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AB-90 Transportation. (2019-2020)

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Date Published: 06/30/2020 02:00 PM

Assembly Bill No. 90

CHAPTER 17

An act to amend Section 75230 of the Public Resources Code, to amend Sections 99268.9, 99312.1, and 99314.6 of, and to add Section 99314.10 to, the Public Utilities Code, and to amend Section 6592 of, and to add Sections 6452.05 and 6591.3 to, the Revenue and Taxation Code, relating to transportation, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor June 29, 2020. Filed with Secretary of State June 29, 2020.]

LEGISLATIVE COUNSEL'S DIGEST

AB 90, Committee on Budget. Transportation.

(1) Under the Mills-Alquist-Deddeh Act, also known as the Transportation Development Act, revenues from a 1 / 4 % sales tax in each county are transferred to the county's local transportation fund and available, among other things, for allocation by a transportation planning agency to transit operators, subject to certain financial requirements for an operator to meet in order to be eligible to receive funds. Existing law sets forth alternative ways for an operator to qualify for funding, including a standard under which the allocated funds do not exceed 50% of the operator's total operating costs, as specified, or the maintenance by the operator of a specified ratio of fare revenues to operating cost. If an operator was allocated funds from a local transportation fund during a fiscal year in which it did not maintain the required ratio of fare revenues to operating cost, existing law requires the operator's eligibility to receive these moneys and specified allocations under the State Transit Assistance Program to be reduced during a subsequent penalty year by the amount of the difference between the required fare revenues and the actual fare revenues collected for the fiscal year that the required ratio was not maintained.

This bill would prohibit the imposition of this penalty on an operator that does not maintain the required ratio of fare revenues to operating cost during the 2019–20 or 2020–21 fiscal year.

(2) Existing law requires the transfer of a specified portion of the sales tax on diesel fuel, in addition to various other revenues, to the Public Transportation Account, a trust fund in the State Transportation Fund. Existing law requires funds in the account to be allocated for various public transportation and transportation planning purposes, with specified revenues in the account to be allocated by the Controller to specified local transportation agencies for public transportation purposes, pursuant to the State Transit Assistance Program. Existing law continuously appropriates a specified portion of the revenues attributable to the sales tax on diesel fuel and various other revenues to the Controller for allocation to each local transportation agency by formulas based 50% on population and 50% on transit operator revenues. Existing law requires each State Transit Assistance-eligible operator within the jurisdiction of the allocating local transportation agency to receive a proportional share of the revenue-based program funds based on the qualifying revenues of that operator, as defined.

The bill would require the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance Program for the 2020–21 and 2021–22 fiscal years based on the same individual

operator ratios published by the Controller in a specified transmittal memo, and would authorize the Controller to revise that transmittal memo, as specified. The bill would require the Controller to use specified data to calculate those individual operator ratios. Upon allocation of the transit operator revenue-based funds to local transportation agencies pursuant to this provision, the bill would require the Controller to publish the amount of funding allocated to each operator.

(3) Existing law requires an operator to receive its entire allocation under the State Transit Assistance Program, and authorizes the operator to use any or all of that allocation for operating purposes, if it meets one of 2 specified efficiency standards. If the operator fails to meet either of those efficiency standards, existing law reduces the amount of the operator's allocation available for operating purposes by a specified percentage and requires that amount to be used by the operator for capital purposes.

This bill would exempt an operator from meeting either of those efficiency standards for the 2020–21 and 2021–2022 fiscal years and would authorize the operator to use those funds for operating or capital purposes during that period.

(4) Existing law imposes a transportation improvement fee under the Vehicle License Fee Law and requires a portion of the revenues attributable to the fee to be transferred to the Public Transportation Account for the State Transit Assistance Program. Existing law continuously appropriates those funds to the Controller under a program commonly known as the State of Good Repair Program for allocation pursuant to the population-based and transit operator revenue-based formulas.

This bill would require the Controller to allocate program funding for the 2020–21 and 2021–22 fiscal years to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.

(5) Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law continuously appropriates specified portions of the annual proceeds in the fund to various programs, including 5% for the Low Carbon Transit Operations Program, which provides operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility. Existing law requires the Controller to allocate available program funding to recipient transit agencies on a formula basis, upon approval of the recipient transit agency's proposed expenditures by the Department of Transportation.

