

**From:** Dara Wheeler <dara\_wheeler@dot.ca.gov>  
**To:** MAP 21 Implementation Group  
<MAP\_21\_Implementation\_Group@dot.ca.gov>  
**Date:** 08/13/12 11:20 AM  
**Subject:** [CalRTPA] Updated MAP-21 chart and summary from the California Department of Transportation (Caltrans)  
**Attachments:** SAFETEA LU Vs MAP21 Proposal Revision1 8-9-12.pdf; MAP-21 proposal bullets.pdf

Dear MAP-21 stakeholders,

Thank you for your participation in the conference call on Wednesday the 8th, and the comments and recommendations on the Administration's proposal for MAP-21. Funding levels for MAP-21 remain unchanged from the 2012 Federal Fiscal Year, and the Administration's proposal reflects a status quo approach by providing the same bottom line funding splits between state and local shares. The Department has updated the charts that detail the proposal to incorporate comments as appropriate, and to help clarify the intent. Also attached is a discussion document describing the highlights of the proposal.

Working groups are being established to discuss potential changes that will take into account federal guidance and performance measures. The Department will forward the names of the working group(s) as soon as it's formed, and a teleconference with all stakeholders will be held in September.

(See attached file: SAFETEA LU vs MAP21 Proposal Revision1 8-9-12.pdf)(See attached file: MAP-21 proposal bullets.pdf)

NORMA ORTEGA  
Chief Financial Officer  
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916-654-3986

# Moving Forward with MAP-21 *August 8, 2012*

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The new federal Surface Transportation Act, known as “Moving Ahead for Progress in the 21st Century” or MAP-21 was signed in to law on July 6, 2012. Prior to this overhaul of federal surface transportation laws, the last major changes at the federal level occurred with the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA, pronounced Ice-Tea), more than 20 years ago. Given the major changes inherent in MAP-21, a measured approach to implementation is in order. A measured approach will also allow time to receive additional guidance from the Federal Department of Transportation. The bullets below detail the highlights of the Administration’s proposal for MAP-21.

- Funding levels remain the same as Federal Fiscal Year 2012 at \$3.5 billion.
- The Administration’s proposal focuses on maintaining a status quo funding level for overall funding – ensuring that the State and Local Agencies each receive a total share of funding consistent with total funding received under prior federal acts.
- One cannot view each program in isolation because of the dramatic restructuring of programs and funding included in MAP-21. Many programs were eliminated or combined, and new programs were created. The significant changes to programs and program eligibility add to the challenge of creating a funding plan that maintains current total funding levels.
- The proposal retains the existing funding splits between the State and the Locals/Regions - approximately \$2.2 Billion State (62%), approximately \$1.3 billion for Locals/Regions (38%). Changes in this split in the next two years could result in projects that are almost ready to go to construction being removed from the program due to lack of funding.
- Allows for a transitional period recognizing that the regions and the State already have projects programmed against these funds under existing rules:
  - Continues the current level of RSTP funding.
  - Continues the current level of SHOPP program.
  - Continues the current level of Bridge funding for both state and local bridges. The program would continue to be administered by the state.
  - Continues the flow of CMAQ and MP apportionments to regions using existing formulas.
  - Divides the HSIP program as required in MAP-21 after setting aside funds for SRTS.
  - Continues the Safe Routes to School program which would remain administered by the state.
  - Transportation Alternatives Program funding would continue under the STIP formula after setting aside \$5 million for Recreational Trails.
- Legislative changes are not necessary to allow apportionment of funds within California, provided that the state pursues a “status quo” approach discussed above.
- MAP-21 includes and inflation increased to apportionments for FFY 2014. Increases will be applied to programs and all splits.
- Working groups are being established to discuss potential program changes that will take into account federal guidance and performance measurements for MAP-21. The intention is to have a first draft of proposed legislation in early 2013. There will need to be a transition period to implement any program changes.

# Administration's Proposal for MAP-21 - Programmatic Apportionment Distribution Compared to Current SAFETEA-LU Extension

SAFTEA-LU FFY 2012			
Program	\$*M	State	Local
IM	575	575	
NH	727	727	
<b>HBP</b>			
	550	248	303
<b>STP</b>			
	721	270	451
BIP	25	25	
<b>EB</b>			
	182	182	
<b>Subtotal</b>			
	2,780	2,027	753
<b>CMAQ</b>			
	468		468
<b>MP</b>			
	42		42
<b>HSIP</b>			
	134	67	67
RRXing	15	7	7
<b>SRTS</b>			
	21		21
RT	5	5	
TE	78	78	
<b>TOTAL</b>			
	3,544	2,185	1,359
		62%	38%

MAP-21 FFY 2013			
Program	\$*M	State	Local
NHP	1,897	1,897	
Bridges on NHS are eligible under NHPP or STP			
Bridges off-system are eligible under STP			
<b>STP</b>			
	873	436	436
<b>Equity Bonus funds discontinued, funding inherent in other programs</b>			
<b>Subtotal</b>			
	2,770	2,334	436
<b>CMAQ</b>			
	445		445
<b>MP</b>			
	48		48
<b>HSIP</b>			
	209	104	104
SRTS may be funded from HSIP or TA, or STP			
TAP	72	36	36
<b>TOTAL</b>			
	3,544	2,474	1,069
		70%	30%

