



March 29, 2019

The Honorable Jim Beall
California State Senate
State Capitol, Room 2082
Sacramento, California 95814

Subject: SB 152 (Beall) – SUPPORT

Dear Senator Beall:

On behalf of the Orange County Transportation Authority (OCTA) Board of Directors, we are pleased to support SB 152, legislation to provide more certainty in the distribution of Active Transportation Program (ATP) funding and expedite the delivery of bicycle and pedestrian improvement projects. OCTA looks forward to working with the author to provide additional clarity on how to best protect geographic equity in the regional project selection process and expedite the delivery of bicycle and pedestrian projects.

Current law consolidates multiple funding sources for bicycle and pedestrian projects into a single program providing more than \$220 million per year. Half of this funding is distributed in a statewide competitive program, and projects not selected through the statewide competitive process can apply for funding through regional calls. As part of the regional calls, 40 percent of total ATP funding is distributed to metropolitan planning organizations (MPOs) in large urban areas for a regional competitive program, and the remaining ten percent of funding goes to a competitive program managed by the state for small urban and rural areas.

Applying for ATP funding has become a burdensome and complex endeavor. In the most recent statewide competitive program, there were 554 applications requesting \$2.2 billion in funding, with only \$440 million available. To remain truly competitive in this environment, applicants routinely spend hundreds of hours in staff time and thousands of dollars on consultants to perfect their applications. As a result, local priorities are often passed over for well-crafted applications. These difficulties have discouraged many localities from applying. In Orange County, the number of applications has decreased from 62 in the first programming cycle to just 41 in the most recent cycle, and yet, project sponsors in Orange County requested more than four times as much funding in the most recent cycle than was requested in the first one.

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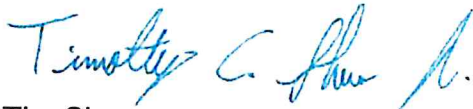
With half of the funding distributed via the statewide competitive program, regions and agencies can experience large variations in funding levels from one programming cycle to another. Furthermore, ATP projects, whether implemented through the statewide competitive program or the regional call, are often delayed because project sponsors must get the state's approval for most programming actions, which adds four to six months to the project delivery process. While such a policy might be beneficial for larger transformative projects, it does not make sense for smaller local projects.

SB 152 would reduce the complexity of the ATP and prioritize local decision-making without undermining state and federal policy priorities. The legislation would allocate 75 percent of ATP funding to large MPOs, 15 percent to the state's competitive program for small and rural areas, and ten percent in the statewide competitive program. This distribution would provide roughly the same amount of funding most agencies are currently receiving but with more consistency between programming cycles, allowing project sponsors to better plan for future projects. SB 152 also further streamlines the ATP by allowing MPOs to allocate funding as a lump sum, eliminating the extensive programming process that delays project delivery.

A SUPPORT position is consistent with the OCTA 2019-20 State Legislative Platform's principle to "sponsor legislation to streamline the administration of the Active Transportation Program and increase regional oversight."

If you or your staff have any questions regarding OCTA's position on SB 152, please contact Kristin Essner, Manager of State and Federal Relations, at (714) 560-5754 or kessner@octa.net.

Sincerely,



Tim Shaw
Chairman

TS:djs

c: Darrell E. Johnson, Chief Executive Officer
Orange County State Legislative Delegation
Platinum Advisors, LLC

AMENDED IN SENATE MARCH 20, 2019

SENATE BILL

No. 152

Introduced by Senator Beall

January 22, 2019

An act relating to vehicles. An act to amend Sections 2381, 2382, and 2384 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 152, as amended, Beall. ~~Department of Motor Vehicles. Active Transportation Program.~~

Existing law establishes the Active Transportation Program in the Department of Transportation for the purpose of encouraging increased use of active modes of transportation, such as biking and walking. Existing law requires specified funds for the program to be appropriated to the department in the annual Budget Act and allocated to eligible projects by the California Transportation Commission. Existing law requires the commission to award 50% of available funds to projects competitively awarded by the commission on a statewide basis, 10% of available funds to projects in small urban and rural regions, and the remaining 40% of available funds to projects selected by metropolitan planning organizations (MPO) in urban areas with populations greater than 200,000, with the available funds distributed to each MPO based on its relative share of the population. Existing law requires the commission to develop guidelines and project selection criteria for the program in consultation with various agencies and interested parties. To ensure that MPOs have sufficient discretion to develop regional guidelines, existing law authorizes the commission to adopt separate guidelines for the state and the MPOs with regard to project selection criteria. Existing law requires the commission to initially adopt a 2-year

program of projects for the program, with subsequent 4-year programs thereafter.