This bill would require the Controller to allocate Low Carbon Transit Operations Program funding for the 2020–21 and 2021–22 fiscal years to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.

(6) Existing sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. Existing law requires a seller or person subject to sales and use tax to file, on or before the last day of the month following each quarterly period, a return for the preceding quarterly period. Existing law provides that if the California Department of Tax and Fee Administration (the department) finds that a person's failure to make a timely return or payment is due to reasonable cause and circumstances beyond the person's control, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the person shall be relieved of the penalties for failing to file a return.

This bill, beginning January 1, 2020, would require an aircraft jet fuel retailer to provide a quarterly information return, as specified, and would subject a retailer who fails to file that information return or who files an inaccurate information return to a penalty of \$5,000. The bill would exempt from those penalties a person who files an inaccurate return if that person's failure is due to reasonable cause and circumstances beyond the person's control, notwithstanding the exercise of ordinary care and the absence of willful neglect. The bill would require the department to post specified information from the returns on its internet website, including the amount of reported revenue derived from the sale, storage, use, or consumption of aircraft jet fuel in the state from specified taxes.

(7) Existing law creates the High-Speed Rail Authority to develop and implement an intercity high-speed rail system in the state, with specified powers and duties. Existing law requires the authority to prepare, publish, adopt, and submit to the Legislature a business plan containing specified elements, by May 1, 2014, and every 2 years thereafter, with a draft of the business plan to be available at least 60 days in advance for public review and comment, followed by at least one public hearing. Existing law requires the authority, on or before March 1, 2017, and every 2 years thereafter, to provide a project update report to the Legislature on the development and implementation of intercity high-speed train service, as specified.

This bill would delay the due date of the 2020 business plan to December 15, 2020. After the authority publishes the draft of the business plan, the bill would require the authority to submit any update to the draft business plan to a specified peer review group for review before the authority adopts the business plan. The bill would specify that the 2021 project update report is not required.

(8) This bill would appropriate \$1,705,000 to the Department of Motor Vehicles from the Air Pollution Control Fund to develop the interface system for the department's vehicle registration system to communicate with the State Air Resources Board's

compliance database.

(9) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 75230 of the Public Resources Code is amended to read:

75230. (a) The Low Carbon Transit Operations Program is hereby created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities.

(b) Funding for the program is continuously appropriated pursuant to Section 39719 of the Health and Safety Code from the Greenhouse Gas Reduction Fund established pursuant to Section 16428.8 of the Government Code.

(c) Except as provided in subdivision (v), funding shall be allocated by the Controller on a formula basis consistent with the requirements of this part and with Section 39719 of the Health and Safety Code, upon a determination by the Department of Transportation that the expenditures proposed by a recipient transit agency meet the requirements of this part and guidelines developed pursuant to this section, and that the amount of funding requested is currently available.

(d) A recipient transit agency shall demonstrate that each expenditure of program moneys allocated to the agency reduces greenhouse gas emissions.

(e) A recipient transit agency shall demonstrate that each expenditure of program moneys does not supplant another source of funds.

(f) Moneys for the program shall be expended to provide transit operating or capital assistance that meets any of the following:

(1) Expenditures that directly enhance or expand transit service by supporting new or expanded bus or rail services, new or expanded water-borne transit, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities.

(2) Operational expenditures that increase transit mode share.

(3) Expenditures related to the purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure to operate and support these zero-emission buses.

(g) (1) For recipient transit agencies whose service areas include disadvantaged communities, as identified pursuant to Section 39711 of the Health and Safety Code, at least 50 percent of the total moneys received pursuant to this chapter shall be expended on projects or services that meet the requirements of subdivisions (d), (e), and (f) and benefit the disadvantaged communities, as identified consistent with the guidance developed by the State Air Resources Board pursuant to Section 39715 of the Health and Safety Code.

(2) The requirement of paragraph (1) is waived if the recipient transit agencies expend the funding provided pursuant to this section on any of the following:

(A) New or expanded transit service that connects with transit service serving disadvantaged communities, as identified in Section 39711 of, or in low-income communities, as defined in paragraph (2) of subdivision (d) of Section 39713 of, the Health and Safety Code.

(B) Transit fare subsidies and network and fare integration technology improvements, including, but not limited to, discounted or free student transit passes.

(C) The purchase of zero-emission transit buses and supporting infrastructure.