MAP-21 Rev. FFY 2013			
Program	\$*M	State	Local
NHP	1,897	1,670	
NHS Bridges			
			228
Bridges on NHS are eligible under NHPP or STP			
Bridges off-system are eligible under STP			
Off-system Bridges			
			75
<b>STP</b>			
	873	347	451
<b>Subtotal</b>			
	2,770	2,017	753
<b>CMAQ</b>			
	445		445
<b>MP</b>			
	48		48
<b>HSIP</b>			
	209	94	94
SRTS			
			21
SRTS may be funded from TA, HSIP, or STP			
TAP	72	67	-
Recreational Trails			
		5	
<b>TOTAL</b>			
	3,544	2,183	1,361
		62%	38%

**Notes:**

- 1-Consolidation of programs under MAP-21 provides flexibility for new programs to fund projects previously funded under discontinued SAFETEA-LU programs.
- 2-MAP-21 includes an inflation increase to apportionments for FFY 2014. Increases will be applied to all programs and all splits.
- 3-Highway Bridge work may be funded under new programs such as STP or NHPP with performance targets that if not met, would result in penalties to NHPP funds.
- 4-Funds set aside from the NHPP and STP for the local bridges will be managed by the Department, with the advice of the Highway Bridge Program Advisory Committee, in order to meet the Performance Measures and avoid penalties.
- 5-The Local share shown represents subvention funds to Local Assistance that are voted as a lump-sum item by the CTC annually, with the exception of MP.
- 6-The TAP is proposed for distribution through the STIP formula, to fund programmed TE projects.
- 7-State Highway System projects or Local projects may be funded from State or Local shares if programmed by the MPOs/voted by the CTC.
- 8-Penalty under 23 USC 164 (+/- \$70M) and State Planning and Research take down (2% from each program for a total of +/- \$70M) is not included in these estimates.
- 9-Estimates are preliminary and based current available data.
- 10-For on-system bridges not on NHS, State may exchange NHPP with STP.

**From:** Dara Wheeler <dara\_wheeler@dot.ca.gov>  
**To:** MAP 21 Implementation Group <MAP\_21\_Implementation\_Group@dot.ca.gov>  
**Date:** 08/21/12 1:30 PM  
**Subject:** [CalRTPA] MAP 21 Update

On behalf of Norma Ortega, Chief Financial Officer for the California Department of Transportation:

Hello All - Thank you for all the input into the MAP 21 implementation effort. The working group kicked off the first session today. The members of the working group are:

1. Pat DeChellis, LA County Public Works Department (CSAC)
2. Jennifer Whiting, League of California Cities
3. Ron DeCarli, SLOCOG
4. Sharon Scherzinger, EDCTC
5. Randy Rentscher/Rebecca Long, MTC
6. Sharon Neely, SCAG
7. Will Ridder, SJCOG
8. Keith Dunn, SHCC
9. Rachel Moriconi, SCCRTC
10. Frank Flores (or designee), LA Metro
11. Kurt Evans, VTA Government Affairs Manager
12. Laura Cohen, Rails to Trails, TE Advocate
13. Deb Hubsmith, Safe Routes to Schools
14. Josh Shaw, CTA
15. Jackie Montgomery, CalAct
16. Jermaine Hannon, FHWA
17. Mitch Weiss, CTC
18. Rachel Falsetti, Caltrans

I have asked Rachel Falsetti to lead the MAP 21 Working Group. That work will be shared with all stakeholders. We are planning an ALL stakeholder conference call in early September. We will notify you of the date shortly.

Please call me if you have any questions. Thank you.

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**From:** William Ridder <Ridder@sjcog.org>  
**To:** "CalRTPA@yahoogroups.com" <CalRTPA@yahoogroups.com>  
**CC:** "Martinez, Erica" <Erica.Martinez@asm.ca.gov>  
**Date:** 08/27/12 10:57 AM  
**Subject:** [CalRTPA] FW: MAP-21 state legislation introduced.  
**Attachments:** SKMBT\_28312082409290.pdf

Dear All:

On Friday we introduced MAP-21 state implementing legislation: SB 1027. The proposal addresses the following categories: STP, CMAQ, HSIP and TA. After hearing many discussions, it's clear that while MAP-21 provides a lot of flexibility, our core priorities for these funds have not radically changed. The bill provides one potential roadmap for implementing our federal transportation funds. The bill is a marker for a broader and more robust conversation. I am sure that there are some aspects of the bill that you will like and other aspects that will benefit from more discussion. As such, the bill is not intended to move forward in the last days of session, but rather its purpose is to serve as a visual roadmap for a collective conversation with stakeholders and the Legislature.

Please send me your questions, comments, concerns, complaints, etc.

I look forward to helping good things happen with these funds next year.

