

AMENDED IN SENATE AUGUST 2, 2016

AMENDED IN ASSEMBLY MAY 31, 2016

AMENDED IN ASSEMBLY APRIL 6, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2222

Introduced by Assembly Member Holden
(Coauthor: Assembly Member Gonzalez)
(Coauthor: Senator Allen)

February 18, 2016

An act to add Part 4 (commencing with Section 75240) to Division 44 of the Public Resources Code, relating to ~~greenhouse gases~~ *school transportation*.

LEGISLATIVE COUNSEL'S DIGEST

AB 2222, as amended, Holden. ~~Greenhouse Gas Reduction Fund: Transit Pass Program. Transit Pass Program: free or reduced-fare transit passes.~~

~~The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund.~~

Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, the California State University, under the

administration of the Trustees of the California State University, and the University of California, under the administration of the Regents of the University of California, as the 3 segments of public postsecondary education in this state. Each of these segments is authorized to provide instruction and other services to the students who attend the institutions under their respective jurisdictions. Existing law also authorizes the governing board of a school district to provide for the transportation of pupils to and from school whenever in the judgment of the board the transportation is advisable and good reasons exist to do so.

This bill would establish the Transit Pass Program to be administered by the Department of Transportation with moneys ~~from the Greenhouse Gas Reduction Fund, made available, upon appropriation, appropriation by the Legislature,~~ to support transit pass programs that provide free or reduced-fare transit passes to specified pupils and students. The bill would require the ~~department, in coordination with the state board,~~ department to develop guidelines that describe the criteria that eligible transit providers are required to use to make available free or reduced-fare transit passes to eligible ~~participants and the methodologies that eligible participants would use to demonstrate that the proposed expenditures will reduce greenhouse gas emissions.~~ participants. The bill would exempt those guidelines from the Administrative Procedure Act. The bill would require eligible transit providers and eligible participants to enter into agreements for the distribution of free or reduced-fare transit passes to students.

This bill would require that the guidelines ensure that moneys from the program are used to expand eligibility or further reduce the cost of a transit pass under existing programs. The bill would require the department to develop performance measures and reporting requirements to evaluate the effectiveness of the program, including an annual update of the number of free or reduced-fare transit passes distributed to pupils and students and whether the program is increasing transit ridership among pupils and students. The bill would set a minimum allocation of \$20,000 for each eligible transit provider and would provide for the distribution and allocation of remaining Transit Pass Program moneys by formula to eligible transit providers.

The bill would require, for purposes of determining an eligible transit provider's eligibility for moneys distributed to a transportation planning agency from the Public Transportation Account, that free or discounted transit fare passes be calculated at their full retail value. ~~The bill would~~

~~authorize the use of moneys from the Affordable Housing and Sustainable Communities Program, the Low Carbon Transit Operations Program, and other low carbon transportation programs to augment a free or reduced-fare transit pass program, as specified.~~

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

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

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) California landmark laws and regulations for reducing
- 4 greenhouse gases address one of the most important issues of our
- 5 time, and dramatically increasing the use of public transportation
- 6 is a vital component in reducing greenhouse gas emissions by 80
- 7 percent by the year 2050.
- 8 (b) Student transit pass programs have been shown to increase
- 9 overall transit ridership and fill empty seats on trains and buses,
- 10 resulting in reduced costs per rider and improved service because
- 11 of higher demand.
- 12 (c) Targeting student transit passes to low-income middle school,
- 13 high school, college, and university students can promote the
- 14 development of lifelong transit riders and further bolster the
- 15 capacity and reliability of our transit systems.
- 16 (d) Student transit pass programs in this state and across the
- 17 country have resulted in significant increases in transit ridership
- 18 and have made it easier and cheaper for students to get to schools
- 19 and to jobs.
- 20 (e) Student transit pass programs can help the state reduce
- 21 greenhouse gas emissions, vehicle miles traveled, petroleum use,
- 22 and air pollution and improve overall community health.
- 23 (f) Student transit passes lower pollution around elementary
- 24 schools, thereby improving student health.
- 25 (g) Schools are often the major generators of traffic in cities,
- 26 and student transit pass programs can help reduce the traffic and
- 27 parking problems in neighborhoods around schools.
- 28 (h) Student transit pass programs can reduce the need for
- 29 colleges to use campus land for expensive parking structures when
- 30 this land and money could be better used for educational purposes.

(i) Student transit pass programs have decreased the need to drive to and from school, along with the costs associated with driving to and from school, thereby reducing the overall cost of school attendance and reducing parental burdens for working families.

