plumas Health Care
- Eden Medical Center
- El Camino Hospital
- Emanuel Medical Center
- Encino Hospital Medical Center
- Enloe Medical Center
- Fairchild Medical Center
- Fallbrook Hospital*
- Feather River Hospital*
- Foothill Presbyterian Hospital*
- Fountain Valley Regional Hospital*
- Frank R. Howard Memorial Hospital*
- Fremont Hospital
- French Hospital Medical Center
- Fresno Heart & Surgical Hospital
- Garden Grove Hospital and Medical Center
- Gardens Regional Hospital and Medical Center*
- Glendale Adventist Medical Center
- Glendale Memorial Hospital and Health Center
- Glendora Community Hospital*
- Glenn Medical Center*
- Goleta Valley College Hospital
- Good Samaritan Hospital – Los Angeles
- Good Samaritan Hospital – San Jose
- Greater El Monte Community Hospital
- Grossmont Healthcare District*
- Hazel Hawkins Memorial Hospital
- Healdsburg District Hospital
- Hemet Valley Medical Center
- Henry Mayo Newhall Hospital*
- Heritage Oaks Hospital
- Hi-Desert Medical Center*
- Hollywood Presbyterian Medical Center
- Huntington Beach Hospital
- Inland Valley Medical Center*
- Jewish Home

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- John C. Fremont Healthcare District
- John F. Kennedy Memorial Hospital*
- John Muir Behavioral Health
- John Muir Medical Center – Concord Campus
- John Muir Medical Center – Walnut Creek Campus
- Kaiser Permanente Antioch Medical Center
- Kaiser Permanente Baldwin Park Medical Center
- Kaiser Permanente Downey Medical Center
- Kaiser Permanente Fontana Medical Center
- Kaiser Permanente Fremont Medical Center
- Kaiser Permanente Fresno Medical Center
- Kaiser Permanente Los Angeles Medical Center
- Kaiser Permanente Modesto/Manteca Medical Center
- Kaiser Permanente Oakland/Richmond Medical Center
- Kaiser Permanente Ontario Medical Center
- Kaiser Permanente Orange County Medical Center
- Kaiser Permanente Panorama City Medical Center
- Kaiser Permanente Redwood City Medical Center
- Kaiser Permanente Riverside Medical Center
- Kaiser Permanente Roseville Medical Center
- Kaiser Permanente Sacramento Medical Center
- Kaiser Permanente San Diego Medical Center
- Kaiser Permanente San Francisco Medical Center
- Kaiser Permanente San Jose Medical Center
- Kaiser Permanente San Leandro Medical Center
- Kaiser Permanente San Rafael Medical Center
- Kaiser Permanente Santa Clara Medical Center
- Kaiser Permanente Santa Rosa Medical Center
- Kaiser Permanente South Bay Medical Center
- Kaiser Permanente South Sacramento Medical Center
- Kaiser Permanente South San Francisco Medical Center
- Kaiser Permanente Vacaville Medical Center
- Kaiser Permanente Vallejo Medical Center
- Kaiser Permanente Walnut Creek Medical Center
- Kaiser Permanente West Los Angeles Medical Center
- Kaiser Permanente Woodland Hills Medical Center
- Kaweah Delta Healthcare District
- Kern Valley Healthcare District
- Kindred Hospital San Diego
- La Palma Intercommunity Hospital
- Lakewood Regional Medical Center*
- Lodi Health
- Loma Linda University Behavioral Medicine Center
- Loma Linda University Medical Center
- Loma Linda University Medical Center – Murrieta
- Lompoc Valley Medical Center
- Long Beach Memorial Medical Center
- Los Alamitos Medical Center*
- Los Angeles Jewish Home
- Los Robles Hospital and Medical Center
- Madera Community Hospital
- Mammoth Hospital
- Marian Regional Medical Center
- Marian Regional Medical Center - West
- Marina Del Rey Hospital*
- Marin General Hospital
- Mark Twain St. Joseph’s Hospital
- Marshall Medical Center
- Mayers Memorial Hospital District
- Mee Memorial Hospital
- Memorial Hospital of Gardena*
- Memorial Hospital, Los Banos
- Memorial Medical Center
- Menifee Valley Medical Center*
- Menlo Park Surgical Hospital
- Mercy General Hospital
- Mercy Hospital
- Mercy Hospital of Folsom
- Mercy Medical Center Merced
- Mercy Medical Center Mt. Shasta
- Mercy Medical Center Redding

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- Mercy San Juan Medical Center
- Mercy Southwest Hospital
- Methodist Hospital of Sacramento
- Methodist Hospital of Southern California
- Mills-Peninsula Health Services
- Mission Community Hospital
- Mission Hospital
- Modoc Medical Center
- Monterey Park Hospital
- Montclair Hospital Medical Center*
- Natividad Medical Center
- NorthBay Medical Center*
- NorthBay VacaValley Hospital*
- Northridge Hospital Medical Center
- Novato Community Hospital
- O'Connor Hospital
- Oak Valley Hospital District
- Ojai Valley Community Hospital
- Olympia Medical Center
- Orange Coast Memorial Medical Center
- Orchard Hospital
- PIH Health – Downey
- PIH Health – Whittier
- Pacific Alliance Medical Center
- Pacific Grove Hospital*
- Palmdale Regional Medical Center*
- Palo Verde Hospital*
- Palomar Medical Center*
- Paradise Valley Hospital
- Parkview Community Hospital Medical Center
- Petaluma Valley Hospital
- Pioneers Memorial Healthcare District
- Placentia-Linda Hospital*
- Plumas District Hospital
- Pomerado Hospital*
- Pomona Valley Hospital Medical Center
- Providence Holy Cross Medical Center
- Providence Little Company of Mary Medical Center San Pedro
- Providence Little Company of Mary Medical Center Torrance
- Providence Saint Joseph Medical Center
- Providence Tarzana Medical Center
- Queen of the Valley Medical Center
- Rancho Springs Medical Center*
- Redlands Community Hospital
- Redwood Memorial Hospital
- Regional Medical Center of San Jose
- Ridgecrest Regional Hospital
- Riverside Community Hospital
- Saddleback Memorial Medical Center
- Saint Agnes Medical Center*
- Saint Francis Memorial Hospital
- Saint John's Health Center
- Saint Louise Regional Hospital
- San Antonio Regional Hospital
- San Bernardino Mountains Community Hospital District
- San Dimas Community Hospital*
- San Gabriel Valley Medical Center
- San Geronio Memorial Hospital
- San Joaquin Community Hospital
- San Joaquin Valley Rehabilitation Hospital
- San Ramon Regional Medical Center*
- Santa Barbara Cottage Hospital
- Santa Rosa Memorial Hospital
- Santa Ynez Valley Cottage Hospital
- Seneca Healthcare District
- Sequoia Hospital
- Seton Coastside
- Seton Medical Center
- Sharp Chula Vista Medical Center
- Sharp Coronado Hospital and Healthcare Center
- Sharp Grossmont Hospital
- Sharp Mary Birch Hospital for Women and Newborns
- Sharp Mesa Vista
- Sharp Memorial Hospital
- Shasta Regional Medical Center*
- Sherman Oaks Hospital*
- Sierra Nevada Memorial Hospital
- Sierra View Medical Center*
- Sierra Vista Hospital
- Sierra Vista Regional Medical Center*
- Simi Valley Hospital
- Sonoma Valley HealthCare District
- Sonora Regional Medical Center
- St. Bernadine Medical Center
- St. Elizabeth Community Hospital

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KEEP A GOOD IDEA WORKING

- St. Francis Medical Center (Lynwood)*
- St. Helena Hospital – Clear Lake
- St. Helena Hospital – Napa Valley
- St. Helena Hospital Center for Behavioral Health
- St. John’s Pleasant Valley Hospital
- St. John’s Regional Medical Center
- St. Joseph’s Behavioral Health Center
- St. Joseph Hospital (Eureka)
- St. Joseph Hospital (Orange)
- St. Joseph’s Medical Center
- St. Jude Medical Center*
- St. Louise Regional Hospital
- St. Mary Medical Center (Apple Valley)
- St. Mary Medical Center (Long Beach)
- St. Mary’s Medical Center (San Francisco)
- St. Rose Hospital
- St. Vincent Medical Center
- Stanford Health Care
- Stanford Health Care – ValleyCare
- Surprise Valley Health Care District
- Sutter Amador Hospital
- Sutter Auburn Faith Hospital
- Sutter Coast Hospital
- Sutter Davis Hospital
- Sutter Delta Medical Center
- Sutter Lakeside Hospital and Center for Health
- Sutter Maternity & Surgery Center of Santa Cruz
- Sutter Medical Center, Sacramento
- Sutter Roseville Medical Center
- Sutter Santa Rosa Regional Hospital
- Sutter Solano Medical Center
- Sutter Tracy Community Hospital
- Tehachapi Valley Healthcare District
- Temecula Valley Hospital
- Totally Kids Rehabilitation Hospital
- Twin Cities Community Hospital*
- USC – Norris Cancer Center*
- USC – Verdugo Hills Hospital*
- Ukiah Valley Medical Center
- ValleyCare Health System*
- Valley Presbyterian Hospital
- Vibra Hospital Northern California
- Victor Valley Global Medical Center
- Watsonville Community Hospital*
- West Anaheim Medical Center*
- West Hills Hospital and Medical Center*
- White Memorial Medical Center
- Woodland Healthcare

Clinics

- Alliance for Rural Community Health (ARCH)*
- Anderson Family Health & Dental Center*
- Antelope Valley Community Clinic*
- Burre Dental Center*
- Clinica de Salud del Valle de Salinas
- Clinica Monsenor Oscar A. Romero*
- Community Clinic Association of Los Angeles County (CCALAC)*
- Community Clinic Consortium of Contra Costa and Solano Counties*
- Community Health Partnership (10 Clinics)*
- Council of Community Clinics (serving San Diego, Riverside & Imperial Counties)
- Del Norte Community Health Center*
- Eisner Pediatric & Family Medical Center**
- Eureka Community Health Center*
- Ferndale Community Health Center*
- Forestville Teen Clinic*
- Forestville Wellness Center*
- Fortuna Community Health Center*
- Gravenstein Community Health Center*
- Happy Valley Family Health Center*
- Harbor Community Clinic*
- Humboldt Open Door Clinic*
- Imperial Beach Community Clinic*
- Kids Come First Health Center*
- L.A. Mission College Student Health Center*
- Maclay Health Center for Children*
- McKinley Community Health*
- Mendocino Coast Clinics*
- Mission Neighborhood Health Center*
- Mobile Health Services*
- Mountain Health and Community Services, Inc.(5 Clinics)*

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- Neighborhood Healthcare (10 Clinics)*
- NEVHC Canoga Park Health Center*
- NEVHC Health Center for the Homeless, North Hollywood*
- NEVHC Mobile Medical Unit*
- NEVHC Pacoima Health Center*
- NEVHC Pediatric Health & WIC Center*
- NEVHC Rainbow Dental Center*
- NEVHC San Fernando Health Center*
- NEVHC Santa Clarita Health Center*
- NEVHC Sun Valley Health Center*
- NEVHC Valencia Health Center*
- North East Medical Services (10 Clinics)*
- Northcountry Clinic*
- Northcountry Prenatal Services*
- Northeast Valley Health Corporation*
- Occidental Area Health Center*
- Open Door Community Health Centers (8 Clinics)*
- Peach Tree Health*
- Petaluma Health Center*
- Primary Care Neuropsychiatry (PCN)*
- QueensCare Health Centers (5 Clinics)*
- Redwood Community Health Coalition (18 Clinics)*
- Russian River Health Center*
- Russian River Dental Clinic*
- SAC Health System*
- Sacramento Community Clinic*
- Saban Community Clinic*
- San Fernando Teen Health Center*
- San Ysidro Health Center*
- Santa Rosa Community Health Centers (8 Clinics)*
- Sebastopol Community Health Center*
- Shasta Community Health Center*
- Shasta Community Health Dental Center*
- Shasta Lake Family Health and Dental Center*
- Sierra Family Medical Clinic*
- Sonoma County Indian Health Project, Inc.*
- South Bay Family Health Care*
- South Central Family Health Center (4 Clinics)*
- Southside Coalition of Community Health Care Centers*
- St. John's Well Child & Family Center (10 Clinics)*
- Tarzana Treatment Centers, Inc.*
- Van Nuys Adult Health Center*
- WCHC Mental Health Services*
- West County Health Centers*
- Westside Family Health Center*
- Willow Creek Community Health Center*

Health Systems

- Adventist Health
- Alameda Health System
- Avanti Hospitals*
- Citrus Valley Health Partners
- College Health Enterprises*
- Community Health Systems*
- Community Medical Centers
- Community Memorial Health System
- Cottage Health System
- Daughters of Charity Health System*
- Dignity Health
- Hospital Corporation of America (HCA)*
- John Muir Health
- Kaiser Permanente Northern California Region
- Kaiser Permanente Southern California Region
- Keck Medicine of USC*
- NorthBay Healthcare
- PIH Health
- Palomar Health
- Physicians for Healthy Hospitals, Inc.*
- Prime Healthcare Services*
- Prime Healthcare Services Foundation*
- Providence Health & Systems, Southern California
- Salinas Valley Memorial Healthcare System
- Sharp HealthCare
- Southwest Healthcare System*
- St. Joseph Health
- Sutter Health
- Tenet Healthcare*

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KEEP A GOOD IDEA WORKING

- Universal Health Services*

Community Based Organizations

- A New PATH (Parents for Addiction Treatment & Healing)*
- Age Well Senior Services*
- Asian Pacific Islander American Public Affairs Association (APAPA)
- CORA – Community Overcoming Relationship Abuse*
- California Senior Action League*
- California Youth Connection*
- Community Health Improvement Partners*
- Congress of California Seniors**
- Curry Senior Center*
- Family Voices of California
- Health Education Council*
- Helping Others Pursue Excellence (HOPE)*
- National Association of Hispanic Elderly*
- Orange County LULAC Foundation*
- Sacramento Steps Forward*
- San Clemente Collaborative
- Solano Coalition for Better Health*
- The Children’s Initiative
- The Wall-Las Memorias Project*
- United Advocates for Children and Families*
- Women’s Empowerment*