(3) Expenditures made pursuant to paragraph (2) shall be deemed to have met all applicable requirements established pursuant to Section 39713 of the Health and Safety Code.

(4) This section does not require a recipient transit agency to provide individual rider data to the Department of Transportation or the State Air Resources Board.

(h) The Department of Transportation, in coordination with the State Air Resources Board, shall develop guidelines that describe the methodologies that recipient transit agencies shall use to demonstrate that proposed expenditures will meet the criteria in subdivisions (d), (e), (f), and (g) and establish the reporting requirements for documenting ongoing compliance with those criteria.

(i) Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development of guidelines for the program pursuant to this section.

(j) A recipient transit agency shall submit the following information to the Department of Transportation before seeking a disbursement of funds pursuant to this part:

(1) A list of proposed expense types for anticipated funding levels.

(2) The documentation required by the guidelines developed pursuant to this section to demonstrate compliance with subdivisions (d), (e), (f), and (g).

(k) For capital projects, the recipient transit agency shall also do all of the following:

(1) Specify the phases of work for which the agency is seeking an allocation of moneys from the program.

(2) Identify the sources and timing of all moneys required to undertake and complete any phase of a project for which the recipient agency is seeking an allocation of moneys from the program.

(3) Describe intended sources and timing of funding to complete any subsequent phases of the project, through construction or procurement.

(l) A recipient transit agency that has used program moneys for any type of operational assistance allowed by subdivision (f) in a previous fiscal year may use program moneys to continue the same service or program in any subsequent fiscal year if the agency can demonstrate that reductions in greenhouse gas emissions can be realized.

(m) Before authorizing the disbursement of funds, the Department of Transportation, in coordination with the State Air Resources Board, shall determine the eligibility, in whole or in part, of the proposed list of expense types, based on the documentation provided by the recipient transit agency to ensure ongoing compliance with the guidelines developed pursuant to this section.

(n) The Department of Transportation shall notify the Controller of approved expenditures for each recipient transit agency, and the amount of the allocation for each agency determined to be available at that time of approval.

(o) A recipient transit agency that does not submit an expenditure for funding in a particular fiscal year may retain its funding share, and may accumulate and use that funding share in a subsequent fiscal year for a larger expenditure, including operating assistance. The recipient transit agency must first specify the number of fiscal years that it intends to retain its funding share and the expenditure for which the agency intends to use these moneys. A recipient transit agency may only retain its funding share for a maximum of four fiscal years.

(p) A recipient transit agency may, in any particular fiscal year, loan or transfer its funding share to another recipient transit agency within the same region for any identified eligible expenditure under the program, including operating assistance, in accordance with procedures incorporated by the Department of Transportation in the guidelines developed pursuant to this section, which procedures shall be consistent with the requirement in subdivision (g).

(q) A recipient transit agency may apply to the Department of Transportation to reassign any savings of surplus moneys allocated under this section to the agency for an expenditure that has been completed to another eligible expenditure under the program, including operating assistance. A recipient transit agency may also apply to the Department of Transportation to reassign to another eligible expenditure any moneys from the program previously allocated to the agency for an expenditure that the agency has determined is no longer a priority for the use of those moneys.

(r) The recipient transit agency shall provide annual reports to the Department of Transportation, in the format and manner prescribed by the department, consistent with the internal administrative procedures for the use of the fund proceeds developed by the State Air Resources Board.

(s) The Department of Transportation and recipient transit agencies shall comply with the guidelines developed by the State Air Resources Board pursuant to Section 39715 of the Health and Safety Code to ensure that the requirements of Section 39713 of the Health and Safety Code are met to maximize the benefits to disadvantaged communities, as described in Section 39711 of the Health and Safety Code.

(t) A recipient transit agency shall comply with all applicable legal requirements, including the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000)), and civil rights and environmental justice obligations under state and federal law. This section does not expand or extend the applicability of those laws to recipient transit agencies.

(u) The audit of public transportation operator finances already required under the Transportation Development Act (Chapter 4 (commencing with Section 99200) of Part 11 of Division 10 of the Public Utilities Code) pursuant to Section 99245 of that code shall be expanded to include verification of receipt and appropriate expenditure of moneys from the program. Each recipient

transit agency receiving moneys from the program in a fiscal year for which an audit is conducted shall transmit a copy of the audit to the Department of Transportation, and the department shall make the audits available to the Legislature and the Controller for review on request.