(j) 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. Part 4 (commencing with Section 75240) is added to Division 44 of the Public Resources Code, to read:

PART 4. TRANSIT PASS PROGRAM

75240. The Transit Pass Program is hereby created, to be administered by the Department of Transportation. Moneys made available for the program, upon appropriation by the Legislature ~~from the Greenhouse Gas Reduction Fund, created pursuant to Section 16428.8 of the Government Code, Legislature~~, shall be allocated by the Controller to support transit pass programs that provide free or reduced-fare transit passes to any of the following:

(a) Pupils attending public middle schools or high schools that are eligible for funding under Title I of the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).

(b) 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.

(c) A student who attends a campus of the California State University or the University of California and who receives an award under the 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.

75241. As used in this part, 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

1 district, the California State University, or the University of
2 California.

3 (c) “Eligible transit provider” means a transportation agency,
4 transportation planning agency, or county transportation
5 commission that is eligible to receive moneys from a state transit
6 assistance fund pursuant to the distribution formula in subdivision
7 (b) or (c) of Section 99312 of and Sections 99313 and 99314 of
8 the Public Utilities Code.

9 (d) “Program” means the Transit Pass Program established
10 pursuant to this part.

11 75242. (a) Moneys shall be allocated by the Controller
12 consistent with the requirements of this part ~~and with Section~~
13 ~~39712 of the Health and Safety Code~~, upon a determination by the
14 department that the expenditures proposed by an eligible transit
15 provider meet the requirements of this part and the guidelines
16 developed pursuant to subdivision (c), and the amount of funding
17 requested that is currently available.

18 (b) (1) Moneys allocated for the program shall be expended to
19 provide low- or no-cost public transit passes to students, as
20 specified in Section 75240, through programs that support new or
21 existing transit pass programs.

22 (2) An eligible transit provider may consider granting priority
23 to an application from an eligible participant with an existing,
24 successful transit pass program, provided that the eligible
25 participant can demonstrate that the additional moneys will further
26 reduce the cost of the transit pass or expand program eligibility.

27 (c) ~~The department, in coordination with the State Air Resources~~
28 ~~Board,~~ *department* shall develop guidelines that describe the
29 criteria that eligible transit providers shall use to make available
30 free or reduced-fare transit passes to eligible ~~participants and the~~
31 ~~methodologies that eligible participants shall use to demonstrate~~
32 ~~that the proposed expenditures will reduce greenhouse gas~~
33 ~~emissions.~~ *participants.* The Administrative Procedure Act
34 (Chapter 3.5 (commencing with Section 11340) of Part 1 of
35 Division 3 of Title 2 of the Government Code) shall not apply to
36 the development of the guidelines for the program established
37 pursuant to this part.

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

1 (2) The department shall develop performance measures and
2 reporting requirements to evaluate the effectiveness of the program,
3 including an annual update of the number of free or reduced-fare
4 transit passes distributed to students and whether the program is
5 increasing transit ridership among students.

6 (d) Eligible transit providers and eligible participants shall enter
7 into agreements pursuant to the guidelines developed pursuant to
8 subdivision (c) to ensure that free or reduced-fare transit passes
9 are distributed to students.

10 ~~(e) Moneys from the Affordable Housing and Sustainable~~
11 ~~Communities Program (Part 1 (commencing with Section 75200)),~~
12 ~~the Low Carbon Transit Operations Program (Part 3 (commencing~~
13 ~~with Section 75230)), and other low carbon transportation programs~~
14 ~~may be used to augment a free or reduced-fare transit pass program.~~
15 ~~Those moneys shall remain subject to the requirements to benefit~~
16 ~~disadvantaged communities consistent with the guidance provided~~
17 ~~by the State Air Resources Board pursuant to Section 39715 of~~
18 ~~the Health and Safety Code.~~

19 75244. For the purposes of determining an eligible transit
20 provider's eligibility for moneys distributed to a transportation
21 planning agency pursuant to the distribution formula in
22 subdivisions (b) and (c) of Section 99312 of and Sections 99313
23 and 99314 of the Public Utilities Code, free or reduced-fare transit
24 passes made available pursuant to the program shall be calculated
25 at their full retail value.

26 75245. (a) Each eligible transit provider shall receive twenty
27 thousand dollars (\$20,000) from the program.

28 (b) After the initial twenty-thousand-dollar (\$20,000) amount
29 is allocated, the remaining program moneys shall be allocated to
30 eligible transit providers pursuant to the distribution formula in
31 subdivisions (b) and (c) of Section 99312 of and Sections 99313
32 and 99314 of the Public Utilities Code.

33 (c) Any moneys allocated during a fiscal year not distributed
34 pursuant to subdivisions (a) or (b) shall be added to the allocation
35 for the following fiscal year to be distributed pursuant to this
36 section.