Labor Organizations

- State Building and Construction Trades Council of California*
- California State Association of Electrical Workers*
- Building and Construction Trades of Stanislaus, Merced, Tuolumne & Mariposa Counties*
- Cement Masons, Local 500**
- District Council of Iron Workers of the State of California and Vicinity*
- District Council 16 International Union of Painters and Allied Trades*
- Fresno, Madera, Kings & Tulare Counties Building and Construction Trades Council*
- Boilermakers Local 92*
- IBEW Ninth District*
- IBEW 6*
- IBEW 11*
- IBEW 18*
- IBEW 40**
- IBEW 45**
- IBEW 47*
- IBEW 100*
- IBEW 180**
- IBEW 234*
- IBEW 302**
- IBEW 332**
- IBEW 340*
- IBEW 413**
- IBEW 428*
- IBEW 440**
- IBEW 441*
- IBEW 465**
- IBEW 477*
- IBEW 551*
- IBEW 569*
- IBEW 595*
- IBEW 617**
- IBEW 639**
- IBEW 684**
- IBEW 952*
- IBEW 1245*
- IBEW 1710**
- IBEW 2139**
- IBEW 2295**
- International Brotherhood of Boilermakers*
- International Brotherhood of Boilermakers Local 1988*
- Iron Workers 433*
- Kern, Inyo and Mono Counties Building and Construction Trades Council*

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KEEP A GOOD IDEA WORKING

- Los Angeles/Orange County Building and Construction Trades Council*
- Monterey/Santa Cruz County Building and Construction Trades Council*
- Pipe Trades DC #36*
- Plumbers, Pipe & Refrigeration Fitters United Association Local 246*
- Plumbers & Pipefitters Local 447*
- Plumbers & Steamfitters Local 582*
- San Bernardino/Riverside BTC*
- Sonoma, Mendocino & Lake Counties Building and Construction Trades Council*
- Southern California Pipe Trades District 16*
- Tri Counties Building and Construction Trades Council*
- U.A. Local 78*
- U.A. Local 114*
- U.A. Local 159*
- U.A. Local 230*
- U.A. Local 250*
- U.A. Local 345*
- U.A. Local 364*
- U.A. Local 398*
- U.A. Local 403*
- U.A. Local 460*
- U.A. Local 484*
- U.A. Local 582*
- U.A. Local 709*
- U.A. Local 761*

Medical + Dental Societies

- Berkeley Dental Society*
- Central Coast Dental Society*
- Hispanic Dental Association of San Diego - *Bi-national Chapter**
- Los Angeles Dental Society*
- Mid-Peninsula Dental Society*
- Riverside County Medical Association*
- San Bernardino County Medical Society*
- San Diego County Dental Society*
- San Diego County Medical Society*
- San Francisco Dental Society*
- San Francisco Medical Society*
- San Gabriel Valley Dental Society*
- San Mateo County Dental Society*
- San Mateo County Medical Society*
- Tri-County Dental Society*
- Tuolumne County Medical Society*

Local Government + Elected Officials

- California State Association of Counties (CSAC)*
- California Latino Elected Officials Coalition
- Mayor Kevin L. Faulconer, City of San Diego
- Mayor Kevin Johnson, City of Sacramento*
- Walter Allen III, Council Member, City of Covina*
- Jim B. Clarke, Council Member, Culver City*
- Fiona Ma, Member, California State Board of Equalization*

Business Organizations

- California Business Roundtable
- California Chamber of Commerce
- California Asian Pacific Chamber of Commerce
- Alhambra Chamber of Commerce*
- Arcadia Chamber of Commerce*
- Azusa Chamber of Commerce*
- Beaumont Chamber of Commerce*
- Beverly Hills Chamber of Commerce*
- BizFed – The Los Angeles County Business Federation*
- Brea Chamber of Commerce
- Burbank Chamber of Commerce*
- Cerritos Regional Chamber of Commerce*
- Chamber of Commerce Mountain View*
- The Chamber of the Santa Barbara Region*
- Duarte Chamber of Commerce*

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KEEP A GOOD IDEA WORKING

- East Bay Leadership Council*
- El Dorado County Joint Chambers of Commerce*
- El Dorado County Chamber of Commerce*
- El Dorado Hills Chamber of Commerce*
- Elk Grove Chamber of Commerce*
- Folsom Chamber of Commerce*
- Fountain Valley Chamber of Commerce*
- Fremont Chamber of Commerce*
- Fresno Chamber of Commerce
- Fullerton Chamber of Commerce
- Gateway Chambers Alliance*
- Greater Grass Valley Chamber of Commerce*
- Greater Los Angeles African American Chamber of Commerce*
- Greater Riverside Chamber of Commerce*
- Greater San Fernando Valley Chamber of Commerce*
- Greater Stockton Chamber of Commerce*
- Hayward Chamber of Commerce*
- Hollywood Chamber of Commerce*
- Huntington Beach Chamber of Commerce*
- Industry Manufacturers Council*
- Inland Empire Economic Partnership
- La Canada Flintridge Chamber of Commerce*
- Lake Elsinore Chamber of Commerce*
- Lake Tahoe South Shore Chamber of Commerce*
- Los Angeles Area Chamber of Commerce*
- Menifee Valley Chamber of Commerce*
- Modesto Chamber of Commerce*
- Montebello Chamber of Commerce*
- Monterey Peninsula Chamber of Commerce*
- Mount Shasta Chamber of Commerce*
- Murrieta Chamber of Commerce*
- North Orange County Legislative Alliance
- North San Diego Business Chamber*
- Northridge Chamber of Commerce*
- Norwalk Chamber of Commerce*
- Oceanside Chamber of Commerce*
- Perris Valley Chamber of Commerce*
- Rancho Cordova Chamber of Commerce*
- Regional Chamber Alliance*
- Rocklin Area Chamber of Commerce*
- Roseville Chamber of Commerce*
- Sacramento Metropolitan Chamber of Commerce*
- San Diego East County Chamber of Commerce*
- San Diego Regional Chamber of Commerce
- San Francisco Chamber of Commerce*
- San Gabriel Valley Economic Partnership*
- San Jose Silicon Valley Chamber of Commerce
- Santa Clara Chamber of Commerce and Convention-Visitor's Bureau*
- Santa Clarita Valley Chamber of Commerce*
- Santa Monica Chamber of Commerce*
- Santa Paula Chamber of Commerce*
- Shingle Springs Cameron Park Chamber of Commerce*
- Silicon Valley Chamber Coalition*
- Temecula Valley Chamber of Commerce*
- Torrance Area Chamber of Commerce
- Tuolumne County Chamber of Commerce*
- United Chambers of Commerce of the San Fernando Valley*
- Valley Industry and Commerce Association*
- Victor Valley Chamber of Commerce*
- Walnut Creek Chamber of Commerce & Visitors Bureau*
- West Hollywood Chamber of Commerce*
- Westside Council of Chambers of Commerce*
- Whittier Area Chamber of Commerce*
- Wildomar Chamber of Commerce*
- Yorba Linda Chamber of Commerce*

Personal Endorsements - Title and/or organization name used for identification purposes only

- Mike Genest, Former Director, California Department of Finance*
- Tom Scott, State Executive Director, National Federation of Independent Business (NFIB)*

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KEEP A GOOD IDEA WORKING

- Whitney Ayers, Regional Vice President, Hospital Association of Southern California*
- Judy Baker, Board Member, Fairchild Medical Center*
- Meyer Bendavid (Woodland Hills)*
- John Comiskey (San Jose)*
- Donna Cozzalio, Board Member, Fairchild Medical Center*
- Arnold Daitch (Northridge)*
- Louis De Rouche, MD, Board Member, Fairchild Medical Center*
- Josan Feathers, Retired Civil Engineer (La Mesa)*
- Sheryl A. Garvey (Santee)*
- Charles H. Harrison, Chief Executive Officer, San Bernardino Mountains Community Hospital District*
- Carol Hayden, Board Member, Fairchild Medical Center*
- Erin Jacobs, Ph.D., Assistant Professor, Mount Saint Mary's University*
- Dwayne Jones, Secretary/Treasurer Board Vice-Chairman, Fairchild Medical Center*
- Vicki Kirschenbaum (Burbank)*
- Douglas Langford, DDS, Board Member, Fairchild Medical Center*
- Carole Lutness (Valencia)*
- Judy McEntire (Santee)*
- Constance Menzies (Los Angeles)*
- Darrin Mercier, Board Vice-Chairman, Fairfield Medical Center*
- Lawrence Mulloy, Chairman of the Board, Fairchild Medical Center*
- Steven Neal, Civic Engagement Advocate, Molina Healthcare*
- John P. Perez (Montebello)*
- James Quisenberry, Board Member, Fairchild Medical Center*
- Charlotte P. Reed (Lakeside)*
- Sharon Rogers (Los Angeles)*
- Diana Shaw (Santa Clarita)*
- Nick Shestople, Retired Engineer (Temecula)*
- Stephen David Simon, Director, Los Angeles City Department on Disability*
- Vina Swenson, MD, Pediatrician, Fairchild Medical Center*
- Shawn Terris, Financial Director, Palmer Drug and Alcohol Program*
- Igor Tregub (Berkeley)*
- Rebecca Unger (Joshua tree)*
- Vivian Yoshioka (Pomona)*

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AMENDED IN SENATE JANUARY 26, 2016

AMENDED IN SENATE JANUARY 4, 2016

SENATE BILL

No. 547

Introduced by Senator Liu
(Principal coauthor: Assembly Member Brown)

February 26, 2015

An act to add Division 121 (commencing with Section 152000) to the Health and Safety Code, relating to aging.

LEGISLATIVE COUNSEL'S DIGEST

SB 547, as amended, Liu. Aging and long-term care services, supports, and program coordination.

Existing law establishes the California Health and Human Services Agency consisting of the Departments of Aging, Child Support services, Community Services and Development, Developmental Services, Health Care Services, Managed Health Care, Public Health, Rehabilitation, Social Services, and State Hospitals.

Existing law sets forth legislative findings and declarations regarding long-term care services, including that consumers of those services experience great differences in service levels, eligibility criteria, and service availability that often result in inappropriate and expensive care that is not responsive to individual needs. Those findings and declarations also state that the laws governing long-term care facilities have established an uncoordinated array of long-term care services that are funded and administered by a state structure that lacks necessary integration and focus.

This bill, among other things, would create the Statewide Aging and Long-Term Care Services Coordinating Council, chaired by the Secretary of California Health and Human Services, and would consist

of the heads, or their designated representative, of specified departments and offices. The secretary would have specified responsibilities, including, but not limited to, leading the council in the development and implementation of a state aging and long-term care services strategic plan to address how the state will meet the needs of the aging population in the years 2020, 2025, and 2030. ~~The bill would also require the secretary to enter into a contract with the Regents of the University of California so that the council may either partner with the University of California, San Francisco, to operate, revise, and manage the CalQualityCare.org Internet Web site or acquire the rights to operate the CalQualityCare.org Internet Web site to function as a consumer-oriented portal that provides specified aging and long-term care information on a statewide basis. The bill would require the strategic plan to be submitted to the Secretary of the Senate, the Chief Clerk of the Assembly, and the chairs of specified policy and fiscal committees of the Legislature by July 1, 2018.~~

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. *The Legislature finds and declares all of the*
2 *following:*
- 3 (a) *The California Health and Human Services Agency consists*
4 *of the following departments: the California Department of Aging,*
5 *the Department of Community Services and Development, the State*
6 *Department of Developmental Services, the State Department of*
7 *Health Care Services, the Department of Managed Health Care,*
8 *the State Department of Public Health, the Department of*
9 *Rehabilitation, the State Department of Social Services, and the*
10 *State Department of State Hospitals.*
- 11 (b) *The agency also includes the Emergency Medical Services*
12 *Authority, the Office of Health Information Integrity, the Office of*
13 *Patient Advocate, the Office of Statewide Health Planning and*
14 *Development, the Office of Systems Integration, the Office of Law*
15 *Enforcement Support, and the State Council on Developmental*
16 *Disabilities.*
- 17 (c) *California baby boomers are turning 65 years of age at the*
18 *highest rate in the nation, and over 20 percent of California's*
19 *population will be 65 years of age or older by 2030.*

1 (d) Among persons 65 years of age and older, an estimated 70
2 percent will use long-term services and supports (LTSS).

3 (e) Persons who are 85 years of age or older are the fastest
4 growing segment of the United States population, and they are
5 four times more likely to need LTSS than persons who are 65 years
6 of age or older, but younger than 85 years of age.

7 (f) People are living longer, and the aging population is
8 increasingly diverse.

9 (g) A report by the Senate Select Committee on Aging and Long
10 Term Care on January 2015, called, "A Shattered System:
11 Reforming Long-Term Care in California. Envisioning and
12 Implementing an IDEAL Long-Term Care System in California,"
13 found that the state's system of 112 aging long-term care programs
14 administered by 20 agencies and departments is almost impossible
15 for consumers to navigate.

16 (h) Other deficiencies of the system include the lack of
17 person-centered care, poor transitions from hospital to home or
18 to other institutions, limited access to a range of services that
19 enable aging in place, deficiency of services and supports in rural
20 areas, limited cultural competency, skilled workforce shortages
21 across a range of disciplines, the lack of uniform data, the lack of
22 a universal assessment tool, and limited caregiver supports.

23 SECTION 1.

24 SEC. 2. Division 121 (commencing with Section 152000) is
25 added to the Health and Safety Code, to read:

26

27 DIVISION 121. AGING AND LONG-TERM CARE
28 SERVICES, SUPPORTS, AND PROGRAM COORDINATION

29

30 ~~152000. The Legislature finds and declares all of the following:~~

31 ~~(a) The California Health and Human Services Agency consists~~
32 ~~of the following departments: the California Department of Aging,~~
33 ~~the Department of Community Services and Development, the~~
34 ~~State Department of Developmental Services, the State Department~~
35 ~~of Health Care Services, the Department of Managed Health Care,~~
36 ~~the State Department of Public Health, the Department of~~
37 ~~Rehabilitation, the State Department of Social Services, and the~~
38 ~~State Department of State Hospitals.~~

39 ~~(b) The agency also includes the Emergency Medical Services~~
40 ~~Authority, the Office of Health Information Integrity, the Office~~

1 of Patient Advocate, the Office of Statewide Health Planning and
2 Development, the Office of Systems Integration, the Office of Law
3 Enforcement Support, and the State Council on Developmental
4 Disabilities.