(v) Notwithstanding subdivision (c), the Controller shall allocate funding pursuant to this section for the 2020–21 and 2021–22 fiscal years to recipient transit agencies pursuant to the individual operator ratios described in Section 99314.10 of the Public Utilities Code.

SEC. 2. Section 99268.9 of the Public Utilities Code is amended to read:

99268.9. (a) (1) Except as otherwise provided in subdivision (b), if an operator was allocated funds under this article during a fiscal year in which it did not maintain the required ratio of fare revenues to operating cost, the operator's eligibility to receive moneys from the local transportation fund and allocations pursuant to Sections 99313.3 and 99314.3 shall be reduced during a subsequent penalty year by the amount of the difference between the required fare revenues and the actual fare revenues for the fiscal year that the required ratio was not maintained. The penalty year shall be the fiscal year that begins one year after the end of the fiscal year during which the required ratio was not maintained.

(2) An operator subject to this subdivision shall demonstrate to the transportation planning agency, the county transportation commission, or the San Diego Metropolitan Transit Development Board how it will achieve the required ratio of fare revenues during any penalty year.

(b) The first fiscal year for which an operator does not maintain the required ratio of fare revenues to operating cost is deemed a grace year, and shall not result in any penalty nor loss of eligibility for funds under this article.

(c) (1) Notwithstanding subdivision (a), a transportation planning agency, county transportation commission, or the San Diego Metropolitan Transit Development Board shall not impose the penalty described in subdivision (a) on an operator that does not maintain the required ratio of fare revenues to operating cost during the 2019–20 or 2020–21 fiscal year.

(2) This subdivision shall become inoperative on January 1, 2022.

SEC. 3. Section 99312.1 of the Public Utilities Code is amended to read:

99312.1. (a) Revenues transferred to the Public Transportation Account pursuant to Sections 6051.8 and 6201.8 of the Revenue and Taxation Code for the State Transit Assistance Program are hereby continuously appropriated to the Controller for allocation as follows:

(1) Fifty percent for allocation to transportation planning agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board pursuant to Section 99314, for purposes of the State Transit Assistance Program.

(2) Fifty percent for allocation to transportation agencies, county transportation commissions, and the San Diego Metropolitan Transit Development Board pursuant to Section 99313, for purposes of the State Transit Assistance Program.

(b) For purposes of this chapter, the revenues allocated pursuant to this section shall be subject to the same requirements as revenues allocated pursuant to subdivisions (b) and (c), as applicable, of Section 99312.

(c) The revenues transferred to the Public Transportation Account for the State Transit Assistance Program that are attributable to subdivision (a) of Section 11053 of the Revenue and Taxation Code are hereby continuously appropriated to the Controller, and, upon allocation pursuant to Sections 99313 and 99314, shall only be expended on the following:

(1) Transit capital projects or services to maintain or repair a transit operator's existing transit vehicle fleet or existing transit facilities, including rehabilitation or modernization of existing vehicles or facilities.

(2) The design, acquisition, and construction of new vehicles or facilities that improve existing transit services.

(3) Transit services that complement local efforts for repair and improvement of local transportation infrastructure.

(d) (1) Before receiving an apportionment of funds pursuant to subdivision (c) from the Controller in a fiscal year, a recipient transit agency shall submit to the department a list of projects proposed to be funded with these funds. The list of projects proposed to be funded with these funds shall include a description and location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement. The project list shall not limit the flexibility of a recipient transit agency to fund projects in accordance with local needs and priorities so long as the projects are consistent with subdivision (c).

(2) The department shall report to the Controller the recipient transit agencies that have submitted a list of projects as described in this subdivision and that are therefore eligible to receive an apportionment of funds for the applicable fiscal year.

The Controller, upon receipt of the report, shall apportion funds quarterly pursuant to Sections 99313 and 99314.

(e) For each fiscal year, each recipient transit agency receiving an apportionment of funds pursuant to subdivision (c) shall, upon expending those funds, submit documentation to the department that includes a description and location of each completed project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement.

(f) The audit of transit operator finances required pursuant to Section 99245 shall verify that the revenues identified in subdivision (c) have been expended in conformance with these specific requirements and all other generally applicable requirements.

