

Assembly Bill No. 17

Passed the Assembly September 12, 2017

Chief Clerk of the Assembly

Passed the Senate September 7, 2017

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2017, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add and repeal Chapter 2 (commencing with Section 99100) of Part 11 of Division 10 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 17, Holden. Transit Pass Pilot Program: free or reduced-fare transit passes.

Existing law declares that the fostering, continuance, and development of public transportation systems are a matter of statewide concern. Existing law authorizes the Department of Transportation to administer various programs and allocates moneys for various public transportation purposes.

This bill would, upon an appropriation of moneys from the Public Transportation Account by the Legislature, create the Transit Pass Pilot Program to be administered by the department to provide free or reduced-fare transit passes, directly or through a 3rd party, including a transit agency, to specified pupils and students by supporting new, or expanding existing, transit pass programs. The bill would require the department to develop guidelines that describe the application process and selection criteria for awarding the moneys made available for the program, and would exempt the development of those guidelines from the Administrative Procedure Act. The bill would require the department to develop performance measures and reporting requirements to evaluate the effectiveness of the program, and would require the department to submit a report to specified committees of the Legislature on or before January 1, 2020, on the outcomes of the program and the status of transit pass programs statewide. The bill would provide that its requirements become effective only upon an appropriation that would trigger the creation of the program. The pilot program would be repealed on January 1, 2022.

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

SECTION 1. The Legislature finds and declares all of the following:

(a) Student transit pass programs have been shown to increase overall transit ridership and fill empty seats on trains and buses, resulting in reduced costs per rider and improved service because of higher demand.

(b) Targeting student transit pass programs to low-income middle school, high school, college, and university students can promote the development of lifelong transit riders and further bolster the capacity and reliability of our transit systems.

(c) Student transit pass programs in this state and across the country have resulted in significant increases in transit ridership and have made it easier and cheaper for students to get to schools and jobs.

(d) Student transit pass programs can help the state reduce greenhouse gas emissions, vehicle miles traveled, petroleum use, and air pollution and improve overall community health.

(e) Student transit pass programs can lower pollution around elementary schools, thereby improving student health.

(f) Schools are often a major generator of traffic in cities, and student transit pass programs can help reduce the traffic and parking problems in neighborhoods around schools.

(g) Student transit pass programs can reduce the need for colleges to use campus land for expensive parking structures when this land and money could be better used for educational purposes.

(h) Student transit pass programs have decreased the necessity of, and costs associated with, driving to and from school, thereby reducing the overall cost of school attendance and the parental burdens on working families.

(i) A University of California, Los Angeles, study of 35 college and university student transit pass programs across the United States in 2001 showed ridership increases of 71 to 200 percent after the implementation of these programs.

SEC. 2. Chapter 2 (commencing with Section 99100) is added to Part 11 of Division 10 of the Public Utilities Code, to read:

CHAPTER 2. TRANSIT PASS PILOT PROGRAM

99100. (a) Upon the appropriation of moneys from the Public Transportation Account by the Legislature, the Transit Pass Pilot Program is hereby created, to be administered by the department.

(b) The department shall administer the program to provide free or reduced-fare transit passes, directly or through a third party, including a transit agency, to any of the following:

(1) Pupils attending public middle schools or high schools that are eligible for funding under Title I of the federal Elementary and Secondary Education Act of 1965 (20 U.S.C. Sec. 6301 et seq.).

(2) Students attending a California community college who qualify for a waiver of student fees pursuant to subdivision (g) of Section 76300 of the Education Code.

(3) A student who attends a campus of the California State University or the University of California and who receives an award under the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program established in Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5 of Title 3 of the Education Code, the federal Pell Grant Program established under Title IV of the federal Higher Education Act of 1965 (20 U.S.C. Sec. 1070 et seq.), or both.

99101. As used in this chapter, the following terms are defined as follows:

(a) “Department” means the Department of Transportation.

(b) “Eligible participant” means a public agency, including, but not limited to, a transit operator, school district, community college district, the California State University, or the University of California.

(c) “Program” means the Transit Pass Pilot Program created pursuant to this chapter.

99102. (a) Moneys allocated for the program shall be expended to provide free or reduced-fare transit passes to pupils and students, as specified in Section 99100, by supporting new, or expanding existing, transit pass programs.

(b) (1) The department shall develop guidelines that describe the application process and selection criteria for awarding the moneys made available for the program.

(2) The Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) shall not apply to the development of those guidelines.

(3) The guidelines shall ensure that moneys from the program are used to expand eligibility or further reduce the cost of a transit pass under existing programs.

(c) The department shall develop performance measures and reporting requirements to evaluate the effectiveness of the program.

(d) (1) Moneys awarded to an eligible participant shall be available for expenditure by the eligible participant for two years from the date upon which it receives those moneys.

(2) The minimum amount the department shall award to a selected eligible participant is twenty thousand dollars (\$20,000).

(3) The maximum amount the department shall award to a selected eligible participant is five million dollars (\$5,000,000).

99103. (a) On or before January 1, 2020, the department shall submit a report on the outcomes of the program and the status of transit pass programs statewide to the fiscal and policy committees of the Legislature that oversee transportation programs.

(b) The report shall include, but not be limited to, all of the following:

(1) The number of free or reduced-fare transit passes provided to pupils and students.

(2) Whether, over the lifetime of the program, the program increased transit ridership among pupils and students.

(3) An assessment of how many transit operators and schools statewide have a transit pass program.

(4) An assessment of how many transit operators and schools statewide do not have a transit pass program.

(5) Recommendations to expand transit pass programs to ensure that all eligible pupils and students statewide have access to a transit pass program.

(c) The report required to be submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

99104. The requirements of this chapter shall become effective only upon the appropriation of funding as described in subdivision (a) of Section 99100.

99105. This chapter shall remain in effect only until January 1, 2022, and as of that date is repealed.

Approved _____, 2017

Governor