

Date of Hearing: April 16, 2018

ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

AB 2418 (Mullin) – As Amended April 9, 2018

SUBJECT: Transportation: emerging transportation technologies: California Smart Cities Challenge Grant Program

SUMMARY: Establishes a municipal grant program for encouraging entities to consider how emerging transportation technologies can serve city and county transportation system needs. Specifically, **this bill:**

- 1) Establishes the California Smart City Challenge Grant Program (Program) to enable municipalities to compete for grant funding for emerging technologies to serve their transportation system needs.
- 2) States that this program is intended to encourage municipalities to incorporate advanced data and intelligent transportation system technologies and applications into their transportation planning efforts in order to accomplish a number of goals, including:
 - a) Reducing congestion;
 - b) Keeping travelers safe;
 - c) Meeting environmental and climate change goals;
 - d) Enhancing mobility;
 - e) Connecting underserved communities;
 - f) Supporting economic vitality;
 - g) Attracting private investment; and,
 - h) Spurring innovation.
- 3) Requires the California Transportation Commission (CTC), on or before July 1, 2019, to form the California Smart City Challenge Workgroup to provide CTC with guidance on program matters including, but not limited to:
 - a) The development of, and subsequent revisions to, program guidelines;
 - b) Schedules and procedures;
 - c) Project selection criteria; and,
 - d) Performance measures and evaluations.

- 4) Provides that the California Smart City Challenge Workgroup may include, but is not limited to, representatives of local governmental agencies, local transportation organizations, and the University of California's Institute of Transportation Studies.
- 5) Requires CTC, on or before March 1, 2020, to develop guidelines for the Program in consultation with the California Smart City Challenge Workgroup following at least two public hearings.
- 6) Provides that implementation of the Program is contingent upon an appropriation by the Legislature of funding for the grants.

EXISTING LAW:

- 1) Requires CTC to advise and assist the Secretary of Transportation and the Legislature in formulating and evaluating state policies and plans for California's transportation programs.
- 2) Assigns CTC the responsibility of administering, overseeing, and allocating funding to projects in various state transportation programs, including formula-driven programs dedicated to capital expansion and highway maintenance, as well as competitive programs for active transportation, congested corridor relief, and freight mobility.
- 3) Requires CTC to develop guidelines for its various programs through a public input process.

FISCAL EFFECT: Unknown

COMMENTS: In December 2015, the U.S. Department of Transportation launched its Smart City Challenge, asking mid-sized cities across America to develop ideas for an integrated, first-of-its-kind smart transportation system that would use data, applications, and technology to help people and goods move more quickly, cheaply, and efficiently. The challenge generated an overwhelming response: 78 applicant cities shared the challenges they face and ideas for how to tackle them. This program incentivized local jurisdictions to work with technology companies and consider solutions beyond the traditional transportation paradigm. While only a select few of these entities ended up winning the grants, all applicants benefited from the experience.

In CTC's 2017 Annual Report to the Legislature, it recommended that the Legislature accelerate the testing and adoption of advanced technologies in California cities and counties through a pilot program in which municipalities compete for grant funding for these purposes. CTC argues that dedicating a small sum to the grant program will encourage numerous localities to actively consider how technology might help address their transportation challenges. The tangential benefits of encouraging communities to consider the incoming transportation changes and challenges could far outweigh the cost of administering the program. For example, while the federal program committed \$40 million to its nationwide program, cities leveraged an additional \$500 million in private and public funding to help make the various Smart City visions real.

The author states that this bill provides an incentive at the state level for municipalities in California to plan for and incorporate emerging technologies into their transportation systems.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

Analysis Prepared by: Eric Thronson / TRANS. / (916) 319-2093