(g) Notwithstanding any other law, the Controller shall allocate the funds made available in subdivision (c) in the 2020–21 and 2021–22 fiscal years pursuant to Sections 99313 and 99314 and, for the funds allocated pursuant to Section 99314, shall allocate those funds in accordance with the individual operator ratios described in Section 99314.10.

SEC. 4. Section 99314.6 of the Public Utilities Code is amended to read:

99314.6. (a) Except as provided in subdivision (e) and Section 99314.7, the following eligibility standards apply:

(1) Except as provided in paragraph (3), funds shall be allocated for operating or capital purposes pursuant to Sections 99313 and 99314 to an operator if the operator meets either of the following efficiency standards:

(A) The operator shall receive its entire allocation, and any or all of this allocation may be used for operating purposes, if the operator's total operating cost per revenue vehicle hour in the latest year for which audited data are available does not exceed the sum of the preceding year's total operating cost per revenue vehicle hour and an amount equal to the product of the percentage change in the Consumer Price Index for the same period multiplied by the preceding year's total operating cost per revenue vehicle hour.

(B) The operator shall receive its entire allocation, and any or all of this allocation may be used for operating purposes, if the operator's average total operating cost per revenue vehicle hour in the latest three years for which audited data are available does not exceed the sum of the average of the total operating cost per revenue vehicle hour in the three years preceding the latest year for which audited data are available and an amount equal to the product of the average percentage change in the Consumer Price Index for the same period multiplied by the average total operating cost per revenue vehicle hour in the same three years.

(2) If an operator does not meet either efficiency standard under paragraph (1), the operator shall receive its entire allocation and the funds shall be allocated pursuant to this paragraph. The portion of the allocation that the operator may use for operations shall be the total allocation to the operator reduced by the lowest percentage by which the operator's total operating cost per revenue vehicle hour for the applicable year or three-year period calculated pursuant to subparagraph (A) or (B) of paragraph (1) exceeded the target amount necessary to meet the applicable efficiency standard. The remaining portion of the operator's allocation shall be used only for capital purposes.

(3) The transportation planning agency or county transportation commission, or the San Diego Metropolitan Transit Development Board, as the case may be, shall adjust the calculation of operating costs and revenue vehicle hours pursuant to paragraph (1) to account for either or both of the following factors:

(A) Exclusion of cost increases beyond the change in the Consumer Price Index for fuel; alternative fuel programs; power, including electricity; insurance premiums and payments in settlement of claims arising out of the operator's liability; or state or federal mandates, including the additional operating costs required to provide comparable complementary paratransit service as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), as identified in the operator's paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations.

(B) Exclusion of startup costs for new services for a period of not more than two years.

(b) As used in this section, the following terms have the following meanings:

(1) "Operating cost" means the total operating cost as reported by the operator under the uniform system of accounts and records, pursuant to Section 99243 and subdivision (a) of Section 99247.

(2) "Revenue vehicle hours" has the same meaning as "vehicle service hours," as defined in subdivision (h) of Section 99247.

(3) "Consumer Price Index," as applied to an operator, is the regional Consumer Price Index for that operator's region, as published by the United States Bureau of Labor Statistics. If a regional index is not published, the index for the State of California applies.

(4) "New service" has the same meaning as "extension of public transportation services" as defined in Section 99268.8.

(c) The restrictions in this section do not apply to allocations made for capital purposes.

(d) The exclusion of cost increases described in paragraph (3) of subdivision (a) applies solely for the purpose of calculating an operator's eligibility to claim funds pursuant to this section and does not authorize an operator to report an operating cost per revenue vehicle hour, other than as described in this section and in Section 99247, to any of the following entities:

- (1) The Controller pursuant to Section 99243.
- (2) The entity conducting the fiscal audit pursuant to Section 99245.
- (3) The entity conducting the performance audit pursuant to Section 99246.

(e) Notwithstanding subdivision (a), an operator shall be exempt from meeting either efficiency standard under paragraph (1) of subdivision (a) for the 2020–21 and 2021–2022 fiscal years and may use the funds allocated pursuant to Sections 99313 and 99314 for operating or capital purposes during that period of time.