Erica--  
Office of Speaker John A. Perez  
916 319 2465

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AMENDMENTS TO SENATE BILL NO. 1027  
 AS AMENDED IN ASSEMBLY JULY 3, 2012

Amendment 1

In the title, in line 1, strike out “relating to the Budget Act of 2012” and insert:

to amend Sections 182.6, 182.7, 2331, 2333, 2333.5, 2370, 2371, 2372, 2373, and 2374 of, to amend the heading of Chapter 7.5 (commencing with Section 2370) of Division 3 of, and to add Sections 182.51, 2375, 2376, 2377, 2378, 2379, 2380, and 2381 to, the Streets and Highways Code, relating to transportation

Amendment 2

On page 1, before line 1, insert:

SECTION 1. Section 182.51 is added to the Streets and Highways Code, to read:

182.51. (a) Commencing with the 2012–13 federal fiscal year, of the federal Surface Transportation Program funds apportioned to California that remain after funding from this source transportation planning responsibilities with a 2 percent set aside and off-system bridge activities described in subsection (b)(2) of Section 133 of Title 23 of the United States Code with a set aside equivalent to 15 percent of the amount of funds that were apportioned to the state for the federal Highway Bridge Program for the 2008–09 federal fiscal year, the department shall, pursuant to federal law, apportion 62.5 percent of the funds to metropolitan planning organizations and transportation planning agencies as provided in Section 182.6. The funds apportioned under this subdivision shall be treated as regional surface transportation program funds and shall be subject to the processes and requirements of Section 182.6.

(b) The remaining 37.5 percent of federal Surface Transportation Program funds apportioned to California that may be expended pursuant to federal law in any area of the state shall be available for obligation and expenditure by the department in any area of the state.

(c) Notwithstanding Sections 182 and 182.5, Sections 188, 188.8, and 825 do not apply to the funds described in subdivision (a).

SEC. 2. Section 182.6 of the Streets and Highways Code is amended to read:

182.6. (a) Notwithstanding Sections 182 and 182.5, Sections 188, 188.8, and 825 do not apply to the expenditure of an amount of federal funds ~~equal to~~ required to be apportioned to metropolitan planning organizations and transportation planning agencies pursuant to subdivision (a) of Section 182.51, including the amount of federal funds apportioned to the state pursuant to that portion of subsection (b)(3) (b)(2) of Section 104, subsections (a) and (c) of Section 157, and subsection (d) of Section 160 of Title 23 of the United States Code that is allocated within the state subject to subsection (d)(3) (d)(1) of Section 133 of that code. These funds ~~shall be~~ are known as the regional surface transportation program funds. The department, the transportation planning agencies, the county transportation commissions, and the metropolitan planning



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organizations may do all things necessary in their jurisdictions to secure and expend those federal funds in accordance with the intent of federal law and this chapter.

(b) ~~(1)~~ The regional surface transportation program funds shall be apportioned by the department to the metropolitan planning organizations designated pursuant to Section 134 of Title 23 of the United States Code and, in areas where none has been designated, to the transportation planning agency designated pursuant to Section 29532 of the Government Code. The funds shall be apportioned in the manner and in accordance with the formula set forth in subsection ~~(d)(3)~~ ~~(d)(1)~~ of Section 133 of Title 23 of the United States Code, except that the apportionment shall be among all areas of the state. ~~Funds~~

~~(2) Funds~~ apportioned under this ~~subdivision~~ section shall remain available for three federal fiscal years, including the federal fiscal year apportioned.

(c) Where county transportation commissions have been created by Division 12 (commencing with Section 130000) of the Public Utilities Code, all regional surface transportation program funds shall be further apportioned by the metropolitan planning organization to the county transportation commission on the basis of relative population.

In the Monterey Bay region, all regional surface transportation program funds shall be further apportioned, on the basis of relative population, by the metropolitan planning organization to the regional transportation planning agencies designated under subdivision (b) of Section 29532 of the Government Code.

(d) The applicable metropolitan planning organization, county transportation commission, or transportation planning agency shall annually apportion the regional surface transportation program funds for projects in each county, as follows:

(1) An amount equal to the amount apportioned under the federal-aid urban program in federal fiscal year 1990–91 adjusted for population. The adjustment for population shall be based on the population determined in the 1990 federal census except that no county shall be apportioned less than 110 percent of the apportionment received in the 1990–91 fiscal year. These funds shall be apportioned for projects implemented by cities, counties, and other transportation agencies on a fair and equitable basis based upon an annually updated five-year average of allocations. Projects shall be nominated by cities, counties, transit operators, and other public transportation agencies through a process that directly involves local government representatives.

(2) An amount not less than 110 percent of the amount that the county was apportioned under the federal-aid secondary program in federal fiscal year 1990–91, for use by that county.

(e) The department shall notify each metropolitan planning organization, county transportation commission, and transportation planning agency receiving an apportionment under this section, as soon as possible each year, of the amount of obligation authority estimated to be available for program purposes.