This bill would require that 75% of available funds be awarded to projects selected by MPOs in urban areas with populations greater than 200,000, with the available funds distributed to each MPO based on its relative share of the population, 15% to fund projects in small urban and rural regions, and 10% to projects of a transformative nature competitively awarded by the commission on a statewide basis. The bill would require, rather than authorize, the commission to adopt separate guidelines for the MPOs to ensure that they have sufficient discretion to adopt regional guidelines. The bill would authorize an MPO to perform its own competitive project selection process using the regional guidelines adopted by the commission, or to request the commission to perform the competitive project selection process on the MPOs behalf using guidelines adopted by the commission for the projects awarded in small urban and rural regions and on a statewide basis. With respect to the funds made available to MPOs, the bill would require the commission to allocate those funds to each MPO as a lump sum for award to projects selected by the applicable MPO, unless the MPO requests the commission to conduct the competitive selection process on behalf of the MPO.

~~Existing law establishes the Department of Motor Vehicles in the Transportation Agency and sets forth the powers and duties of the department, as specified.~~

~~This bill would declare the intent of the Legislature to enact legislation to implement efficiencies at the department in order to improve service.~~

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

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

- 1 SECTION 1. Section 2381 of the Streets and Highways Code
- 2 is amended to read:
- 3 2381. (a) The Active Transportation Program shall be funded
- 4 by state and federal funds from appropriations in the annual Budget
- 5 Act. ~~Funds~~ *Notwithstanding subdivision (b) of Section 2032, funds*
- 6 for the program shall be appropriated to the department, for
- 7 allocation by the commission. *With respect to funding provided*
- 8 *pursuant to this chapter, it is the intent of the Legislature that any*
- 9 *project savings or funds remaining if a project loses funding*

provided pursuant to this chapter remain in the Active Transportation Program. The amount to be appropriated annually shall include 100 percent of the federal Transportation Alternative Program funds, except for any federal Recreational Trails Program funds appropriated to the Department of Parks and Recreation; twenty-one million dollars (\$21,000,000) of federal Highway Safety Improvement funds or other federal funds; *one hundred million dollars (\$100,000,000) from the Road Maintenance and Rehabilitation Account pursuant to subdivision (b) of Section 2032; and State Highway Account funds.* Future funding may be augmented if state or federal funds increase, or if other funding sources are identified. Funds appropriated for the Active Transportation Program shall be distributed as follows:

(1) ~~Forty—Seventy-five~~ percent to metropolitan planning organizations in urban areas with populations greater than 200,000, in proportion to their relative share of population. Funds ~~allocated~~ *awarded* under this paragraph shall be obligated for eligible projects selected through a competitive process by the metropolitan planning organizations ~~in consultation with the department and the commission~~ and in accordance with guidelines established pursuant to this chapter. *These funds shall be allocated by the commission as a lump sum amount to each metropolitan planning organization in the same manner as other local assistance funds, except if the metropolitan planning organization requests the commission to perform the competitive selection process pursuant to subdivision (l) of Section 2382. In order to apply for funding for a project pursuant to this paragraph, a project applicant is not required to also apply for funding for that project pursuant to paragraph (3).*

(2) ~~Ten—Fifteen~~ percent to small urban and rural regions with populations of 200,000 or less, with projects competitively awarded by the commission to projects in those regions.

(3) ~~Fifty—Ten~~ percent to projects *of a transformative nature* competitively awarded by the commission on a statewide basis.

(b) For the purpose of paragraph (1) of subdivision (a), the following shall apply in the region served by the ~~multicounty designated transportation planning agency described in Section 130004 the Public Utilities Code: Southern California Association of Governments:~~

1 (1) ~~The multicounty designated transportation planning agency~~
2 *Southern California Association of Governments* shall consult with
3 the county transportation commissions created pursuant to Sections
4 130050, 130050.1, and 132800 of the Public Utilities Code, the
5 commission, and the department in the development of competitive
6 selection criteria to be adopted by the ~~multicounty designated~~
7 ~~transportation planning agency~~, *Southern California Association*
8 *of Governments*, which should include consideration of geographic
9 equity, consistent with program objectives.

10 (2) ~~The multicounty designated transportation planning agency~~
11 *Southern California Association of Governments* shall place
12 priority on projects that are consistent with plans adopted by local
13 and regional governments within the county where the project is
14 located.

15 (3) ~~The multicounty designated transportation planning agency~~
16 *Southern California Association of Governments* shall obtain
17 concurrence from the county transportation commissions, adopt
18 the projects selected in a comprehensive program of projects, and
19 make funds available to selected project recipients.