5 (e) ~~California baby boomers are turning 65 years of age at the~~
6 ~~highest rate in the nation, and over 20 percent of California's~~
7 ~~population will be 65 years of age or older by 2030.~~

8 (d) ~~Among persons 65 years of age and older, an estimated 70~~
9 ~~percent will use long-term services and supports (LTSS).~~

10 (e) ~~Persons 85 years of age and older are the fastest growing~~
11 ~~segment of the United States population, and they are four times~~
12 ~~more likely to need LTSS than persons between 65 and 84 years~~
13 ~~of age.~~

14 (f) ~~People are living longer, and the aging population is~~
15 ~~increasingly diverse.~~

16 (g) ~~A report by the Senate Select Committee on Aging and Long~~
17 ~~Term Care on January 2015, called, "A Shattered System:~~
18 ~~Reforming Long-Term Care in California. Envisioning and~~
19 ~~Implementing an IDEAL Long-Term Care System in California,"~~
20 ~~found that the state's system of 112 aging long-term care programs~~
21 ~~administered by 20 agencies and departments is almost impossible~~
22 ~~for consumers to navigate.~~

23 (h) ~~Other deficiencies of the system include no person-centered~~
24 ~~care, poor transitions from hospital to home or to other institutions,~~
25 ~~limited access to a range of services that enable aging in place,~~
26 ~~deficiency of services and supports in rural areas, limited cultural~~
27 ~~competency, skilled workforce shortages across a range of~~
28 ~~disciplines, no uniform data, no universal assessment tool, and~~
29 ~~limited caregiver supports.~~

30 (i) ~~Also, the End of Life Option Act authorizes an adult, who~~
31 ~~meets certain qualifications and who has been determined by his~~
32 ~~or her attending physician to be suffering from a terminal disease,~~
33 ~~to make a request for a drug for the purpose of ending his or her~~
34 ~~life. Paragraph (5) of subdivision (i) of Section 443.1 states that~~
35 ~~an individual choosing the end-of-life option is required to be~~
36 ~~informed of "feasible alternatives or additional treatment~~
37 ~~opportunities, including, but not limited to, comfort care, hospice~~
38 ~~care, palliative care, and pain control." Better systemwide~~
39 ~~coordination of aging and long-term care services and supports is~~
40 ~~needed to ensure access to services and information, so individuals~~

1 ~~can plan for, access, and make informed decisions on end-of-life~~
2 ~~options:~~

3 ~~152001.~~

4 *152000.* The Secretary of California Health and Human
5 Services shall be responsible for all of the following:

6 (a) Inter- and intra-agency coordination of state aging and
7 long-term care services, supports, and programs.

8 (b) Ensuring efficient and effective use of state funds.

9 (c) Maximizing the drawdown, and the efficient and effective
10 use of federal funds.

11 ~~152002.~~

12 *152001.* There is hereby created a Statewide Aging and
13 Long-Term Care Services Coordinating Council, chaired by the
14 Secretary of California Health and Human Services, and consisting
15 of the heads, or their designated representative, of all of the
16 following:

17 (a) The California Department of Aging.

18 (b) The Department of Community Services and Development.

19 (c) The Department of Consumer Affairs.

20 (d) The Department of Food and Agriculture.

21 (e) The Department of Human Resources.

22 (f) The Department of Insurance.

23 (g) The Department of Justice.

24 (h) The Department of Motor Vehicles.

25 (i) The Department of Rehabilitation.

26 (j) The Department of Transportation.

27 (k) The Department of Veterans Affairs.

28 (l) The Emergency Medical Services Authority.

29 (m) The Employment Development Department.

30 (n) The Office of Health Information Integrity.

31 (o) The Office of Law Enforcement Support.

32 (p) The Office of Patient Advocate.

33 (q) The Office of Statewide Health Planning and Development.

34 (r) The Office of Systems Integration.

35 (s) The State Department of Developmental Services.

36 (t) The State Department of Health Care Services.

37 (u) The State Department of Public Health.

38 (v) The State Department of Social Services.

1 ~~152003.~~

2 152002. (a) The secretary shall lead the council in the
 3 development and implementation of a state aging and long-term
 4 care services strategic plan to address how the state will meet the
 5 needs of the aging population in the years 2020, 2025, and 2030.
 6 The strategic plan shall incorporate clear benchmarks and timelines
 7 for achieving the goals set forth in the strategic plan and be updated
 8 every five years, and a cost and benefit analysis for each goal or
 9 recommendation included in the plan. In developing the strategic
 10 plan, the council shall consult with all of the following:

11 (1) Experts, researchers, practitioners, service providers, and
 12 facility operators in the field of aging and long-term care.

13 (2) Consumer advocates and stakeholders, including the
 14 Olmstead Advisory Committee, the California Commission on
 15 Aging, ~~the area agency~~ *area agencies* on aging, the State Council
 16 on Developmental Disabilities, the California Foundation for
 17 Independent Living Centers, and the Milton Marks “Little Hoover”
 18 Commission on California State Government Organization and
 19 Economy.

20 (3) Rural and urban ~~communities~~ *communities*, in order to
 21 identify infrastructure capacity issues, the need for uniform access
 22 standards for home and community-based services, and
 23 mechanisms for supporting coordination of regional and local
 24 service access and delivery.

25 (4) The California Task Force on Family Caregiving, the
 26 findings and recommendations of which shall be incorporated into
 27 the strategic plan.

28 (b) Technical support for the development of the strategic plan
 29 shall be provided by the Office of Health Equity in the State
 30 Department of Public Health and by the California Department of
 31 Aging.

32 (c) The strategic plan shall address all of the following:

33 (1) Integration and coordination of services that support
 34 independent living, aging in place, social and civic engagement,
 35 and preventative care.

36 (2) Long-term care financing.

37 (3) Managed care expansion and continuum of care.

38 (4) Advanced planning for end-of-life care.

39 (5) Elder justice.

1 (6) Care guidelines for Alzheimer’s disease, dementia,
2 Amyotrophic Lateral Sclerosis (ALS), and other debilitating
3 diseases.

4 (7) Caregiver support.

5 (8) Data collection, consolidation, uniformity, analysis, and
6 access.

7 (9) Affordable housing.

8 (10) Mobility.

9 (11) Workforce.

10 (12) The alignment of state programs with the federal
11 Administration for Community Living.

12 (13) The potential for integration and coordination of aging and
13 long-term care services with services and supports for people with
14 disabilities.

15 (d) In developing the strategic plan, the council shall examine
16 model programs in various cities, counties, and states. The strategic
17 plan shall consider how to scale up local, regional, and state-level
18 best practices and innovations designed to overcome the challenges
19 related to long-term care services delivery.

20 (e) Notwithstanding Section 10231.5 of the Government Code,
21 the strategic plan shall be submitted to the Secretary of the Senate
22 and the Chief Clerk of the Assembly, to the appropriate chairs of
23 the policy committees of the Legislature with jurisdiction over any
24 aging and long-term care related issues, and to the chairs of the
25 fiscal committees of the Legislature by July 1, 2018, with updates
26 submitted by July 1, 2023, and by July 1, 2028: 2018.

27 (f) ~~Notwithstanding Section 10231.5 of the Government Code,
28 beginning on July 1, 2017, the secretary shall report on an annual
29 basis to the appropriate policy committees of the Legislature with
30 jurisdiction over any aging and long-term care related issues and
31 to the fiscal committees of the Legislature regarding the current
32 status of long-term care in the state, the level of state spending on
33 long-term care programs, federal funding received, progress in
34 developing and implementing the strategic plan as provided in this
35 section, and the statewide Internet Web site portal as provided in
36 Section 152004.~~

37 ~~152004. Notwithstanding Chapter 2 (commencing with Section
38 10290) and Chapter 3 (commencing with Section 12100) of Part
39 2 of Division 2 of the Public Contract Code, the secretary shall
40 enter into a contract with the Regents of the University of~~

1 California so that the council may either partner with the University
2 of California, San Francisco, to operate, revise, and manage the
3 CalQualityCare.org Internet Web site or acquire the rights to
4 operate the CalQualityCare.org Internet Web site to function as a
5 consumer oriented portal that provides all of the following
6 information on a statewide basis:

7 (a) Comprehensive, free, unbiased information on long-term
8 care services and supports, including licensed skilled nursing
9 facilities (freestanding and hospital-based), congregate living health
10 facilities, hospice, home health, assisted living, continuing care
11 retirement communities, adult day care, adult day health care, and
12 intermediate care for the developmentally disabled (ICF/DD).

13 (b) Depending on the availability and reliability of the data,
14 information within all of the following domains shall be provided:

15 (1) Provider characteristics, such as location, size, and
16 ownership.

17 (2) Ratings of skilled nursing facilities, home health, hospice,
18 and ICF/DD.

19 (3) Staffing, such as number and type.

20 (4) Quality of the facility, such as deficiencies and complaints.

21 (5) Quality of care, such as incidence of pressure ulcers and
22 infections.

23 (6) Cost and finances.

24 (c) The CalQualityCare.org Internet Web site shall include
25 information that assists the consumer to learn about options and
26 how to make decisions on long-term care services and supports,
27 advanced planning, and end-of-life options.

28 (d) By July 1, 2018, the secretary shall expand the
29 CalQualityCare.org Internet Web site to provide all of the
30 following:

31 (1) Information about long-term services and supports eligibility
32 and how to access long-term care services and supports.

33 (2) Internet links to reputable local resource portals, such as
34 county long-term care services and supports Internet Web sites.

35 (3) Internet links to reputable caregiver resources.

36 (4) Information on additional licensed providers, such as
37 nonmedical home care aides.

O

THIRD READING

Bill No: SB 547
Author: Liu (D), et al.
Amended: 1/26/16
Vote: 21

SENATE GOVERNMENTAL ORG. COMMITTEE: 8-3, 4/14/15
AYES: Hall, Block, Galgiani, Hernandez, Hill, Hueso, Lara, McGuire
NOES: Berryhill, Gaines, Vidak

SENATE HEALTH COMMITTEE: 6-0, 1/13/16
AYES: Hernandez, Nguyen, Monning, Nielsen, Roth, Wolk
NO VOTE RECORDED: Hall, Mitchell, Pan

SENATE APPROPRIATIONS COMMITTEE: 5-1, 1/21/16
AYES: Lara, Beall, Hill, Leyva, Mendoza
NOES: Nielsen
NO VOTE RECORDED: Bates

SUBJECT: Aging and long-term care services, supports, and program coordination

SOURCE: Author

DIGEST: This bill creates a Statewide Aging and Long-Term Care Services and Coordinating Council (Council), chaired by the Secretary of the California Health and Human Services Agency and requires the Council to develop a state aging and long-term care services strategic plan to address how California will meet the needs of the aging population in 2020, 2025, and 2030.

ANALYSIS:

Existing law:

- 1) Establishes the California Health and Human Services Agency (CHHS), an umbrella agency over the Departments of Aging, Child Support Services,

Community Services and Development, Developmental Services, Health Care Services, Managed Health Care, Public Health, Rehabilitation, Social Services, and State Hospitals.

- 2) Requires the Department of Public Health (DPH) to license and certify long-term care facilities to: administer the Alzheimer's Disease Program; California Arthritis Partnership Program; Preventive Health Care for Adults; Well-Integrated Screening and Evaluation for Women Across the Nation; California Colon Cancer Control Program; Acquired Immune Deficiency Syndrome Waiver; Home Health Aide Certification; Nursing Home Licensing and Certification; and, Community-Based Adult Services Facility Licensing and Certification.
- 3) Requires the Department of Health Care Services to administer Medi-Cal, through which the following programs operate: Community-Based Adult Services; Caregiver Resource Centers; Acquired Immune Deficiency Syndrome waiver; Home and Community-Based Services for the Developmentally Disabled; Assisted Living Waiver; California Community Transitions Project; California Partnership for Long-Term Care; Community Living Support Benefit waiver; Proving Access, Counseling and Treatment for Californians with Prostate Cancer, In-Home Operations waiver; Developmentally-Disabled/Continuous Nursing Care Program; Nursing Home/Acute Hospital waiver; Home Supportive Services Plus State Plan Option Program; Program of All-Inclusive Care for the Elderly; Senior Care Action Network Health Plan; State Plan Services, Medi-Cal Managed Care; Prescription Drug Discount Program for Medicare Recipients; and, Genetically Handicapped Persons Program.
- 4) Establishes the California Department of Aging (CDA) to administer programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the state.
- 5) Sets forth legislative findings and declarations regarding long-term care services, including that consumers of those services experience great differences in service levels, eligibility criteria, and service availability that often result in inappropriate and expensive care that is not responsive to individual needs.
- 6) Sets forth legislative findings and declarations stating that the laws governing long-term care facilities have established an uncoordinated array of long-term

care services that are funded and administered by a state structure that lacks necessary integration and focus.

- 7) Establishes, under federal law, the U.S. Administration for Community Living (ACL), bringing together the Administration on Aging, the Office on Disability and the Administration on Developmental Disabilities to: reduce fragmentation in Federal programs that address the community living service and support needs of aging and disabled populations; enhance access to quality health care and long-term supports and services (LTSS) for all individuals; and, promote consistency in community living policy across other areas of the federal government.

This bill:

- 1) Requires the Secretary of CHHS (Secretary) to be responsible for the inter- and intra-agency coordination of state aging and long-term care services, supports, and programs, ensuring efficient and effective use of state funds, and maximizing the drawdown, and the efficient and effective use of federal funds.
- 2) Creates a Statewide Aging and Long-Term Care Services and Coordinating Council (Council), chaired by the Secretary and consisting of the heads, or designees, representing 22 state departments.
- 3) Requires the Council to develop a state aging and long-term care services strategic plan to address how California will meet the needs of the aging population in 2020, 2025, and 2030. Requires the strategic plan to incorporate clear benchmarks and timelines for achieving the goals set forth in the strategic plan, and include a cost benefit analysis for each goal or recommendation included in the plan.
- 4) Requires consultation with specified experts, advocates and stakeholders in developing the strategic plan, and requires technical support to be provided by the Office of Health Equity in DPH and the CDA.
- 5) Requires the strategic plan to address all of the following:
 - a) Integration and coordination of services that support independent living, aging in place, social and civic engagement, and preventative care;
 - b) Long-term care financing;
 - c) Managed care expansion and continuum of care;

- d) Advanced planning for end-of-life care;
 - e) Elder justice;
 - f) Care guidelines for Alzheimer’s disease, dementia, Amyotrophic Lateral Sclerosis, and other debilitating diseases;
 - g) Caregiver support;
 - h) Data collection, consolidation, uniformity, analysis, and access;
 - i) Affordable housing;
 - j) Mobility;
 - k) Workforce;
 - l) The alignment of state programs with the federal ACL; and,
 - m) The potential for integration and coordination of aging and long-term care services with services and supports for people with disabilities.
- 6) Requires the Council to examine model programs and consider how to scale up local, regional, and state-level best practices and innovations to overcome long-term care services delivery.
- 7) Requires the strategic plan to be submitted to the specified committees of the Legislature by July 1, 2018.