The metropolitan planning organization and transportation planning agency, in cooperation with the department, congestion management agencies, cities, counties, and affected transit operators, shall select and program projects in conformance with federal law. The metropolitan planning organization and transportation planning agency shall submit its transportation improvement program prepared pursuant to Section 134 of Title 23 of the United States Code to the department for incorporation into the state transportation improvement program not later than August 1 of each even-numbered year beginning in 1994.

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(f) Not later than July 1 of each year, the metropolitan planning organizations, and the regional transportation planning agencies, receiving obligational authority under this article shall notify the department of the projected amount of obligational authority that each entity intends to use during the remainder of the current federal fiscal year, including, but not limited to, a list of projects that will be obligated by the end of the current federal fiscal year. Any federal obligational authority that will not be used shall be redistributed by the department to other projects in a manner that ensures that the state will continue to compete for and receive increased obligational authority during the federal redistribution of obligational authority. If the department does not have sufficient federal apportionments to fully use excess obligational authority, the metropolitan planning organizations or regional transportation planning agencies relinquishing obligational authority shall make sufficient apportionments available to the department to fund alternate projects, when practical, within the geographical areas relinquishing the obligational authority. Notwithstanding this subdivision, the department shall comply with subsections ~~(d)(3)~~ (d)(1) and (f) of Section 133 of Title 23 of the United States Code.

(g) A regional transportation planning agency that is not designated as, nor represented by, a metropolitan planning organization with an urbanized area population greater than 200,000 pursuant to the 1990 federal census may exchange its annual apportionment received pursuant to this section on a dollar-for-dollar basis for nonfederal State Highway Account funds, which shall be apportioned in accordance with subdivision (d).

(h) (1) If a regional transportation planning agency described in subdivision (g) does not elect to exchange its annual apportionment, a county located within the boundaries of that regional transportation planning agency may elect to exchange its annual apportionment received pursuant to paragraph (2) of subdivision (d) for nonfederal State Highway Account funds.

(2) A county not included in a regional transportation planning agency described in subdivision (g), whose apportionment pursuant to paragraph (2) of subdivision (d) was less than 1 percent of the total amount apportioned to all counties in the state, may exchange its apportionment for nonfederal State Highway Account funds. If the apportionment to the county was more than 3 ½ percent of the total apportioned to all counties in the state, it may exchange that portion of its apportionment in excess of 3 ½ percent for nonfederal State Highway Account funds. Exchange funds received by a county pursuant to this section may be used for any transportation purpose.

(i) The department shall be responsible for closely monitoring the use of federal transportation funds, including regional surface transportation program funds to assure full and timely use. The department shall prepare a quarterly report for submission to the commission regarding the progress in use of all federal transportation funds. The department shall notify the commission and the appropriate implementation agency whenever there is a failure to use federal funds within the three-year apportionment period established under paragraph (2) of subdivision (b).

(j) The department shall provide written notice to implementing agencies when there is one year remaining within the three-year apportionment period established under paragraph (2) of subdivision (b) ~~of this section~~.

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(k) Within six months of the date of notification required under subdivision (j), the implementing agency shall provide to the department a plan to obligate funds that includes, but need not be limited to, a list of projects and milestones.

(l) If the implementing agency has not met the milestones established in the implementation plan required under subdivision (k), prior to the end of the three-year apportionment period established under paragraph (2) of subdivision (b), the commission shall redirect those funds for use on other transportation projects in the state.

(m) Notwithstanding subdivisions (g) and (h), regional surface transportation program funds available under this section exchanged pursuant to Section 182.8 may be loaned to and expended by the department. The department shall repay from the State Highway Account to the Traffic Congestion Relief Fund all funds received as federal reimbursements for funds exchanged under Section 182.8 as they are received from the Federal Highway Administration, except that those repayments are not required to be made more frequently than on a quarterly basis.

(n) Prior to determining the amount for local subvention required by this section, the department shall first deduct the amount authorized by the Legislature for increased department oversight of the federal subvented program.

SEC. 3. Section 182.7 of the Streets and Highways Code is amended to read:

182.7. (a) Notwithstanding Sections 182 and 182.5, Sections 188, 188.8, and 825 do not apply to the expenditure of an amount of federal funds equal to the amount of federal funds apportioned to the state pursuant to ~~subsection (b)(2)~~ (b)(4) of Section 104 of Title 23 of the United States Code. These funds shall be known as the congestion mitigation and air quality program funds and shall be expended in accordance with Section 149 of Title 23 of the United States Code. The department, the transportation planning agencies, and the metropolitan planning organizations may do all things necessary in their jurisdictions to secure and expend those federal funds in accordance with the intent of federal law and this chapter.