20 (c) The Legislature finds and declares that the program described
21 in this chapter constitutes a highway purpose under Article XIX
22 of the California Constitution and justifies the expenditure of
23 highway funds therefor, and all expenditures of Article XIX funds
24 under this program shall be consistent with Article XIX.

25 SEC. 2. *Section 2382 of the Streets and Highways Code is*
26 *amended to read:*

27 2382. (a) ~~The California Transportation Commission~~
28 *commission* shall develop guidelines and project selection criteria
29 *applicable to paragraphs (2) and (3) of subdivision (a) of Section*
30 2381 for the Active Transportation Program in consultation with
31 the Active Transportation Program Workgroup, which shall be
32 formed for purposes of providing guidance on matters including,
33 but not limited to, development of and subsequent revisions to
34 program guidelines, schedules and procedures, project selection
35 criteria, performance measures, and program evaluation. The
36 workgroup shall include, but not be limited to, representatives of
37 government agencies and active transportation stakeholder
38 organizations with expertise in pedestrian and bicycle issues,
39 including Safe Routes to School programs.

(b) ~~The guidelines shall be the complete and full statement of the policies and criteria that the commission intends to use in selecting projects to be included in the program.~~ The guidelines shall address subjects that include, but are not limited to, project eligibility, application timelines, application rating and ranking criteria, project monitoring, reporting, and transparency, and project performance measurement.

(c) The guidelines shall include a process to ensure that no less than 25 percent of overall program funds benefit disadvantaged communities during each program cycle. The guidelines shall establish a program definition for disadvantaged communities that may include, but ~~need~~ *shall* not be limited to, the ~~definition~~ *description* in Section 39711 of the Health and Safety Code and the definition of low-income schools in paragraph (7) of subdivision (b) of former Section 2333.5, as that section read on January 1, 2013. A project eligible under this subdivision shall clearly demonstrate a benefit to a disadvantaged community or be directly located in a disadvantaged community.

(d) The guidelines shall allow streamlining of project delivery by authorizing an implementing agency to seek commission approval of a letter of no prejudice that will allow the agency to expend its own funds for a project programmed in a future year of the adopted program of projects, in advance of allocation of funds to the project by the commission, and to be reimbursed at a later time for eligible expenditures.

(e) ~~The California Transportation Commission~~ *commission* shall adopt the guidelines and selection criteria for, and define the types of projects eligible to be funded through, the program following at least two public hearings. Projects funded in this program shall be limited to active transportation *projects, including ancillary costs associated with the construction of those projects. Ancillary costs may include costs associated with followup bicycle and pedestrian counts, installation of ongoing bicycle and pedestrian counters, and changes to underlying utility and sewer systems necessitated by the active transportation project, if these costs are consistent with requirements applicable to any federal funding provided for the project.* The guidelines shall ensure that eligible projects meet one or more of the goals set forth in Section 2380 and may give increased weight to projects meeting multiple goals.

(f) In developing the guidelines with regard to project eligibility, the commission shall include, but need not be limited to, the following project types:

(1) Development of new bikeways and walkways, or improvements to existing bikeways and walkways, that improve mobility, access, or safety for nonmotorized users.

(2) Secure bicycle parking at employment centers, park and ride lots, rail and transit stations, and ferry docks and landings.

(3) Bicycle-carrying facilities on public transit, including rail and ferries.

(4) Installation of traffic control devices to improve the safety of pedestrians and bicyclists.

(5) Elimination of hazardous conditions on existing bikeways and walkways.

(6) Maintenance of bikeways and walkways.

(7) Recreational trails and trailheads, park projects that facilitate trail linkages or connectivity to nonmotorized corridors, and conversion of abandoned railroad corridors to trails.

(8) Safe Routes to School projects that improve the safety of children walking and bicycling to school, in accordance with Section 1404 of Public Law 109-59.

(9) Safe routes to transit projects, which will encourage transit by improving biking and walking routes to mass transportation facilities and schoolbus stops.

(10) Educational programs to increase biking and walking, and other noninfrastructure investments that demonstrate effectiveness in increasing active transportation.

(g) In developing the guidelines with regard to project selection, the commission shall ~~include, but need not be limited to,~~ include the following ~~criteria:~~ *criteria, unless the particular criteria does not apply to the type of project:*

(1) Demonstrated needs of the applicant.

(2) Potential for reducing pedestrian and bicyclist injuries and fatalities.

(3) Potential for encouraging increased walking and bicycling, especially among students.

(4) Identification of safety hazards for pedestrians and bicyclists.

(5) Identification of walking and bicycling routes to and from schools, transit facilities, and community centers.