Comments

1) *Author’s statement.* According to the author, “California’s population of residents 65 years old and older will grow from about 13% of the population in 2015 to almost 20 % of the population by 2030. The state is not prepared for this silver tsunami. The overwhelming conclusion the Senate Select Committee on Aging and Long Term Care drew from its research and public hearings in 2014 is that California’s aging and long term care system of services and supports is fragmented to the point of being almost impossible for consumers, caregivers, and providers to navigate. There are 112 aging and long term care programs spread over 20 state agencies and departments and very little coordination among them. We cannot change overnight, but change we must. California must begin now to organize our services and supports delivery system and plan our investments in long term care to maximize returns in the form of improved quality of life and cost savings to consumers and taxpayers before we are faced with an overwhelming crisis. It is time for California to commit to creating a rational system of supports and services that will meet the needs of aging and disabled adults. The costs of failure to the state and to society are too great for us not to act.”

- 2) *Select Committee on Aging and Long Term Care report.* The Select Committee on Aging and Long Term Care’s 2014 report, “A Shattered System: Reforming Long Term Care in California” (report) was the result of a comprehensive effort in 2014 to identify the structural, policy, and administrative changes necessary to realize an ideal long-term care delivery system and develop recommendations and a strategy to achieve that vision. One of the critical policy areas identified by the report was the fragmented long-term care system, with the report stating that California’s fragmented structure complicates comprehensive long-term care reform, and that in lieu of a cohesive strategic plan, California has instead adopted a piecemeal and reactive approach to change. To address this issue, the report recommended creating the Department of Community Living within CHHS, appointing an individual to lead the Department, and developing and implementing a long-term care strategic plan. The Little Hoover Commission Report from 2011 recommends that the Governor and Legislature should consolidate all long-term care programs and funding into a single long-term care entity within the CHHS.
- 3) *Existing Committees.* CHHS has two advisory bodies on long-term care, the Olmstead Advisory Committee and the Alzheimer’s Disease and Related Disorders Committee. The Olmstead Advisory Committee was established in 2005 in reaction to a 1999 ruling in which the United States Supreme Court held in *Olmstead v. L.C.* that unjustified segregation of persons with disabilities constitutes discrimination in violation of title II of the Americans with Disabilities Act. The federal government advised states that one way states could demonstrate compliance was to develop an Olmstead plan and stakeholder committee to address implementation of the plan’s goals and objectives. The committee, which meets quarterly, is led by the Secretary along with the Chair, and directors also participate from the Departments of Social Services, Aging, Health Care Services, Developmental Services, and Rehabilitation. There were also at least 30 non-government organizations with members represented on the committee as of January 2015. According to CHHS, the Alzheimer’s Disease and Related Disorders Committee was established in 1988 and continues to meet to provide ongoing advice, assistance, and planning support concerning the needs of persons with Alzheimer’s disease and related disorders.
- 4) *Existing long-term care strategic plans.* According to CHHS, California has a number of plans on long-term care. For example, in 2010, CHHS and the Alzheimer’s Association collaborated on California’s State Plan for Alzheimer’s disease: An Action Plan for 2011-2021. In addition to the

Olmstead plan and the State Plan for Alzheimer's Disease, a Centers for Medicare and Medicaid Services grant provided funding for a 2009 *California LTC Financing Study* that provided a review of the existing LTSS populations, Medi-Cal funding for services and supports and identified new strategies the state could consider to provide these services in a more cost effective way that also increased resources to support living more independently in the community. Also, SB 910 (Vasconcellos, Chapter 948, Statutes of 1999) required CHHS to develop a statewide strategic plan to address the impending demographic, economic, and social changes tied to California's increasingly diverse and rapidly growing aging population. Funding was provided to the University of California which produced a series of reports addressing the topics specified in SB 910.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- Likely ongoing costs of about \$300,000 per year for CHHS to coordinate state policy and support the new Council (General Fund). In order to coordinate programs and activities between various state agencies and provide ongoing staff support to the newly created Council, CHHS is likely to need additional staff positions.
- Likely one-time costs of about \$600,000 to develop the required strategic plan (General Fund). Given the breadth of issues facing an aging population and the complexity of the current system for providing services to senior citizens, it is likely that CHHS will need to dedicate a significant amount of staff time to performing the necessary research, facilitating the Council's deliberations, and drafting the required strategic plan.

SUPPORT: (Verified 1/26/16)

California Association of Area Agencies on Aging
California Commission on Aging

OPPOSITION: (Verified 1/26/16)

None received

ARGUMENTS IN SUPPORT: Writing in support of this bill, the California Association of Area Agencies on Aging (C4A) states that uncoordinated services for older adults and adults with disabilities have created barriers in services, and

that services need to be individualized to empower older adults to live independently in the community. C4A supports the notion to charge the Secretary with the responsibility to coordinate aging and long-term care services and to convene a coordinating council. The California Commission on Aging writes that silos and fragmentation have long impeded the delivery of services to the state's most frail and vulnerable adults. Through creation of the Council, this bill focuses the attention of 23 state departments and divisions on their shared role in meeting the needs of a growing population of older adults and persons with disabilities. The Council's development of an Aging and Long-Term Care Services Strategic Plan will spell out the steps to better organize and coordinate the administration and delivery of critical LTSS.

Prepared by: Teri Boughton / HEALTH /
1/26/16 16:39:29

****** END ******

AMENDED IN ASSEMBLY JANUARY 21, 2016

AMENDED IN ASSEMBLY APRIL 30, 2015

AMENDED IN ASSEMBLY APRIL 23, 2015

AMENDED IN ASSEMBLY APRIL 13, 2015

AMENDED IN ASSEMBLY MARCH 19, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 45

Introduced by Assembly Member Mullin

December 1, 2014

An act to add *and repeal* Article 3.4 (commencing with Section 47120) ~~to~~ of Chapter 1 of Part 7 of Division 30 of the Public Resources Code, relating to hazardous waste.

LEGISLATIVE COUNSEL'S DIGEST

AB 45, as amended, Mullin. Household hazardous waste.

The California Integrated Waste Management Act of 1989, which is administered by the Department of Resources Recycling and Recovery, requires, among other things, each city and each county to prepare a household hazardous waste element containing specified components, and to submit that element to the department for approval. Existing law requires the department to approve the element if the local agency demonstrates that it will comply with specified requirements. A city or county is required to submit an annual report to the department summarizing its progress in reducing solid waste, including an update of the jurisdiction's household hazardous waste element.

~~This bill would require each jurisdiction that provides for the residential collection and disposal of solid waste to increase the collection and diversion of household hazardous waste in its service area, on or before July 1, 2020, by 15% over a baseline amount, to be determined in accordance with department regulations. The bill would authorize the department to adopt a model ordinance for a comprehensive program for the collection of household hazardous waste to facilitate compliance with those provisions, and would require each jurisdiction to annually report to the department on progress achieved in complying with those provisions. By imposing new duties on local agencies, the bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

This bill would require the department to adopt one or more model ordinances for a comprehensive program for the collection of household hazardous waste and would authorize a local jurisdiction that provides for the residential collection and disposal of solid waste that proposes to enact an ordinance governing the collection and diversion of household hazardous waste to adopt one of the model ordinances adopted by the department. The bill would require the department to determine whether a nonprofit organization has been created and funded to make grants to local jurisdictions for specified purposes relating to household hazardous waste disposal and would specify that if the department does not determine that such a nonprofit organization exists by December 31, 2018, then the bill's provisions would be repealed on January 1, 2019.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: *yes-no*.

The people of the State of California do enact as follows:

- 1 SECTION 1. ~~(a)~~The Legislature finds and declares all of the
- 2 following:
- 3 ~~(1)~~
- 4 (a) Household hazardous waste is creating environmental,
- 5 health, and workplace safety issues. Whether due to unused
- 6 pharmaceuticals, batteries, medical devices, or other disposable

1 consumer items, effective and efficient disposal remains an
2 extraordinary challenge.

3 (2)

4 (b) State and local efforts to address disposal of these items
5 have been well intended and, in some cases, effective. However,
6 even the most effective programs have very low consumer
7 participation. Other approaches being promoted throughout the
8 state would fragment the collection of household hazardous waste
9 and move collection away from consumer convenience.

10 (3)

11 (c) In addition to other programs for the collection of household
12 hazardous waste, a number of cities in California are already using
13 curbside household hazardous waste collection programs,
14 door-to-door household hazardous waste collection programs, and
15 household hazardous waste residential pickup services as
16 mechanisms for collecting and disposing of many commonly used
17 household items for which disposal has been the subject of state
18 legislation ~~or~~ and local ordinances. The waste disposal companies
19 and local governments that have implemented these programs have
20 found them to be valuable components of a comprehensive
21 approach to the management of household hazardous waste.

22 (4)

23 (d) There is also an appropriate role for manufacturers and
24 distributors of these products in comprehensive efforts to more
25 effectively manage household hazardous waste. That role should
26 be based on the ability of manufacturers and distributors to
27 communicate with consumers.

28 ~~(b) It is the intent of the Legislature to enact legislation that
29 would establish curbside household hazardous waste collection
30 programs, door-to-door household hazardous waste collection
31 programs, and household hazardous waste residential pickup
32 services as the principal means of collecting household hazardous
33 waste and diverting it from California's landfills and waterways.~~

34 SEC. 2. Article 3.4 (commencing with Section 47120) is added
35 to Chapter 1 of Part 7 of Division 30 of the Public Resources Code,
36 to read:

1 Article 3.4. Household Hazardous Waste Collection and
2 Reduction

3
4 47120. For purposes of this article, the following terms have
5 the following meanings:

6 (a) “Comprehensive program for the collection of household
7 hazardous waste” means a local program that may include, but is
8 not limited to, the following components:

- 9 (1) Utilization of locally sponsored collection sites.
10 (2) Scheduled and publicly advertised ~~drop-off~~ *drop-off* days.
11 (3) Door-to-door collection programs.
12 (4) Mobile collection programs.
13 (5) Dissemination of information about how consumers should
14 dispose of the various types of household hazardous waste.

15 (6) Education programs to promote consumer understanding
16 and use of the local components of a comprehensive program.

17 (b) “Household hazardous waste” includes, but is not limited
18 to, the following:

19 (1) Automotive products, including, but not limited to,
20 antifreeze, batteries, brake fluid, motor oil, oil filters, fuels, wax,
21 and polish.

22 (2) Garden chemicals, including, but not limited to, fertilizers,
23 herbicides, insect sprays, pesticides, and weed killers.

24 (3) Household chemicals, including, but not limited to, ammonia,
25 cleaners, strippers, and rust removers.

26 (4) Paint products, including, but not limited to, paint, caulk,
27 glue, stripper, thinner, and wood preservatives and stain.

28 (5) Consumer electronics, including, but not limited to,
29 televisions, computers, laptops, monitors, keyboards, DVD and
30 CD players, VCRs, MP3 players, cell phones, desktop printers,
31 scanners, fax machines, ~~mouses~~, *computer mice*, microwaves, and
32 related cords.

33 (6) Swimming pool chemicals, including, but not limited to,
34 chlorine tablets and liquids, pool acids, and stabilizers.

35 (7) Household batteries. For purposes of this section, “household
36 batteries” means batteries that individually weigh two kilograms
37 or less of mercury, alkaline, carbon-zinc, or nickel-cadmium, and
38 any other batteries typically generated as household waste,
39 including, but not limited to, batteries used to provide power for
40 consumer electronic and personal goods often found in a household.

1 (8) Fluorescent tubes and compact ~~fluorescent~~ *fluorescent* lamps.

2 (9) Mercury-containing items, including, but not limited to,
3 thermometers, thermostats, and switches.

4 (10) Home-generated sharps waste, as defined in Section 117671
5 of the Health and Safety Code.

6 (11) Home-generated pharmaceutical waste. For purposes of
7 this section, “home-generated pharmaceutical waste” means a
8 prescription or nonprescription drug, as specified in Section 4022
9 or 4025.1 of the Business and Professions Code, that is a waste
10 generated by a household or households. “Home-generated
11 pharmaceutical waste” shall not include drugs for which producers
12 provide a take-back program as a part of a United States Food and
13 Drug ~~Administration managed~~ *Administration-managed* risk
14 evaluation and mitigation strategy pursuant to Section 355-1 of
15 Title 21 of the United States Code, or waste generated by a
16 business, corporation, limited partnership, or an entity involved
17 in a wholesale transaction between a distributor and a retailer.

18 ~~47121. (a) (1) On or before July 1, 2020, each jurisdiction~~
19 ~~shall increase its collection and diversion of household hazardous~~
20 ~~waste in its service area by 15 percent over its baseline amount,~~
21 ~~as established pursuant to subdivision (b).~~

22 ~~(2) Notwithstanding paragraph (1), a jurisdiction that has in~~
23 ~~place or adopts an ordinance implementing a comprehensive~~
24 ~~program for the collection of household hazardous waste shall~~
25 ~~have an additional two years to meet the collection and diversion~~
26 ~~objective in paragraph (1).~~

27 ~~(b) No later than July 1, 2016, each jurisdiction shall inform the~~
28 ~~department of its baseline amount of collection and diversion of~~
29 ~~hazardous waste in accordance with regulations adopted by the~~
30 ~~department. The baseline amount may be expressed in tonnage or~~
31 ~~by the number of households participating, and may focus on~~
32 ~~particular types of household hazardous waste.~~

33 ~~47122. (a) The department shall adopt regulations to implement~~
34 ~~this article.~~

35 ~~(b) The department may adopt a model ordinance for a~~
36 ~~comprehensive program for the collection of household hazardous~~
37 ~~waste to facilitate compliance with this article.~~

38 ~~47123. Commencing July 1, 2020, and annually thereafter,~~
39 ~~each jurisdiction shall report to the department on progress~~
40 ~~achieved in complying with this section. A jurisdiction shall make~~

1 a good faith effort to comply with this section, and the department
2 may determine whether a jurisdiction has made a good faith effort
3 for purposes of this program. To the maximum extent practicable,
4 it is the intent of the Legislature that reporting requirements under
5 this section be satisfied by submission of similar reports currently
6 required by law.