(b) ~~The congestion mitigation and air quality program funds, including any funds to which subsection (c) of Section 110 of Title 23 of the United States Code, as added by subdivision (a) of Section 1310 of Public Law 105-178, applies, shall be apportioned by the department to the metropolitan planning organizations designated pursuant to Section 134 of Title 23 of the United States Code and, in areas where none has been designated, to the transportation planning agency established by Section 29532 of the Government Code. The All funds apportioned to the state pursuant to Section 104(b)(4) of Title 23 of the United States Code shall be apportioned to metropolitan planning organizations and transportation planning agencies responsible for air quality conformity determinations in federally designated air quality nonattainment and maintenance areas within the state in the manner and in accordance with the formula set forth in subsection (b)(2) of Section 104 of Title 23 of the United States Code. Funds apportioned as follows:~~

(1) The department shall apportion these funds in the ratio that the weighted nonattainment and maintenance population in each federally designated area within the state bears to the total of all weighted nonattainment and maintenance area populations in the state.

(2) Subject to paragraph (3), the weighted nonattainment and maintenance area population shall be calculated by multiplying the population of each area in the state

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that is a nonattainment area or maintenance area as described in Section 149(b) of Title 23 of the United States Code for ozone or carbon monoxide by the following factors:

(A) A factor of 1.0, if, at the time of apportionment, the area is a maintenance area.

(B) A factor of 1.0, if, at the time of the apportionment, the area is classified as a marginal ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(C) A factor of 1.1, if, at the time of the apportionment, the area is classified as a moderate ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(D) A factor of 1.2, if, at the time of the apportionment, the area is classified as a serious ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(E) A factor of 1.3, if, at the time of the apportionment, the area is classified as a severe ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(F) A factor of 1.4, if, at the time of the apportionment, the area is classified as an extreme ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(G) A factor of 1.0, if, at the time of the apportionment, the area is not a nonattainment or maintenance area for ozone, but is classified under Subpart 3 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7512 et seq.) as a nonattainment area for carbon monoxide.

(H) A factor of 1.0, if, at the time of apportionment, an area is designated as a nonattainment area for ozone under Subpart 1 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7512 et seq.).

(3) If, in addition to being designated as a nonattainment or maintenance area for ozone as described in paragraph (2), any county within the area is also classified under Subpart 3 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7512 et seq.) as a nonattainment or maintenance area described in paragraph (2) for carbon monoxide, the weighted nonattainment or maintenance area population of the county, as determined under subparagraphs (A) to (F), inclusive, or subparagraph (H) of paragraph (2), shall be further multiplied by a factor of 1.2.

(4) Funds allocated under this subdivision shall remain available for three federal fiscal years, including the federal fiscal year apportioned. Notwithstanding the foregoing, the formula for distributing apportionments made to metropolitan planning organizations and transportation planning agencies eligible for funding according to subsection (b)(2) of Section 104 of Title 23 of the United States Code shall, for the 2007 and 2008 federal fiscal years, provide apportionments for the Monterey Bay and Santa Barbara regions such that each shall receive 50 percent of its 2005 apportionment in federal fiscal year 2007 and 25 percent of its 2005 apportionment in federal fiscal year 2008.

(c) Notwithstanding subdivision (b), where county transportation commissions have been created by Division 12 (commencing with Section 130000) of the Public Utilities Code, all congestion mitigation and air quality program funds shall be further apportioned by the metropolitan planning organization to the county transportation commission on the basis of relative population within the federally designated air quality nonattainment and maintenance areas after first apportioning to the

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nonattainment and maintenance areas in the manner and in accordance with the formula set forth in ~~subsection (b)(2) of Section 104 of Title 23 of the United States Code~~ subdivision (b).

In the Monterey Bay region, all congestion mitigation and air quality improvement program funds shall be further apportioned, on the basis of relative population, by the metropolitan planning organization to the regional transportation planning agencies designated under subdivision (b) of Section 29532 of the Government Code.

(d) The department shall notify each metropolitan planning organization, transportation planning agency, and county transportation commission receiving an apportionment under this section, as soon as possible each year, of the amount of obligational authority estimated to be available for expenditure from the federal apportionment. The metropolitan planning organizations, transportation planning agencies, and county transportation commissions, in cooperation with the department, congestion management agencies, cities and counties, and affected transit operators, shall select and program projects in conformance with federal law. Each metropolitan planning organization and transportation planning agency shall, not later than August 1 of each even-numbered year beginning in 1994, submit its transportation improvement program prepared pursuant to Section 134 of Title 23 of the United States Code to the department for incorporation into the state transportation improvement program.

(e) Not later than July 1 of each year, the metropolitan planning organizations and the regional transportation planning agencies receiving obligational authority under this section, shall notify the department of the projected amount of obligational authority that each entity intends to use during the remainder of the current federal fiscal year, including, but not limited to, a list of projects that will use the obligational authority. Any federal obligational authority that will not be used shall be redistributed by the department to other projects in a manner that ensures that the state will continue to compete for and receive increased obligational authority during the federal redistribution of obligational authority. If the department does not have sufficient federal apportionments to fully use excess obligational authority, the metropolitan planning organization or transportation planning agency relinquishing obligational authority shall make sufficient ~~apportionments~~ funding available to the department to fund alternate projects, when practical, within the geographical areas relinquishing the obligational authority. Notwithstanding this subdivision, the department shall comply with subsection (f) of Section 133 of Title 23 of the United States Code.

