

Date of Hearing: June 29, 2015

ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

SB 231 (Gaines) – As Amended June 2, 2015

SENATE VOTE: 36-0

SUBJECT: Transportation programs.

SUMMARY: Clarifies that water-borne transit projects (e.g., commuter ferries) are eligible for certain cap-and-trade funding.

- 1) Adds water-borne transit to the list of projects eligible for funding under the Affordable Housing and Sustainable Communities Program (AHSCP).
- 2) Clarifies that new or expanded water-borne transit projects are eligible for funding under the Low Carbon Transit Operations Program (LCTOP).
- 3) Makes related, technical amendments.

EXISTING LAW:

- 1) Requires all cap-and-trade proceeds, except for fines and penalties, collected by the State Air Resources Board be deposited in the Greenhouse Gas Reduction Fund (GGRF).
- 2) Continuously appropriates, 5% of the GGRF for LCTOP and 20% for AHSCP.

FISCAL EFFECT: Unknown

COMMENTS: The 2014-15 budget agreement established AHSCP under the Strategic Growth Council to provide grants to local agencies for projects to reduce greenhouse gas (GHG) emissions through land use, housing, transportation, and agricultural land preservation. Eligible projects include infill housing development, transit projects to support ridership, and active transportation projects. The 2014-15 budget agreement provides for a continuous appropriation of 20% of cap-and-trade funds to AHSCP beginning in 2015-16.

The 2014-15 budget agreement also established LCTOP under the California State Transportation Agency. This program provides operating and capital assistance to transit agencies to reduce GHG emissions and improve mobility. Eligible projects include expanded, new, or enhanced transit services; conversion or retrofit of transit vehicles and equipment to zero-emission; expanded intermodal transit facilities; and infrastructure to support zero-emission or plug-in hybrid vehicles. The 2014-15 budget agreement provides for a continuous appropriation of 5% of cap-and-trade funds to LCTOP beginning in 2015-16.

The author has introduced SB 231 to assist the Tahoe Transportation District (TTD). The Lake Tahoe Basin has a resident population of approximately 55,000 but the area's transportation system serves an additional 6.5 million annual visitors because Lake Tahoe is such a popular recreation destination. The Tahoe Basin is governed by the Tahoe Regional Planning Agency (TRPA), a bi-state regional planning agency established in the late 1960's in response to strong

development pressures in the region. TRPA is directed by the Bi-State Compact (Compact) that, among other things, imposed obligations on TRPA to reduce its dependency on automobiles by making more effective use of existing transportation modes and public transit. To accomplish this directive, TTD, established within the TRPA, has embarked on a project to provide a major new north-south transit effort. Specifically, the project calls for a year-round ferry service between South Lake Tahoe and Tahoe City (North Lake Tahoe) via high-speed ferry. As proposed, the ferry service would make approximately eight trips per day carrying 120 passengers per trip and is expected to significantly reduce vehicle trips (both commuter and recreational travel) and improve local air quality as well as the lake's clarity. Project costs are estimated at \$33 million with annual operating costs of \$3.4 million. TTD anticipates that state and federal monies will be used to pay capital costs of the project and that federal grant monies will be used to cover the nearly \$3 million in annual operating expenses.

To allow TTD to qualify for a greater range of project funding, the author has introduced SB 231 which clarifies that water-borne transit systems, including but not necessarily limited to TTD's proposed ferry service, are eligible for funding using cap-and-trade monies available through AHSCP and LCTOP. Given that water-borne transit programs provide essentially the same benefits of reducing vehicle miles traveled and greenhouse gas emissions as rail and bus transit projects, it stands to reason that AHSCP and LCTOP should be amended to expressly include ferry services as eligible program recipients.

Double referral: This bill will be referred to the Assembly Natural Resources Committee should it pass out of this committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Tahoe Transportation District (Sponsor)
City of South Lake Tahoe
Honorable Sue Novasel, El Dorado County Supervisor
International Longshore and Warehouse Union
North Lake Tahoe Resort Association
San Francisco Bay Area Water Emergency Transportation Authority
Tahoe City Public Utilities District

Opposition

None on file

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