7 ~~47124. This article does not apply to a jurisdiction that does
8 not provide for the residential collection and disposal of solid
9 waste.~~

10 *47121. (a) The department, in consultation with affected
11 industries and stakeholders, shall adopt one or more model
12 ordinances for a comprehensive program for the collection of
13 household hazardous waste for adoption by any local jurisdiction
14 that provides for the residential collection and disposal of solid
15 waste.*

16 *(b) Upon adoption of the model ordinance or ordinances by the
17 department, the department shall notify the public by posting the
18 model ordinance or ordinances on the department's Internet Web
19 site.*

20 *(c) After the department posts the model ordinance or
21 ordinances on its Internet Web site, a local jurisdiction that
22 proposes to enact an ordinance governing the collection and
23 diversion of household hazardous waste may adopt one of the
24 department's model ordinances.*

25 *47122. (a) The department shall determine whether an
26 appropriate nonprofit organization has been created and funded
27 for the purpose of making grants to local governments to assist
28 with both of the following activities:*

29 *(1) Educating residents of communities on the existence of
30 household hazardous waste disposal programs and how to use
31 them.*

32 *(2) Defraying the cost of components of local government
33 household hazardous waste programs.*

34 *(b) In making the determination set forth in subdivision (a), the
35 department shall take all of the following into consideration:*

36 *(1) Whether the nonprofit organization has, at the time of the
37 determination, a minimum of five million dollars (\$5,000,000)
38 dedicated to grants to local governments for the purposes set forth
39 in subdivision (a).*

1 (2) Whether the nonprofit organization will have sufficient
2 funding to allocate grants to local governments throughout the
3 state for five years.

4 (3) Whether the composition of the nonprofit’s board of directors
5 is sufficiently diverse and experienced to appropriately consider
6 grant applications that will positively impact efforts to improve
7 disposal of household hazardous waste.

8 (4) Whether the nonprofit organization has appropriate criteria
9 for considering grant applications.

10 (c) Upon making a determination that an appropriate nonprofit
11 organization exists as set forth in subdivision (a), the department
12 shall post the fact that the department has made this determination
13 on the department’s Internet Web site.

14 47123. This article is applicable only to local jurisdictions that
15 provide for the residential collection and disposal of solid waste.

16 47124. If the department does not make the determination that
17 there exists an appropriate nonprofit organization, as specified in
18 subdivision (a) of Section 47122, by December 31, 2018, this
19 article shall be repealed on January 1, 2019.

20 ~~SEC. 3. No reimbursement is required by this act pursuant to~~
21 ~~Section 6 of Article XIII B of the California Constitution because~~
22 ~~a local agency or school district has the authority to levy service~~
23 ~~charges, fees, or assessments sufficient to pay for the program or~~
24 ~~level of service mandated by this act, within the meaning of Section~~
25 ~~17556 of the Government Code.~~

O

ASSEMBLY THIRD READING
 AB 45 (Mullin)
 As Amended January 21, 2016
 Majority vote

Committee	Votes	Ayes	Noes
Local Government	6-3	Gonzalez, Cooley, Gordon, Holden, Linder, Waldron	Maienschein, Alejo, Chiu
Environmental Safety	4-2	Alejo, Gonzalez, McCarty, Ting	Dahle, Gallagher
Appropriations	12-0	Gomez, Bloom, Bonilla, Bonta, Calderon, Daly, Eggman, Eduardo Garcia, Holden, Quirk, Weber, Wood	

SUMMARY: Requires the California Department of Resources Recycling and Recovery (CalRecycle) to adopt one or more model ordinances for a comprehensive program for the collection of household hazardous waste (HHW), and allows a local jurisdiction to adopt one of the model ordinances. Specifically, **this bill:**

- 1) Requires CalRecycle, in consultation with affected industries and stakeholders, to adopt one or more model ordinances for a comprehensive program for the collection of HHW for adoption by any local jurisdiction that provides for the residential collection and disposal of solid waste.
- 2) Requires CalRecycle, upon adoption of the model ordinance or ordinances, to notify the public by posting the ordinances on their Internet Web site.
- 3) Allows, after CalRecycle complies with the posting requirements in 2) above, a local jurisdiction that proposes to enact an ordinance governing the collection and diversion of HHW to adopt one of the model ordinances.
- 4) Requires CalRecycle to determine whether an appropriate nonprofit organization has been created and funded for the purpose of making grants to local governments to assist with both of the following activities:
 - a) Educate residents of communities on the existence of HHW disposal programs and how to use them; and,
 - b) Defray the cost of components of local government HHW programs.
- 5) Requires CalRecycle, in making the determination in 4) above, to consider the following:
 - a) If the nonprofit organization has, at the time of the determination, a minimum of \$5 million dedicated to grants to local governments for the purposes described in 4) above.
 - b) If the nonprofit organization will have sufficient funding to allocate grants to local governments throughout the state for five years;

- c) If the composition of the nonprofit's board of directors is sufficiently diverse and experienced to appropriately consider grant applications that will positively impact efforts to improve the disposal of HHW; and,
 - d) If the nonprofit organization has appropriate criteria for considering grant applications.
- 6) Provides that this bill is applicable only to local jurisdictions that provide for the residential collection and disposal of solid waste.
- 7) Repeals the provisions of this bill on January 1, 2019, if CalRecycle does not make the determination that an appropriate nonprofit organization exists, as specified in 4) and 5) above, by December 31, 2018.
- 8) Defines the following terms:
- a) "Comprehensive program for the collection of HHW" to mean a local program that may include, but is not limited to, the following components:
 - i) Utilization of locally sponsored collection sites;
 - ii) Scheduled and publicly advertised drop off days;
 - iii) Door-to-door collection programs;
 - iv) Mobile collection programs;
 - v) Dissemination of information about how consumers should dispose of the various types of HHW; and,
 - vi) Education programs to promote consumer understanding and use of the local components of a comprehensive program.
 - b) "HHW" includes, but is not limited to, the following:
 - i) Automotive products, including, but not limited to, antifreeze, batteries, brake fluid, motor oil, oil filters, fuels, wax, and polish;
 - ii) Garden chemicals, including, but not limited to, fertilizers, herbicides, insect spray, pesticides, and weed killers;
 - iii) Household chemicals, including, but not limited to, ammonia, cleaners, strippers, and rust removers;
 - iv) Paint products, including, but not limited to, paint, caulk, glue, stripper, thinner, and wood preservatives and stain;
 - v) Consumer electronics, including, but not limited to, televisions, computers, laptops, monitors, keyboards, DVD and CD players, VCRs, MP3 players, cell phones, desktop printers, scanners, fax machines, computer mice, microwaves, and related cords;

- vi) Swimming pool chemicals, including, but not limited to, chlorine tablets and liquids, pool acids, and stabilizers;
 - vii) Household batteries, defined as batteries that individually weigh two kilograms or less of mercury, alkaline, carbon-zinc, or nickel-cadmium, and any other batteries typically generated as household waste, including, but not limited to, batteries used to provide power for consumer electronic and personal goods often found in a household;
 - viii) Fluorescent tubes and compact fluorescent lamps;
 - ix) Mercury-containing items, including, but not limited to, thermometers, thermostats, and switches;
 - x) Home-generated sharps waste, as defined in existing law; and,
 - xi) Home-generated pharmaceutical waste, defined as a prescription or nonprescription drug, as specified, that is a waste generated by a household or households. "Home-generated pharmaceutical waste" shall not include drugs for which producers provide a take-back program as a part of a United States Food and Drug Administration managed risk evaluation and mitigation strategy pursuant to Section 355-1 of Title 21 of the United States Code, or waste generated by a business, corporation, limited partnership, or an entity involved in a wholesale transaction between a distributor and a retailer.
- 9) Makes a number of findings and declarations.

EXISTING LAW:

- 1) Requires cities and counties to prepare, adopt, and submit to CalRecycle an HHW Element plan which identifies a program for the safe collection, recycling, treatment, and disposal of hazardous wastes that are generated by households within the jurisdiction and provides a specific time frame for achieving these objectives.
- 2) Requires, under the California Integrated Waste Management Act of 1989, each city or county to divert 50% of solid waste from landfill disposal or transformation on and after January 1, 2000. Establishes a statewide policy goal that not less than 75% of solid waste be source reduced, recycled, or composted on and after January 1, 2020.
- 3) Requires CalRecycle and the Department of Toxic Substance Control (DTSC) to jointly maintain a database of all HHW collection events, facilities, and programs within the state and make that information available to the public upon request.
- 4) Requires the California Integrated Waste Management Board to coordinate with DTSC to develop and implement a public information program to provide uniform and consistent information on the proper disposal of hazardous substances found in and around homes, and to assist the efforts of counties required to provide HHW collection, recycling, and disposal programs.

- 5) Requires CalRecycle, upon appropriation by the Legislature, to distribute grants to cities, counties, or other local agencies with the responsibility for solid waste management, and for local programs to help prevent the disposal of hazardous wastes at disposal sites, which include but are not limited to programs that expand or implement HHW programs.

FISCAL EFFECT: According to the Assembly Appropriations Committee, this bill contains increased annual costs to CalRecycle in the range of \$200,000 to \$300,000 (special fund).

COMMENTS:

- 1) **Bill Summary.** This bill requires CalRecycle, in consultation with affected industries, to adopt one or more model ordinances for a comprehensive program for the collection of HHW for adoption by a local jurisdiction that provides for the residential collection and disposal of solid waste. Local jurisdictions proposing to enact an ordinance to govern the collection and diversion of HHW may adopt one of the model ordinances after CalRecycle has posted the model ordinances on its Web site. Additionally, this bill requires CalRecycle to determine if an appropriate nonprofit organization has been created and funded to make grants to local governments for specified activities relating to HHW programs. This bill requires CalRecycle to consider a list of factors in making the determination about the nonprofit organization. The provisions of this bill will be repealed on January 1, 2019, if CalRecycle does not make the determination that an appropriate nonprofit organization exists by December 31, 2018. This bill is an author-sponsored measure.
- 2) **Background on HHW.** HHW is hazardous waste commonly generated by households and includes such ubiquitous items as batteries, pesticides, electronics, fluorescent lamps, used oil, solvents, and cleaners. If these products are handled or disposed of incorrectly, they can pose a threat to health and safety and the environment. When these products are discarded, they become "household hazardous waste." In California, it is illegal to dispose of HHW in the trash, down the drain, or by abandonment. HHW needs to be disposed of through a HHW program.

Cities and counties are required to prepare, adopt, and submit to CalRecycle, a HHW Management Element Plan, which identifies a program for the safe collection, recycling, treatment, and disposal of HHW. The Element Plan specifies how HHW generated within the jurisdiction must be collected, treated, and disposed. Each jurisdiction is required to prepare and implement plans to reduce and safely collect, recycle, treat, and dispose of HHW and provides a specific time frame for achieving these objectives. While there are many different approaches for the collection and management of HHW, all are permitted by DTSC and most are operated by local jurisdictions. Some private operators operate programs under contract with local jurisdictions, including curbside and door-to-door collection.

- 3) **Author's Statement.** According to the author, "State law has loosely regulated HHWs for approximately 25 years. AB 45 aims to coordinate with affected industries like local governments, producers of HHW products, and CalRecycle to adopt model ordinances for a comprehensive program for the collection of HHW. Local governments have the option to choose whether or not to use the model ordinances listed by CalRecycle. In addition, CalRecycle will determine whether or not an appropriate nonprofit organization has been created and funded for the purpose of making grants to local governments. This non-profit will be created to assist in educating residents about HHW disposal programs and how to use them. In addition, the Department will ensure that product manufacturers contribute a

minimum of five million dollars to the non-profit for defraying the cost of components of local government HHW programs."

- 4) **Related Legislation.** AB 2371 (Mullin) of 2014, as heard by the Assembly Local Government Committee, would have required each jurisdiction, no later than January 1, 2016, to review its HHW Element to determine its effectiveness in the collection, recycling, treatment, and disposal of HHW, and would have required CalRecycle, on or before January 1, 2017, to submit a report to the Legislature that analyzes the effectiveness of the state's HHW management system. AB 2371 was later amended to deal with a different subject matter.

AB 1159 (Gordon) of 2015 would have established a limited-term product stewardship program for home-generated medical sharps and household batteries. AB 1159 was held in the Assembly Appropriations Committee.

- 5) **Policy Considerations.** The Legislature may wish to consider the following:

- a) **Nonprofit Organization.** This bill is contingent on a determination made by CalRecycle on whether an appropriate nonprofit organization has been created and funded for the purpose of making grants to local governments. Under this bill, CalRecycle is required to consider a list of factors in making this determination, which includes whether the nonprofit organization has \$5 million and if the nonprofit organization has sufficient funding to allocate to local governments for five years. The Legislature may wish to consider that, while CalRecycle must consider certain factors, there are no requirements in this bill to require that a specified amount of funding is distributed.

The California State Association of Counties (CSAC), opposed unless amended, argues that "there is a lack of criteria, specific qualifications, or process as to how these non-profits would operate. The bill arbitrarily identifies the amount of five million dollars as a sufficient amount for grants to local governments. HHW management is a very expensive process as those toxic products require very specific handling. We question how this number was deemed sufficient."

In a letter to the author, the Advanced Medical Technology Association, Biotechnology Industry Organization, Consumer Healthcare Products Association, and the Pharmaceutical Research and Manufacturers of America state "the undersigned associations commit that following the enactment of AB 45 in a form that our member companies believe will ensure a strong commitment by local government to a comprehensive state-wide approach to disposal of (HHW), we will facilitate the establishment and funding of an appropriate non-profit entity dedicated to providing education to California consumers about the appropriate handling and disposal of our industries' products. This entity, which we propose to be funded by the industry participants represented by the signatories of this letter, as well as other impacted groups, would be funded at the amount of \$5 million over a 5-year period."