1 (6) Identification of the local public participation process that
2 culminated in the project proposal, which may include noticed
3 public meetings and consultation with local stakeholders.

4 (7) Benefit to disadvantaged communities. In developing
5 guidelines relative to this paragraph, the commission shall consider,
6 but ~~need~~ *shall* not be limited to, the definition of disadvantaged
7 communities as applied pursuant to subdivision (c).

8 (8) Cost-effectiveness, defined as maximizing the impact of the
9 funds provided.

10 (9) The adoption by a city or county applicant of a bicycle
11 transportation plan, pursuant to Section 891.2, a pedestrian plan,
12 a safe routes to school plan, or an overall active transportation
13 plan.

14 (10) Use of the California Conservation Corps or a qualified
15 community conservation corps, as defined in Section 14507.5 of
16 the Public Resources Code, as partners to undertake or construct
17 applicable projects in accordance with Section 1524 of Public Law
18 112-141.

19 (11) Other factors, such as potential for reducing congestion,
20 improving air quality, reducing greenhouse gas emissions, and
21 increasing and improving connectivity and mobility of
22 nonmotorized users.

23 (h) For the use of federal Transportation Alternative Program
24 funds, or other federal funds, commission guidelines shall meet
25 all applicable federal requirements.

26 (i) For the use of federal Highway Safety Improvement Program
27 funds for active transportation projects specific to reducing
28 fatalities and serious injuries, the criteria for the selection of
29 projects shall be based on a data-driven process that is aligned
30 with the state's Strategic Highway Safety Plan.

31 (j) The guidelines may include incentives intended to maximize
32 the potential for attracting funds other than program funds for
33 eligible projects.

34 (k) In reviewing and selecting projects funded by federal funds
35 in the Recreational Trails Program, the commission shall
36 collaborate with the Department of Parks and Recreation to
37 evaluate proposed projects, and to ensure federal requirements are
38 met.

39 (l) (1) To ensure that regional agencies charged with allocating
40 funds to projects pursuant to paragraph (1) of subdivision (a) of

1 Section 2381 have sufficient discretion to ~~develop~~ *adopt* regional
2 guidelines, the commission ~~may shall~~ adopt separate guidelines
3 for the state and for the regional agencies ~~relative to subdivision~~
4 ~~(g): to provide regional agencies with greater flexibility in the~~
5 ~~application and evaluation process, and in the administration of~~
6 ~~their programs. In the guidelines the commission adopts pursuant~~
7 ~~to this subdivision, the commission shall require regular reporting~~
8 ~~on project status and benefits pursuant to the commission's SB 1~~
9 ~~Accountability and Transparency Guidelines (Resolution G-18-09).~~

10 (2) Each regional agency may perform the competitive project
11 selection process using guidelines adopted pursuant to paragraph
12 (1) or may request the commission to perform the competitive
13 project selection process on its behalf using the commission's
14 guidelines adopted pursuant to subdivision (a).

15 SEC. 3. Section 2384 of the Streets and Highways Code is
16 amended to read:

17 2384. (a) The commission shall adopt a program of projects
18 to receive allocations under this chapter. ~~The guidelines for an~~
19 ~~initial two-year program of projects shall be adopted within six~~
20 ~~months of the enactment of the act enacting this section. The~~
21 ~~commission shall adopt each program by no later than July 1 of~~
22 ~~each odd-numbered year, but may alternatively elect funding~~
23 ~~pursuant to adopt a program annually. Each subsequent program~~
24 ~~shall cover a paragraphs (2) and (3) of subdivision (a) of Section~~
25 ~~2381. Each program shall cover a period of four fiscal years, years~~
26 ~~beginning on July 1 of the year of adoption, and shall be a~~
27 ~~statement of intent by the commission for the allocation or~~
28 ~~expenditure of funds during those four fiscal years: adoption. The~~
29 ~~commission shall form a multidisciplinary advisory group to assist~~
30 ~~it in evaluating project applications.~~

31 (b) A regional agency shall adopt a program of projects to
32 receive funding pursuant to paragraph (1) of subdivision (a) of
33 Section 2381. A regional agency shall adopt each program no
34 later than July 1 of each odd-numbered year. Each program shall
35 cover a period of four fiscal years beginning July 1 of the year of
36 adoption. If a regional agency requests the commission to perform
37 the competitive project selection process on its behalf, as described
38 in subdivision (l) of Section 2382, the commission shall adopt the
39 program of projects for the regional agency pursuant to subdivision
40 (a).

1 ~~SECTION 1. It is the intent of the Legislature to enact~~
2 ~~legislation to implement efficiencies at the Department of Motor~~
3 ~~Vehicles in order to improve service.~~

O