(f) The department shall be responsible for closely monitoring the use of federal transportation funds, including congestion management and air quality funds to assure full and timely use. The department shall prepare a quarterly report for submission to the commission regarding the progress in use of all federal transportation funds. The department shall notify the commission and the appropriate implementation agency whenever there is a failure to use federal funds within the three-year apportionment period established under paragraph (4) of subdivision (b).

(g) The department shall provide written notice to implementing agencies when there is one year remaining within the three-year apportionment period established under paragraph (4) of subdivision (b).

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(h) Within six months of the date of notification required under subdivision (g), the implementing agency shall provide to the department a plan to obligate funds that includes, but need not be limited to, a list of projects and milestones.

(i) If the implementing agency has not met the milestones established in the implementation plan required under subdivision (h), prior to the end of the three-year apportionment period established under paragraph (4) of subdivision (b), the commission shall redirect those funds for use on other transportation projects in the state.

(j) Congestion mitigation and air quality program funds available under this section exchanged pursuant to Section 182.8 may be loaned to and expended by the department. The department shall repay from the State Highway Account to the Traffic Congestion Relief Fund all funds received as federal reimbursements for funds exchanged under Section 182.8 as they are received from the Federal Highway Administration, except that those repayments are not required to be made more frequently than on a quarterly basis.

(k) Prior to determining the amount for local subvention required by this section, the department shall first deduct the amount authorized by the Legislature for increased department oversight of the federal subvented program.

SEC. 4. Section 2331 of the Streets and Highways Code is amended to read:

2331. The Safe, Accountable, Flexible, Efficient Transportation Equity Act-A Legacy for Users of 2005 (Public Law 109-059), also known as SAFETEA-LU, elevated the Highway Safety Improvement Program (HSIP) to a core program (23 U.S.C. Sec. 148). SAFETEA-LU authorized appropriations for programs relating to highway safety improvements that can reduce the number of fatal and serious injury accidents. The federal Moving Ahead for Progress in the 21st Century Act (MAP-21; Public Law 112-141), continued the core HSIP program includes two set-aside programs: the railway-highway crossing program (23 U.S.C. Sec. 130) and the high-risk rural roads program (23 U.S.C. Sec. 148(f)). The purpose of this chapter is to implement these programs in this state. The commission, the department, boards of supervisors, and city councils are authorized to do all things necessary in their respective jurisdictions to secure and expend federal funds in accordance with the intent of ~~that federal act~~ law and this chapter, and to coordinate with local law enforcement agencies' community policing efforts.

SEC. 5. Section 2333 of the Streets and Highways Code is amended to read:

2333. In each annual proposed budget prepared pursuant to Section 165, there shall be included an amount equal to the estimated apportionment available from the federal government for the programs described in Sections 2331 and 2333.5. The commission may allocate a portion of those funds each year for use on city streets and county roads, as permissible by federal law. It is the intent of the Legislature that the commission allocate the total funds received from the federal government under Section 148 of Title 23 of the United States Code in approximately equal amounts between state highways and local roads, to the extent permissible by federal law and after providing for a set aside for the Safe Routes to School Program described in Section 2333.5 that is equal to California's 2011-12 federal fiscal year apportionment for the Safe Routes to School Program as previously authorized under Section 1404 of SAFETEA-LU. To the extent that certain activities eligible under the Safe Routes to School Program as it existed under SAFETEA-LU are not eligible for funding under the HSIP Program as it exists under MAP-21, the department shall allocate a like

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amount of replacement funds from any other federal funds available for obligation and expenditure by the department, including, but not limited to, Surface Transportation Program funds pursuant to subdivision (b) of Section 182.51. Notwithstanding any other provision of law, the share of any railroad of the cost of maintaining railroad crossing protection facilities funded, in whole or in part, by funds described in Section 2331 shall be the same share it would be if no federal funds were involved and the crossing protection facilities were funded pursuant to an order of the Public Utilities Commission pursuant to Section 1202 of the Public Utilities Code; and in case of dispute, the Public Utilities Commission shall determine that share pursuant to this section.

SEC. 6. Section 2333.5 of the Streets and Highways Code is amended to read:

2333.5. (a) The department, in consultation with the Department of the California Highway Patrol, shall establish and administer a "Safe Routes to School" construction program for construction of bicycle and pedestrian safety and traffic calming projects to be funded in federal fiscal years 2012–13 and 2013–14, and as may be continued by federal law in subsequent years, as provided by the set aside from HSIP and otherwise in Section 2333.