- b) **Current Programs and Definitions.** The Legislature may wish to consider how current programs and definitions pertaining to the management of HHW will interact with the provisions in this bill.

- i) **Grant Funding.** CSAC states, "CalRecycle currently runs a HHW grant program. There are no findings in the bill indicating why such a move could, or would be an improvement over the current system."
- ii) **HHW Element Plan.** According to CSAC, "jurisdictions across the state have developed comprehensive ordinances to collect and manage HHW, each tailored to the needs of their respective community. We question the need for a general HHW model ordinance when locals are required to have them in place already. In addition, there is little guidance within the legislation to indicate the types of ordinances that might be developed."
- iii) **Definitions.** CSAC argues that "the bill includes a new, broader definition of HHW, which includes home-generated pharmaceutical waste, such as prescription or non-prescription drugs. This would ban the disposal of these drugs without a comprehensive plan in place to collect this material. We believe that a specific collection model is necessary for these types of materials, as a typical local collection event, or curbside program is not appropriate for dangerous substances. CSAC supports a product stewardship model for pharmaceutical waste, which incentivizes the industries that profit from these products to have a significant stake in their proper management and disposal."
- iv) **Shared Responsibility.** Product Stewardship and Extended Producer Responsibility (EPR) refers to a policy model that includes manufacturers in the end-of-life management for products that they produce. The California Product Stewardship Council states that EPR is a strategy to place a shared responsibility for end-of-life product management on all entities involved in the product chain, instead of the local governments and taxpayers, while encouraging product design changes that minimize a negative impact on human health and the environment at every stage of a product's lifecycle."

CSAC argues that "the role of industry, or other stakeholder participation outlined in the bill lacks critical detail."

- 6) **Arguments in Support.** Supporters argue that industry is considering approaches that would support consumer education and local governments in the implementation of comprehensive programs with the goal to increase compliance with the State's goals of diverting HHW from the waste stream. Supporters believe such approaches complement this bill's intent to build on the residential collection system to ensure consumer convenience and enhance participation rates without mandates on local governments.
- 7) **Arguments in Opposition.** Santa Barbara County, in opposition, states "We believe that retailers and manufacturers should participate in the end-of-life management of the products they put on the market. We are disappointed that AB 45 moves away from this shared responsibility approach and instead continues to make local jurisdictions solely responsible for collecting HHW. The recent amendments mention a non-profit organization that will provide grants to jurisdictions for HHW programs, but we are not clear how this non-profit organization will be formed or how the funds will be generated."

ASSEMBLY BILL

No. 1591

Introduced by Assembly Member Frazier

January 6, 2016

An act to add Sections 14526.7 and 16321 to the Government Code, to amend Section 39719 of the Health and Safety Code, to amend Sections 7360 and 60050 of the Revenue and Taxation Code, to amend Sections 2192 and 2192.1 of, to add Section 2192.4 to, and to add Chapter 2 (commencing with Section 2030) to Division 3 of, the Streets and Highways Code, and to add Sections 9250.3, 9250.6, and 9400.5 to the Vehicle Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1591, as introduced, Frazier. Transportation funding.

(1) Existing law provides various sources of funding for transportation purposes, including funding for the state highway system and the local street and road system. These funding sources include, among others, fuel excise taxes, commercial vehicle weight fees, local transactions and use taxes, and federal funds. Existing law imposes certain registration fees on vehicles, with revenues from these fees deposited in the Motor Vehicle Account and used to fund the Department of Motor Vehicles and the Department of the California Highway Patrol. Existing law provides for the monthly transfer of excess balances in the Motor Vehicle Account to the State Highway Account.

This bill would create the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. The bill would require the California Transportation Commission to adopt performance criteria

to ensure efficient use of the funds available for the program. The bill would provide for the deposit of various funds for the program in the Road Maintenance and Rehabilitation Account, which the bill would create in the State Transportation Fund, including revenues attributable to a \$0.225 per gallon increase in the motor vehicle fuel (gasoline) tax imposed by the bill, including an inflation adjustment as provided, an increase of \$38 in the annual vehicle registration fee, and a new \$165 annual vehicle registration fee applicable to zero-emission motor vehicles, as defined.

The bill would continuously appropriate the funds in the account for road maintenance and rehabilitation purposes and would allocate 5% of available funds to counties that approve a transactions and use tax on or after July 1, 2016, with the remaining funds to be allocated 50% for maintenance of the state highway system or to the state highway operation and protection program, and 50% to cities and counties pursuant to a specified formula. The bill would impose various requirements on agencies receiving these funds. The bill would authorize a city or county to spend its apportionment of funds under the program on transportation priorities other than those allowable pursuant to the program if the city's or county's average Pavement Condition Index meets or exceeds 85.

(2) Existing law provides for loans of revenues from various transportation funds and accounts to the General Fund, with various repayment dates specified.

This bill would require the Department of Finance, on or before March 1, 2016, to compute the amount of outstanding loans made from specified transportation funds. The bill would require the Department of Transportation to prepare a loan repayment schedule and would require the outstanding loans to be repaid pursuant to that schedule to the accounts from which the loans were made, as prescribed. The bill would appropriate funds for that purpose from the Budget Stabilization Account. The bill would require the repaid funds to be transferred to cities and counties pursuant to a specified formula.

(3) The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) created the Trade Corridors Improvement Fund and provided for allocation by the California Transportation Commission of \$2 billion in bond funds for infrastructure improvements on highway and rail corridors that have a high volume of freight movement, and specified categories of projects eligible to receive these funds. Existing law continues the Trade Corridors

Improvement Fund in existence in order to receive revenues from sources other than the bond act for these purposes.

The bill would deposit the revenues attributable to a \$0.30 per gallon increase in the diesel fuel excise tax imposed by the bill into the Trade Corridors Improvement Fund.

Existing law specifies projects eligible for funding from the Trade Corridors Improvement Fund, including, among other things, projects for truck corridor improvements, including dedicated truck facilities, or truck toll facilities.

This bill would include truck parking among the truck corridor capital improvements eligible to be funded and would authorize the expenditure of moneys in the fund for certain system efficiency improvements, including the development, demonstration, and deployment of promising Intelligent Transportation System applications. The bill would require the California Transportation Commission, in evaluating potential projects to be funded from the fund, to give priority to projects demonstrating one or more of certain characteristics.

(4) Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund. Existing law, to the extent moneys are transferred to the Trade Corridors Improvement Fund from the Greenhouse Gas Reduction Fund, requires projects funded with those moneys to be subject to all of the requirements of existing law applicable to the expenditure of moneys appropriated from the Greenhouse Gas Reduction Fund, including, among other things, furthering the regulatory purposes of the California Global Warming Solutions Act of 2006. Existing law continuously appropriates 10% of the annual proceeds of the fund to the Transit and Intercity Rail Capital Program.

This bill would, beginning in the 2016–17 fiscal year, instead continuously appropriate 20% of those annual proceeds to the Transit and Intercity Rail Capital Program, thereby making an appropriation, and, transfer 20% of those annual proceeds to the Trade Corridors Improvement Fund.

(5) Existing law, as of July 1, 2011, increases the sales and use tax on diesel and decreases the excise tax, as provided. Existing law requires the State Board of Equalization to annually modify both the gasoline and diesel excise tax rates on a going-forward basis so that the various changes in the taxes imposed on gasoline and diesel are revenue neutral.

This bill would eliminate the annual rate adjustment to maintain revenue neutrality for the gasoline and diesel excise tax rates. This bill would, beginning July 1, 2019, and every 3rd year thereafter, require the board to recompute the gasoline and diesel excise tax rates based upon the percentage change in the California Consumer Price Index transmitted to the board by the Department of Finance, as prescribed.

(6) Existing law requires the Department of Transportation to prepare a state highway operation and protection program every other year for the expenditure of transportation capital improvement funds for projects that are necessary to preserve and protect the state highway system, excluding projects that add new traffic lanes. The program is required to be based on an asset management plan, as specified. Existing law requires the department to specify, for each project in the program, the capital and support budget and projected delivery date for various components of the project. Existing law provides for the California Transportation Commission to review and adopt the program, and authorizes the commission to decline and adopt the program if it determines that the program is not sufficiently consistent with the asset management plan.

This bill, on and after February 1, 2017, would require the commission to make an allocation of all capital and support costs for each project in the program, and would require the department to submit a supplemental project allocation request to the commission for each project that experiences cost increases above the amounts in its allocation. The bill would require the commission to establish guidelines to provide exceptions to the requirement for a supplemental project allocation requirement that the commission determines are necessary to ensure that projects are not unnecessarily delayed.

(7) Existing law imposes weight fees on the registration of commercial motor vehicles and provides for the deposit of net weight fee revenues into the State Highway Account. Existing law provides for the transfer of certain weight fee revenues from the State Highway Account to the Transportation Debt Service Fund to reimburse the General Fund for payment of debt service on general obligation bonds issued for transportation purposes. Existing law also provides for the transfer of certain weight fee revenues to the Transportation Bond Direct Payment Account for direct payment of debt service on designated bonds, which are defined to be certain transportation general obligation bonds issued pursuant to Proposition 1B of 2006. Existing law also provides for loans of weight fee revenues to the General Fund to the

extent the revenues are not needed for bond debt service purposes, with the loans to be repaid when the revenues are later needed for those purposes, as specified.

This bill, notwithstanding these provisions or any other law, would prohibit weight fee revenues from being transferred from the State Highway Account to the Transportation Debt Service Fund, the Transportation Bond Direct Payment Account, or any other fund or account for the purpose of payment of the debt service on transportation general obligation bonds, and would also prohibit loans of weight fee revenues to the General Fund.

(8) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Over the next 10 years, the state faces a \$59 billion shortfall
- 4 to adequately maintain the existing state highway system, in order
- 5 to keep it in a basic state of good repair.
- 6 (b) Similarly, cities and counties face a \$78 billion shortfall
- 7 over the next decade to adequately maintain the existing network
- 8 of local streets and roads.
- 9 (c) Statewide taxes and fees dedicated to the maintenance of
- 10 the system have not been increased in more than 20 years, with
- 11 those revenues losing more than 55 percent of their purchasing
- 12 power, while costs to maintain the system have steadily increased
- 13 and much of the underlying infrastructure has aged past its expected
- 14 useful life.
- 15 (d) California motorists are spending \$17 billion annually in
- 16 extra maintenance and car repair bills, which is more than \$700
- 17 per driver, due to the state's poorly maintained roads.
- 18 (e) Failing to act now to address this growing problem means
- 19 that more drastic measures will be required to maintain our system
- 20 in the future, essentially passing the burden on to future generations
- 21 instead of doing our job today.

1 (f) A funding program will help address a portion of the
2 maintenance backlog on the state’s road system and will stop the
3 growth of the problem.

4 (g) Modestly increasing various fees can spread the cost of road
5 repairs broadly to all users and beneficiaries of the road network
6 without overburdening any one group.

7 (h) Improving the condition of the state’s road system will have
8 a positive impact on the economy as it lowers the transportation
9 costs of doing business, reduces congestion impacts for employees,
10 and protects property values in the state.

11 (i) The federal government estimates that increased spending
12 on infrastructure creates more than 13,000 jobs per \$1 billion spent.

13 (j) Well-maintained roads benefit all users, not just drivers, as
14 roads are used for all modes of transport, whether motor vehicles,
15 transit, bicycles, or pedestrians.

16 (k) Well-maintained roads additionally provide significant health
17 benefits and prevent injuries and death due to crashes caused by
18 poorly maintained infrastructure.

19 (l) A comprehensive, reasonable transportation funding package
20 will do all of the following:

- 21 (1) Ensure these transportation needs are addressed.
- 22 (2) Fairly distribute the economic impact of increased funding.
- 23 (3) Restore the gas tax rate previously reduced by the State
24 Board of Equalization pursuant to the gas tax swap.
- 25 (4) Direct increased revenue to the state’s highest transportation
26 needs.

27 SEC. 2. Section 14526.7 is added to the Government Code, to
28 read:

29 14526.7. (a) On and after February 1, 2017, an allocation by
30 the commission of all capital and support costs for each project in
31 the state highway operation and protection program shall be
32 required.

33 (b) For a project that experiences increases in capital or support
34 costs above the amounts in the commission’s allocation pursuant
35 to subdivision (a), a supplemental project allocation request shall
36 be submitted by the department to the commission for approval.

37 (c) The commission shall establish guidelines to provide
38 exceptions to the requirement of subdivision (b) that the
39 commission determines are necessary to ensure that projects are
40 not unnecessarily delayed.

1 SEC. 3. Section 16321 is added to the Government Code, to
2 read:

3 16321. (a) Notwithstanding any other law, on or before March
4 1, 2016, the Department of Finance shall compute the amount of
5 outstanding loans made from the State Highway Account, the
6 Motor Vehicle Fuel Account, the Highway Users Tax Account,
7 and the Motor Vehicle Account to the General Fund. The
8 department shall prepare a loan repayment schedule, pursuant to
9 which the outstanding loans shall be repaid to the accounts from
10 which the loans were made, as follows:

11 (1) On or before June 30, 2016, 50 percent of the outstanding
12 loan amounts.

13 (2) On or before June 30, 2017, 50 percent of the outstanding
14 loan amounts.

15 (b) Notwithstanding any other provision of law, as the loans are
16 repaid pursuant to this section, the repaid funds shall be transferred
17 to cities and counties pursuant to subparagraph (C) of paragraph
18 (3) of subdivision (a) of Section 2103 of the Streets and Highways
19 Code.

20 (c) Funds for loan repayments pursuant to this section are hereby
21 appropriated from the Budget Stabilization Account pursuant to
22 subclause (II) of clause (ii) of subparagraph (B) of paragraph (1)
23 of subdivision (c) of Section 20 of Article XVI of the California
24 Constitution.

25 SEC. 4. Section 39719 of the Health and Safety Code is
26 amended to read:

27 39719. (a) The Legislature shall appropriate the annual
28 proceeds of the fund for the purpose of reducing greenhouse gas
29 emissions in this state in accordance with the requirements of
30 Section 39712.