(b) The department shall award grants to local governmental agencies under the program based on the results of a statewide competition that requires submission of proposals for funding and rates those proposals on all of the following factors:

- (1) Demonstrated needs of the applicant.
- (2) Potential of the proposal for reducing child injuries and fatalities.
- (3) Potential of the proposal for encouraging increased walking and bicycling among students.
- (4) Identification of safety hazards.
- (5) Identification of current and potential walking and bicycling routes to school.
- (6) Use of a public participation process, including, but not limited to, a public meeting that satisfies all of the following:
  - (A) Involves the public, schools, parents, teachers, local agencies, the business community, key professionals, and others.
  - (B) Identifies community priorities and gathers community input to guide the development of projects included in the proposal.
  - (C) Ensures that community priorities are reflected in the proposal.
  - (D) Secures support for the proposal by relevant stakeholders.
- (7) Benefit to a low-income school, defined for purposes of this section to mean a school where at least 75 percent of students are eligible to receive free or reduced-price meals under the National School Lunch Program.

(c) Any annual budget allocation to fund grants described in subdivision (b) shall be in addition to any federal funding received by the state that is designated for "Safe Routes to School" projects pursuant to Section 1404 of SAFETEA-LU or any similar program funded through a subsequent transportation act.

(d) Any federal funding received by the state that is designated for "Safe Routes to School" projects shall be distributed by the department under the competitive grant process, consistent with all applicable federal requirements.

(e) Prior to the award of any construction grant or the department's use of those funds for a "Safe Routes to School" construction project encompassing a freeway, state highway, or county road, the department shall consult with, and obtain approval from,

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the Department of the California Highway Patrol, ensuring that the "Safe Routes to School" proposal complements the California Highway Patrol's Pedestrian Corridor Safety Program and is consistent with its statewide pedestrian safety statistical analysis.

(f) The department is encouraged to coordinate with law enforcement agencies' community policing efforts in establishing and maintaining the "Safe Routes to School" construction program.

(g) In the development of guidelines and procedures governing this program, the department shall fully consider the needs of low-income schools.

SEC. 7. The heading of Chapter 7.5 (commencing with Section 2370) of Division 3 of the Streets and Highways Code is amended to read:

CHAPTER 7.5. FEDERAL FUNDS FOR TRANSPORTATION ~~ENHANCEMENTS~~ ALTERNATIVES

SEC. 8. Section 2370 of the Streets and Highways Code is amended to read:

2370. As used in this chapter, the following terms have the following meanings:

(a) "Community conservation corps" shall have the same meaning as defined in Section 14507.5 of the Public Resources Code.

(b) "Transportation ~~enhancement~~ alternatives project" means a project constructed or undertaken with funds made available to the state pursuant to Section ~~133(b)(8)~~ 213 of Title 23 of the United States Code.

SEC. 9. Section 2371 of the Streets and Highways Code is amended to read:

2371. (a) The department, in consultation with community conservation corps, the California Conservation Corps, the commission, regional transportation planning agencies, county transportation commissions or authorities, and congestion management agencies, shall develop criteria that give priority in the selection of projects to the sponsors of eligible projects that partner with, or commit to employ the services of, a community conservation corps or the California Conservation ~~Corp~~ Corps to construct or undertake the project.

(b) Regional transportation planning agencies, county transportation commissions or authorities, and congestion management agencies, when selecting candidates for transportation ~~enhancement~~ alternatives projects, shall utilize the criteria in subdivision (a) that give priority in the selection of projects to the sponsors of eligible projects that partner with, or commit to employ the services of, a community conservation corps or the California Conservation Corps to construct or undertake the project.

SEC. 10. Section 2372 of the Streets and Highways Code is amended to read:

2372. The department, regional transportation planning agencies, county transportation commissions or authorities, or congestion management agencies shall be authorized to enter into cooperative agreements, grant agreements, or procurement contracts with community conservation corps pursuant to the simplified contract requirements authorized by Section 18.36(j) of Title 49 of the Code of Federal Regulations in order to enable community conservation corps to utilize transportation ~~enhancement~~ alternatives project funds.

SEC. 11. Section 2373 of the Streets and Highways Code is amended to read:

2373. The commission, when developing guidelines for the state transportation improvement program and the state highway operations and protection program, shall include guidance to encourage the allocation of funds for transportation ~~enhancement~~

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alternatives projects to qualified community conservation corps and the California Conservation Corps as partners with applicants that commit to employ the services of corps members in the construction of those projects.

SEC. 12. Section 2374 of the Streets and Highways Code is amended to read:

2374. The criteria prepared pursuant to subdivision (a) of Section 2373 and the guidelines prepared pursuant to Section 2371 relative to the allocation of funds for transportation ~~enhancement~~ alternatives projects to qualified community conservation corps and the California Conservation Corps shall further the purposes of this chapter.

SEC. 13. Section 2375 is added to the Streets and Highways Code, to read:

2375. Projects or activities eligible to be funded under this chapter as transportation alternatives projects may include any eligible projects or activities under Title 23 of the United States Code, including the following:

(a) Transportation alternatives, as defined in Section 101 of Title 23 of the United States Code.

(b) The federal Recreational Trails Program under Section 206 of Title 23 of the United States Code.

(c) The federal Safe Routes to School Program under Section 1404 of the SAFETEA-LU (23 U.S.C. Sec. 402; Public Law 109-59).

(d) Planning, designing, or constructing boulevards and other roadways largely in the right-of-way of former interstate system routes or other divided highways.

SEC. 14. Section 2376 is added to the Streets and Highways Code, to read:

2376. For each of the 2012–13 and 2013–14 fiscal years, the department shall allocate the funds reserved by the United States Secretary of Transportation from the state's apportionments to implement transportation alternatives projects as provided in this section:

(a) (1) Fifty percent in each fiscal year shall be allocated to, and may be obligated by, metropolitan transportation organizations in proportion to their relative shares of the population of the state in the following areas:

(A) In urbanized areas of the state with an urbanized area population of over 200,000.

(B) In areas of the state other than urban areas with a population greater than 5,000 and less than or equal to 200,000.

(C) In other areas of the state.

(2) Fifty percent may be obligated in any area of the state.

(b) Funds attributed to an urbanized area under paragraph (2) of subdivision (a) may be obligated in the metropolitan area established under Section 134 of Title 23 of the United States Code that encompasses the urbanized area.

(c) Except as provided in paragraph (2) of subdivision (a), the amount of funds that the department is required to obligate under subparagraph (A) of paragraph (1) of subdivision (a) shall be obligated in urbanized areas described in that subparagraph based on the relative population of the areas.

(d) The allocation of funds required under subdivision (a) shall be after the deduction of a set aside equal to the amount of the funds apportioned to the state for federal fiscal year 2009 under Section 104(h)(2) of Title 23 of the United States Code to be obligated for projects relating to recreational trails under Section 206 of Title 23 of the United States Code. The state shall return 1 percent of those set aside funds to the United States Secretary of Transportation for the administration of that program

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as provided in Section 2380. The state shall also comply with the provisions of the administration of the recreational trails program under Section 206 of Title 23 of the United States Code, including the use of apportioned funds described under subsection (d)(3)(A) of that section.

SEC. 15. Section 2377 is added to the Streets and Highways Code, to read:

2377. (a) The department or metropolitan planning organization, as applicable, shall each develop a competitive process to allow eligible entities to submit projects for funding that achieve the objectives of eligible projects and activities.

(b) "Eligible entity" means all of the following:

- (1) A local government.
- (2) A regional transportation authority.
- (3) A transit agency.
- (4) A natural resource or public land agency.
- (5) A school district, local educational agency, or school.
- (6) A tribal government.

(7) Any other local or regional governmental entity with responsibility for or oversight of transportation or recreational trails, other than a metropolitan planning organization or the state, that the state determines to be eligible, consistent with the goals of this section.

(c) For funds suballocated to metropolitan planning areas for urbanized areas of the state with an urbanized area population of over 200,000, the metropolitan planning organization shall select projects carried out within the boundaries of the applicable metropolitan planning area, in consultation with the department.

(d) Notwithstanding subdivisions (a) and (c), where county transportation commissions have been created by Division 12 (commencing with Section 130000) of the Public Utilities Code, all transportation alternatives funds shall be further suballocated by the metropolitan planning organization to the county transportation commission on the basis of relative population and the county transportation commission shall develop the competitive selection process.

SEC. 16. Section 2378 is added to the Streets and Highways Code, to read:

2378. For funds suballocated to a metropolitan planning area under subparagraph (A) of paragraph (1) of subdivision (a) of Section 2376, the metropolitan planning organization or county transportation commission created by Division 12 (commencing with Section 130000) of the Public Utilities Code shall select projects carried out within the boundaries of the applicable metropolitan planning area, in consultation with the department.

SEC. 17. Section 2379 is added to the Streets and Highways Code, to read:

2379. Beginning with the 2012–13 fiscal year, if on August 1 of that fiscal year the unobligated balance of available funds reserved by the state under Section 213 of Title 23 of the United States Code exceeds 100 percent of the reserved amount in a fiscal year, the department may thereafter obligate the amount of excess funds for any eligible activity, as follows:

(a) An activity that is eligible to receive funding under Section 2375.

(b) An activity for which the United States Secretary of Transportation has approved the obligation of funds for any state under Section 149 of Title 23 of the United States Code.

SEC. 18. Section 2380 is added to the Streets and Highways Code, to read:

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2380. (a) The department shall obligate an amount of funds reserved under Section 213 of Title 23 of the United States Code equal to the amount of the funds apportioned to the state for the 2009–10 fiscal year under Section 104(h)(2) of Title 23 of the United States Code for projects relating to recreational trails under Section 206 of Title 23 of the United States Code.

(b) The department shall return 1 percent of those funds to the United States Secretary of Transportation for the administration of that program.

(c) The department shall comply with the provisions of the administration of the federal Recreational Trails Program under Section 206 of Title 23 of the United States Code, including the use of apportioned funds described under subsection (d)(3)(A) of that section.

SEC. 19. Section 2381 is added to the Streets and Highways Code, to read:

2381. The state may opt out of the federal Recreational Trails Program under subsection (f) of Section 213 of Title 23 of the United States Code if the Governor notifies the United States Secretary of Transportation not later than 30 days prior to apportionments being made for any fiscal year.

Amendment 3

On page 1, strike out lines 1 and 2