31 (b) To carry out a portion of the requirements of subdivision
32 (a), annual proceeds are continuously appropriated for the
33 following:

34 (1) Beginning in the ~~2015-16~~ 2016-17 fiscal year, and
35 notwithstanding Section 13340 of the Government Code, ~~35~~ 45
36 percent of annual proceeds are continuously appropriated, without
37 regard to fiscal years, for transit, affordable housing, and
38 sustainable communities programs as following:

39 (A) ~~Ten~~ Twenty percent of the annual proceeds of the fund is
40 hereby continuously appropriated to the Transportation Agency

1 for the Transit and Intercity Rail Capital Program created by Part
2 2 (commencing with Section 75220) of Division 44 of the Public
3 Resources Code.

4 (B) Five percent of the annual proceeds of the fund is hereby
5 continuously appropriated to the Low Carbon Transit Operations
6 Program created by Part 3 (commencing with Section 75230) of
7 Division 44 of the Public Resources Code. ~~Funds~~ *Moneys* shall be
8 allocated by the Controller, according to requirements of the
9 program, and pursuant to the distribution formula in subdivision
10 (b) or (c) of Section 99312 of, and Sections 99313 and 99314 of,
11 the Public Utilities Code.

12 (C) Twenty percent of the annual proceeds of the fund is hereby
13 continuously appropriated to the Strategic Growth Council for the
14 Affordable Housing and Sustainable Communities Program created
15 by Part 1 (commencing with Section 75200) of Division 44 of the
16 Public Resources Code. Of the amount appropriated in this
17 subparagraph, no less than 10 percent of the annual ~~proceeds~~;
18 *proceeds* shall be expended for affordable housing, consistent with
19 the provisions of that program.

20 (2) Beginning in the 2015–16 fiscal year, notwithstanding
21 Section 13340 of the Government Code, 25 percent of the annual
22 proceeds of the fund is hereby continuously appropriated to the
23 High-Speed Rail Authority for the following components of the
24 initial operating segment and Phase I Blended System as described
25 in the 2012 business plan adopted pursuant to Section 185033 of
26 the Public Utilities Code:

- 27 (A) Acquisition and construction costs of the project.
- 28 (B) Environmental review and design costs of the project.
- 29 (C) Other capital costs of the project.
- 30 (D) Repayment of any loans made to the authority to fund the
31 project.

32 (3) *Beginning in the 2016–17 fiscal year, 20 percent of the*
33 *annual proceeds of the fund shall be transferred to the Trade*
34 *Corridors Improvement Fund, continued in existence pursuant to*
35 *Section 2192 of the Streets and Highways Code.*

36 (c) In determining the amount of annual proceeds of the fund
37 for purposes of the calculation in subdivision (b), the funds subject
38 to Section 39719.1 shall not be included.

39 SEC. 5. Section 7360 of the Revenue and Taxation Code is
40 amended to read:

1 7360. (a) (1) (A) A tax of eighteen cents (\$0.18) is hereby
2 imposed upon each gallon of fuel subject to the tax in Sections
3 7362, 7363, and 7364.

4 (B) *In addition to the tax imposed pursuant to subparagraph*
5 *(A), on and after the first day of the first calendar quarter that*
6 *occurs 90 days after the effective date of the act adding this*
7 *subparagraph, a tax of twenty-two and one-half cents (\$0.225) is*
8 *hereby imposed upon each gallon of fuel, other than aviation*
9 *gasoline, subject to the tax in Sections 7362, 7363, and 7364.*

10 (2) If the federal fuel tax is reduced below the rate of nine cents
11 (\$0.09) per gallon and federal financial allocations to this state for
12 highway and exclusive public mass transit guideway purposes are
13 reduced or eliminated correspondingly, the tax rate imposed by
14 *subparagraph (A) of paragraph (1), on and after the date of the*
15 *reduction, shall be recalculated by an amount so that the combined*
16 *state rate under subparagraph (A) of paragraph (1) and the federal*
17 *tax rate per gallon equal twenty-seven cents (\$0.27).*

18 (3) If any person or entity is exempt or partially exempt from
19 the federal fuel tax at the time of a reduction, the person or entity
20 shall continue to be so exempt under this section.

21 (b) ~~(1)~~ On and after July 1, 2010, in addition to the tax imposed
22 by subdivision (a), a tax is hereby imposed upon each gallon of
23 motor vehicle fuel, other than aviation gasoline, subject to the tax
24 in Sections 7362, 7363, and 7364 in an amount equal to seventeen
25 and three-tenths cents (\$0.173) per gallon.

26 ~~(2) For the 2011-12 fiscal year,~~

27 ~~(c) Beginning July 1, 2019, and each fiscal every third year~~
28 ~~thereafter, the board shall, on or before March 1 State Board of~~
29 ~~the fiscal year immediately preceding the applicable fiscal year,~~
30 ~~adjust the rate in paragraph (1) in that manner as to generate an~~
31 ~~amount Equalization shall recompute the rates of revenue that~~
32 ~~will equal the amount of revenue loss attributable to the exemption~~
33 ~~provided taxes imposed by Section 6357.7, based on estimates~~
34 ~~made by the board, and that rate this section. That computation~~
35 ~~shall be effective during the state's next fiscal year. made as~~
36 ~~follows:~~

37 ~~(3) In order to maintain revenue neutrality for each year,~~
38 ~~beginning with the rate adjustment on or before March 1, 2012,~~
39 ~~the adjustment under paragraph (2) shall also take into account the~~
40 ~~extent to which the actual amount~~

1 ~~(1) The Department of revenues derived pursuant Finance shall~~
 2 ~~transmit to this subdivision and, as applicable, Section 7361.1, the~~
 3 ~~revenue loss attributable to State Board of Equalization the~~
 4 ~~exemption provided by Section 6357.7 resulted percentage change~~
 5 ~~in a net revenue gain or loss the California Consumer Price Index~~
 6 ~~for the fiscal year ending all items from November of three~~
 7 ~~calendar years prior to November of the rate adjustment date on~~
 8 ~~or before March 1, prior calendar year, no later than January 31,~~
 9 ~~2019, and January 31 of every third year thereafter.~~

10 (2) *The State Board of Equalization shall do all of the following:*

11 (A) *Compute an inflation adjustment factor by adding 100*
 12 *percent to the percentage change figure that is furnished pursuant*
 13 *to paragraph (1) and dividing the result by 100.*

14 ~~(4) The intent of paragraphs (2) and (3) is to ensure that the act~~
 15 ~~adding this subdivision~~

16 (B) *Multiply the preceding tax rate per gallon by the inflation*
 17 *adjustment factor determined in subparagraph (A) and Section*
 18 ~~6357.7 does not produce a net revenue gain in state taxes. round~~
 19 ~~off the resulting product to the nearest tenth of a cent.~~

20 (C) *Make its determination of the new rate no later than March*
 21 *1 of the same year as the effective date of the new rate.*

22 SEC. 6. Section 60050 of the Revenue and Taxation Code is
 23 amended to read:

24 60050. (a) (1) A tax of ~~eighteen~~ *thirteen* cents ~~(\$0.18)~~ *(\$0.13)*
 25 is hereby imposed upon each gallon of diesel fuel subject to the
 26 tax in Sections 60051, 60052, and 60058.

27 (2) If the federal fuel tax is reduced below the rate of fifteen
 28 cents (\$0.15) per gallon and federal financial allocations to this
 29 state for highway and exclusive public mass transit guideway
 30 purposes are reduced or eliminated correspondingly, the tax rate
 31 imposed by paragraph ~~(1), including any reduction or adjustment~~
 32 ~~pursuant to subdivision (b), on and after the date of the reduction,~~
 33 *(1)* shall be increased by an amount so that the combined state rate
 34 under paragraph (1) and the federal tax rate per gallon equal what
 35 it would have been in the absence of the federal reduction.

36 (3) If any person or entity is exempt or partially exempt from
 37 the federal fuel tax at the time of a reduction, the person or entity
 38 shall continue to be exempt under this section.

39 (b) ~~(1) On July 1, 2011, In addition to the tax rate specified in~~
 40 ~~paragraph (1) of subdivision (a) shall be reduced to thirteen cents~~

1 ~~(\$0.13) and every July 1 thereafter shall be adjusted pursuant to~~
2 ~~paragraphs (2) and (3): imposed pursuant to subdivision (a), on~~
3 ~~and after the first day of the first calendar quarter that occurs 90~~
4 ~~days after the effective date of the act amending this subdivision~~
5 ~~in the 2015–16 Regular Session, an additional tax of thirty cents~~
6 ~~(\$0.30) is hereby imposed upon each gallon of diesel fuel subject~~
7 ~~to the tax in Sections 60051, 60052, and 60058.~~

8 ~~(2) For the 2012–13 fiscal year and each fiscal year thereafter,~~
9 ~~the board shall, on or before March 1 of the fiscal year immediately~~
10 ~~preceding the applicable fiscal year, adjust the rate reduction in~~
11 ~~paragraph (1) in that manner as to result in a revenue loss~~
12 ~~attributable to paragraph (1) that will equal the amount of revenue~~
13 ~~gain attributable to Sections 6051.8 and 6201.8, based on estimates~~
14 ~~made by the board, and that rate shall be effective during the state’s~~
15 ~~next fiscal year.~~

16 ~~(c) Beginning July 1, 2019, and every third year thereafter, the~~
17 ~~State Board of Equalization shall recompute the rates of the taxes~~
18 ~~imposed by this section. That computation shall be made as~~
19 ~~follows:~~

20 ~~(3) In order to maintain revenue neutrality for each year,~~
21 ~~beginning with the rate adjustment on or before March 1, 2013,~~
22 ~~the adjustment under paragraph (2) shall take into account the~~
23 ~~extent to which the actual amount~~

24 ~~(1) The Department of revenues derived pursuant Finance shall~~
25 ~~transmit to Sections 6051.8 and 6201.8 and the revenue loss~~
26 ~~attributable to this subdivision resulted State Board of Equalization~~
27 ~~the percentage change in a net revenue gain or loss the California~~
28 ~~Consumer Price Index for the fiscal year ending all items from~~
29 ~~November of three calendar years prior to November of the rate~~
30 ~~adjustment date on or before March 1, prior calendar year, no~~
31 ~~later than January 31, 2019, and January 31 of every third year~~
32 ~~thereafter.~~

33 ~~(2) The State Board of Equalization shall do both of the~~
34 ~~following:~~

35 ~~(A) Compute an inflation adjustment factor by adding 100~~
36 ~~percent to the percentage change figure that is furnished pursuant~~
37 ~~to paragraph (1) and dividing the result by 100.~~

38 ~~(4) The intent of paragraphs (2) and (3) is to ensure that the act~~
39 ~~adding this subdivision~~

1 (B) Multiply the preceding tax rate per gallon by the inflation
2 adjustment factor determined in subparagraph (A) and Sections
3 6051.8 and 6201.8 does not produce a net revenue gain in state
4 taxes. round off the resulting product to the nearest tenth of a cent.

5 (C) Make its determination of the new rate no later than March
6 1 of the same year as the effective date of the new rate.

7 SEC. 7. Chapter 2 (commencing with Section 2030) is added
8 to Division 3 of the Streets and Highways Code, to read:

9

10 CHAPTER 2. ROAD MAINTENANCE AND REHABILITATION
11 PROGRAM
12

13 2030. (a) The Road Maintenance and Rehabilitation Program
14 is hereby created to address deferred maintenance on the state
15 highway system and the local street and road system. Funds made
16 available by the program shall be prioritized for expenditure on
17 basic road maintenance and road rehabilitation projects, and on
18 critical safety projects. The California Transportation Commission
19 shall adopt performance criteria to ensure efficient use of the funds
20 available pursuant to this chapter for the program.

21 (b) Funds made available by the program shall be used for
22 projects that include, but are not limited to, the following:

- 23 (1) Road maintenance and rehabilitation.
- 24 (2) Safety projects.
- 25 (3) Railroad grade separations.
- 26 (4) Active transportation and pedestrian and bicycle safety
27 projects in conjunction with any other allowable project.

28 (c) To the extent possible, the department and cities and counties
29 receiving an apportionment of funds under the program shall use
30 advanced technologies and material recycling techniques that
31 reduce the cost of maintaining and rehabilitating the streets and
32 highways.

33 2031. The following revenues shall be deposited in the Road
34 Maintenance and Rehabilitation Account, which is hereby created
35 in the State Transportation Fund:

36 (a) Notwithstanding subdivision (b) of Section 2103, the
37 revenues attributable to the increase in the motor vehicle fuel excise
38 tax by twenty-two and one-half cents (\$0.225) per gallon pursuant
39 to subdivision (a) of Section 7360 of the Revenue and Taxation
40 Code, as adjusted pursuant to subdivision (c) of that section.

1 (b) The revenues from the increase in the vehicle registration
2 fee pursuant to Section 9250.3 of the Vehicle Code.

3 (c) The revenues from the increase in the vehicle registration
4 fee pursuant to Section 9250.6 of the Vehicle Code.

5 (d) Any other revenues designated for the program.

6 2031.5. Each fiscal year the annual Budget Act shall contain
7 an appropriation from the Road Maintenance and Rehabilitation
8 Account to the Controller for the costs of carrying out his or her
9 duties pursuant to this chapter and to the California Transportation
10 Commission for the costs of carrying out its duties pursuant to this
11 chapter and Section 14526.7 of the Government Code.

12 2032. (a) After deducting the amounts appropriated in the
13 annual Budget Act as provided in Section 2031.5, 5 percent of the
14 remaining revenues deposited in the Road Maintenance and
15 Rehabilitation Account shall be set aside for counties in which
16 voters approve, on or after July 1, 2016, a transactions and use tax
17 for transportation purposes, and which counties did not, prior to
18 that approval, impose a transactions and use tax for those purposes.
19 The funds available under this subdivision in each fiscal year are
20 hereby continuously appropriated for allocation to each eligible
21 county and each city in the county for road maintenance and
22 rehabilitation purposes. However, funds remaining unallocated
23 under this subdivision in any fiscal year shall be reallocated on
24 the last day of the fiscal year pursuant to subdivision (b).

25 (b) The balance of the revenues deposited in the Road
26 Maintenance and Rehabilitation Account, including the revenues
27 reallocated for the purposes of this subdivision pursuant to
28 subdivision (a), are hereby continuously appropriated as follows:

29 (1) Fifty percent for allocation to the department for maintenance
30 of the state highway system or for purposes of the state highway
31 operation and protection program.

32 (2) Fifty percent for apportionment to cities and counties by the
33 Controller pursuant to the formula in subparagraph (C) of
34 paragraph (3) of subdivision (a) of Section 2103 for the purposes
35 authorized by this chapter.

36 2034. (a) Funds made available to a city or county under the
37 program shall be used for improvements to transportation facilities
38 that will assist in reducing further deterioration of the existing road
39 system. These improvements may include, but need not be limited
40 to, pavement maintenance, rehabilitation, installation, construction,

1 and reconstruction of necessary associated facilities such as
2 drainage and traffic control devices, or safety projects to reduce
3 fatalities.

4 (b) Funds made available under the program may also be used
5 for the following purposes:

6 (1) To satisfy the local match requirement in order to obtain
7 state or federal transportation funds for similar purposes.

8 (2) Active transportation and pedestrian and bicycle safety
9 projects in conjunction with any other allowable project.

10 2036. (a) Cities and counties shall maintain their existing
11 commitment of local funds for street, road, and highway purposes
12 in order to remain eligible for an allocation or apportionment of
13 funds pursuant to Section 2032.

14 (b) In order to receive an allocation or apportionment pursuant
15 to Section 2032, the city or county shall annually expend from its
16 general fund for street, road, and highway purposes an amount not
17 less than the annual average of its expenditures from its general
18 fund during the 2009–10, 2010–11, and 2011–12 fiscal years, as
19 reported to the Controller pursuant to Section 2151. For purposes
20 of this subdivision, in calculating a city’s or county’s annual
21 general fund expenditures and its average general fund expenditures
22 for the 2009–10, 2010–11, and 2011–12 fiscal years, any
23 unrestricted funds that the city or county may expend at its
24 discretion, including vehicle in-lieu tax revenues and revenues
25 from fines and forfeitures, expended for street, road, and highway
26 purposes shall be considered expenditures from the general fund.
27 One-time allocations that have been expended for street and
28 highway purposes, but which may not be available on an ongoing
29 basis, including revenue provided under the Teeter Plan Bond Law
30 of 1994 (Chapter 6.6 (commencing with Section 54773) of Part 1
31 of Division 2 of Title 5 of the Government Code), may not be
32 considered when calculating a city’s or county’s annual general
33 fund expenditures.

34 (c) For any city incorporated after July 1, 2009, the Controller
35 shall calculate an annual average expenditure for the period
36 between July 1, 2009, and December 31, 2015, inclusive, that the
37 city was incorporated.

38 (d) For purposes of subdivision (b), the Controller may request
39 fiscal data from cities and counties in addition to data provided
40 pursuant to Section 2151, for the 2009–10, 2010–11, and 2011–12

1 fiscal years. Each city and county shall furnish the data to the
2 Controller not later than 120 days after receiving the request. The
3 Controller may withhold payment to cities and counties that do
4 not comply with the request for information or that provide
5 incomplete data.

6 (e) The Controller may perform audits to ensure compliance
7 with subdivision (b) when deemed necessary. Any city or county
8 that has not complied with subdivision (b) shall reimburse the state
9 for the funds it received during that fiscal year. Any funds withheld
10 or returned as a result of a failure to comply with subdivision (b)
11 shall be reapportioned to the other counties and cities whose
12 expenditures are in compliance.

13 (f) If a city or county fails to comply with the requirements of
14 subdivision (b) in a particular fiscal year, the city or county may
15 expend during that fiscal year and the following fiscal year a total
16 amount that is not less than the total amount required to be
17 expended for those fiscal years for purposes of complying with
18 subdivision (b).

19 2037. A city or county may spend its apportionment of funds
20 under the program on transportation priorities other than those
21 allowable pursuant to this chapter if the city's or county's average
22 Pavement Condition Index meets or exceeds 85.

23 SEC. 8. Section 2192 of the Streets and Highways Code is
24 amended to read:

25 2192. (a) The Trade Corridors Improvement Fund, created
26 pursuant to subdivision (c) of Section 8879.23 of the Government
27 Code, is hereby continued in existence to receive revenues from
28 sources other than the Highway Safety, Traffic Reduction, Air
29 Quality, and Port Security Bond Act of 2006. This chapter shall
30 govern expenditure of those other revenues.

31 (b) The moneys in the fund from those other sources shall be
32 available upon appropriation for allocation by the California
33 Transportation Commission for infrastructure improvements in
34 this state on federally designated Trade Corridors of National and
35 Regional Significance, on the Primary Freight Network, and along
36 other corridors that have a high volume of freight movement, as
37 determined by the commission. In determining the projects eligible
38 for funding, the commission shall consult the Transportation
39 Agency's state freight ~~plan~~ *plan*, as described in Section 13978.8
40 of the Government ~~Code~~, the ~~State Air Resources Board's~~

1 ~~Sustainable Freight Strategy adopted by Resolution 14-2, and the~~
 2 ~~trade infrastructure and goods movement plan submitted to the~~
 3 ~~commission by the Secretary of Transportation and the Secretary~~
 4 ~~for Environmental Protection. Code.~~ The commission shall also
 5 consult trade infrastructure and goods movement plans adopted
 6 by regional transportation planning agencies, adopted regional
 7 transportation plans required by state and federal law, and ~~the~~
 8 ~~statewide port master plan prepared by the California Marine and~~
 9 ~~Intermodal Transportation System Advisory Council~~
 10 ~~(Cal-MITSAC) pursuant to Section 1730 of the Harbors and~~
 11 ~~Navigation Code, plans, when determining eligible projects for~~
 12 ~~funding. Eligible projects for these funds include, but are not~~
 13 ~~limited to, all of the following:~~

14 (1) Highway capacity improvements and operational
 15 improvements to more efficiently accommodate the movement of
 16 freight, particularly for ingress and egress to and from the state's
 17 land ports of entry and seaports, including navigable inland
 18 waterways used to transport freight between seaports, land ports
 19 of entry, and airports, and to relieve traffic congestion along major
 20 trade or goods movement corridors.

21 (2) Freight rail system improvements to enhance the ability to
 22 move goods from seaports, land ports of entry, and airports to
 23 warehousing and distribution centers throughout California,
 24 including projects that separate rail lines from highway or local
 25 road traffic, improve freight rail mobility through mountainous
 26 regions, relocate rail switching yards, and other projects that
 27 improve the efficiency and capacity of the rail freight system.

28 (3) Projects to enhance the capacity and efficiency of ports.

29 (4) Truck corridor *capital* improvements, including dedicated
 30 ~~truck facilities~~ *facilities, truck parking, or truck toll facilities.*

31 (5) Border access improvements that enhance goods movement
 32 between California and Mexico and that maximize the state's
 33 ability to access coordinated border infrastructure funds made
 34 available to the state by federal law.

35 (6) Surface transportation and connector road improvements to
 36 effectively facilitate the movement of goods, particularly for
 37 ingress and egress to and from the state's land ports of entry,
 38 airports, and seaports, to relieve traffic congestion along major
 39 trade or goods movement corridors.

1 (7) *System efficiency improvements, including the development,*
2 *demonstration, and deployment of promising Intelligent*
3 *Transportation System (ITS) applications that integrate data from*
4 *multiple sources to provide freight real-time traveler information,*
5 *freight dynamic route guidance, optimization of drayage*
6 *operations, or a combination of these.*

7 (c) (1) The commission shall allocate funds for trade
8 infrastructure improvements from the fund consistent with Section
9 8879.52 of the Government Code and the Trade Corridors
10 Improvement Fund (TCIF) Guidelines adopted by the commission
11 on November 27, 2007, or as amended by the ~~commission, and in~~
12 ~~a manner that (A) addresses the state's most urgent needs, (B)~~
13 ~~balances the demands of various land ports of entry, seaports, and~~
14 ~~airports, (C) provides reasonable geographic balance between the~~
15 ~~state's regions, and (D) places emphasis on projects that improve~~
16 ~~trade corridor mobility while reducing emissions of diesel~~
17 ~~particulate and other pollutant emissions.~~ *commission. In evaluating*
18 *a potential project to be funded pursuant to this section, the*
19 *commission shall give priority to those projects demonstrating*
20 *one or more of the following characteristics:*

21 (A) *Addresses the state's most urgent needs.*

22 (B) *Balances the demands of various land ports of entry,*
23 *seaports, and airports.*

24 (C) *Provides reasonable geographic balance between the state's*
25 *regions.*

26 (D) *Leverages additional public and private funding.*

27 (E) *Provides regional benefits with a focus on collaboration*
28 *between multiple entities.*

29 (F) *Provides the potential for cobenefits or multiple-benefit*
30 *attributes.*

31 (G) *Improves trade corridor mobility while reducing emissions*
32 *of diesel particulate and other pollutant emissions.*

33 (2) In addition, the commission shall also consider the following
34 factors when allocating these funds:

35 (A) "Velocity," which means the speed by which large cargo
36 would travel from the land port of entry or seaport through the
37 distribution system.

38 (B) "Throughput," which means the volume of cargo that would
39 move from the land port of entry or seaport through the distribution
40 system.

1 (C) “Reliability,” which means a reasonably consistent and
2 predictable amount of time for cargo to travel from one point to
3 another on any given day or at any given time in California.

4 (D) “Congestion reduction,” which means the reduction in
5 recurrent daily hours of delay to be achieved.

6 SEC. 9. Section 2192.1 of the Streets and Highways Code is
7 amended to read:

8 2192.1. (a) To the extent moneys from the Greenhouse Gas
9 Reduction Fund, attributable to the auction or sale of allowances
10 as part of a market-based compliance mechanism relative to
11 reduction of greenhouse gas emissions, are transferred to the Trade
12 Corridors Improvement Fund, projects funded with those moneys
13 shall be subject to all of the requirements of existing law applicable
14 to the expenditure of moneys appropriated from the Greenhouse
15 Gas Reduction Fund, including, but not limited to, ~~both~~ all of the
16 following:

17 (1) Projects shall further the regulatory purposes of the
18 California Global Warming Solutions Act of 2006 (Division 25.5
19 (commencing with Section 38500) of the Health and Safety Code),
20 including reducing emissions from greenhouse gases in the state,
21 directing public and private investment toward disadvantaged
22 communities, increasing the diversity of energy sources, or creating
23 opportunities for businesses, public agencies, nonprofits, and other
24 community institutions to participate in and benefit from statewide
25 efforts to reduce emissions of greenhouse gases.

26 (2) Projects shall be consistent with the guidance developed by
27 the State Air Resources Board pursuant to Section 39715 of the
28 Health and Safety Code.

29 (3) *Projects shall be consistent with the required benefits to*
30 *disadvantaged communities pursuant to Section 39713 of the*
31 *Health and Safety Code.*

32 (b) All allocations of funds made by the commission pursuant
33 to this section shall be made in a manner consistent with the criteria
34 expressed in Section 39712 of the Health and Safety Code and
35 with the investment plan developed by the Department of Finance
36 pursuant to Section 39716 of the Health and Safety Code.

37 SEC. 10. Section 2192.4 is added to the Streets and Highways
38 Code, to read:

39 2192.4. Notwithstanding subdivision (b) of Section 2103, the
40 portion of the revenues in the Highway Users Tax Account

1 attributable to the increase in the tax rate on diesel fuel by thirty
2 cents (\$0.30) per gallon pursuant to subdivision (b) of Section
3 60050 of the Revenue and Taxation Code, and as adjusted pursuant
4 to subdivision (c) of that section, shall be deposited in the Trade
5 Corridors Improvement Fund.

6 SEC. 11. Section 9250.3 is added to the Vehicle Code, to read:

7 9250.3. (a) In addition to any other fees specified in this code,
8 or the Revenue and Taxation Code, commencing 120 days after
9 the effective date of the act adding this section, a registration fee
10 of thirty-eight dollars (\$38) shall be paid to the department for
11 registration or renewal of registration of every vehicle subject to
12 registration under this code, except those vehicles that are expressly
13 exempted under this code from payment of registration fees.

14 (b) Revenues from the fee, after deduction of the department's
15 administrative costs related to this section, shall be deposited in
16 the Road Maintenance and Rehabilitation Account created pursuant
17 to Section 2031 of the Streets and Highways Code.

18 SEC. 12. Section 9250.6 is added to the Vehicle Code, to read:

19 9250.6. (a) In addition to any other fees specified in this code,
20 or the Revenue and Taxation Code, commencing 120 days after
21 the effective date of the act adding this section, a registration fee
22 of one hundred and sixty-five dollars (\$165) shall be paid to the
23 department for registration or renewal of registration of every
24 zero-emission motor vehicle subject to registration under this code,
25 except those motor vehicles that are expressly exempted under
26 this code from payment of registration fees.

27 (b) Revenues from the fee, after deduction of the department's
28 administrative costs related to this section, shall be deposited in
29 the Road Maintenance and Rehabilitation Account created pursuant
30 to Section 2031 of the Streets and Highways Code.

31 (c) This section does not apply to a commercial motor vehicle
32 subject to Section 9400.1.

33 (d) For purposes of this section, "zero-emission motor vehicle"
34 means a motor vehicle as described in subdivisions (c) and (d) of
35 Section 44258 of the Health and Safety Code, or any other motor
36 vehicle that is able to operate on any fuel other than gasoline or
37 diesel fuel.

38 SEC. 13. Section 9400.5 is added to the Vehicle Code, to read:

39 9400.5. Notwithstanding Sections 9400.1, 9400.4, and 42205
40 of this code, Sections 16773 and 16965 of the Government Code,

1 Section 2103 of the Streets and Highways Code, or any other law,
2 weight fee revenues shall not be transferred from the State Highway
3 Account to the Transportation Debt Service Fund, the
4 Transportation Bond Direct Payment Account, or any other fund
5 or account for the purpose of payment of the debt service on
6 transportation general obligation bonds, and shall not be loaned
7 to the General Fund.

8 SEC. 14. This act is an urgency statute necessary for the
9 immediate preservation of the public peace, health, or safety within
10 the meaning of Article IV of the Constitution and shall go into
11 immediate effect. The facts constituting the necessity are:

12 In order to provide additional funding for road maintenance and
13 rehabilitation purposes as quickly as possible, it is necessary for
14 this act to take effect immediately.

O