SEC. 5. Section 99314.10 is added to the Public Utilities Code, to read:

99314.10. (a) Notwithstanding any other law, for the 2020–21 and 2021–2022 fiscal years, the Controller shall calculate and publish the allocation of funds made pursuant to Section 99314 to each transportation planning agency and county transportation commission, the San Diego Metropolitan Transit Development Board, the member agencies of the Altamont Commuter Express Authority, and the member agencies of the Southern California Regional Rail Authority based on the same individual operator ratios published by the Controller in its August 2020 State Transit Assistance Allocation transmittal memo, or as the Controller may subsequently revise that memo before June 30, 2022, to account for an STA-eligible operator's termination of transit operations during those fiscal years or for a new STA-eligible operator, as described in subdivision (c) of Section 99314, during those fiscal years.

(b) In calculating the individual operator ratios for the August 2020 State Transit Assistance Allocation transmittal memo described in subdivision (a), the Controller shall use the data from the most recent annual report submitted by each STA-eligible operator to the Controller pursuant to Section 99243, except that the Controller shall not use data from a fiscal year before the 2017–18 fiscal year. For a subsequent revision to the memo, as described in subdivision (a), the Controller shall incorporate the data from the most recent annual report submitted by a new STA-eligible operator pursuant to Section 99243 into the data used in the memo for existing STA-eligible operators.

(c) Upon allocation of funds pursuant to this section to each transportation planning agency and county transportation commission, the San Diego Metropolitan Transit Development Board, the member agencies of the Altamont Commuter Express Authority, and the member agencies of the Southern California Regional Rail Authority, the Controller shall publish the amount of funding allocated to each operator.

SEC. 6. Section 6452.05 is added to the Revenue and Taxation Code, to read:

6452.05. (a) Beginning January 1, 2020, on or before the last day of the month next following each quarterly period, in addition to the returns due pursuant to Section 6452, a retailer of aircraft jet fuel shall provide a quarterly information return, in the form prescribed by the department, which may include, but not be limited to, electronic media showing the information required for this state to comply with the Federal Aviation Administration's "Policy and Procedures Concerning the Use of Airport Revenue; Proceeds from Taxes on Aviation Fuel" (79 Fed. Reg. 66282 (Nov. 7, 2014)), as it read on November 7, 2014, and any other information that the department determines to be necessary to comply with those policies and procedures.

(b) A retailer of aircraft jet fuel who fails or refuses to timely furnish an information return, or other data required by the department pursuant to subdivision (a), shall pay a penalty of five thousand dollars (\$5,000).

(c) The information return required under this section shall not include any tax remittance and does not constitute a return required under Section 6452.

(d) The department shall collect information from the returns filed pursuant to subdivision (a) and shall post the following information each quarter on the department's internet website:

- (1) The amount of reported revenue derived from the sale, storage, use, or consumption of aircraft jet fuel in the state from taxes imposed pursuant to Section 35 of Article XIII of the California Constitution and Sections 6051.2, 6051.3, 6201.2, and 6201.3 of this code.
- (2) The amount of reported revenue derived from the sale, storage, use, or consumption of aircraft jet fuel with respect to taxes imposed by a city, county, city and county, or other governmental entity in accordance with the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), for the purposes of local compliance with the Federal Aviation Administration's

"Policy and Procedures Concerning the Use of Airport Revenue; Proceeds from Taxes on Aviation Fuel" (79 Fed. Reg. 66282 (Nov. 7, 2014)), as it read on November 7, 2014.

SEC. 7. Section 6591.3 is added to the Revenue and Taxation Code, to read:

6591.3. (a) An accuracy-related penalty shall be imposed under this part if a person fails to accurately disclose information in the information return required by Section 6452.05 such that the information return is substantially inconsistent with the return required under Section 6452, and that person shall pay a penalty of five thousand dollars (\$5,000) for each return not accurately filed.

(b) The accuracy-related penalty imposed by this section shall not be assessed if the penalty of Section 6452.05 is imposed.

SEC. 8. Section 6592 of the Revenue and Taxation Code is amended to read:

6592. (a) (1) If the department finds that a person's failure to make a timely return or payment is due to reasonable cause and circumstances beyond the person's control, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the person shall be relieved of the penalties provided by Sections 6452.05, 6476, 6477, 6479.3, 6480.4, 6511, 6565, 6591, 7051.2, 7073, and 7074.

(2) If the department finds, with respect to the information return required by Section 6452.05, that a person's failure to accurately disclose information is due to reasonable cause and circumstances beyond the person's control, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the person shall be relieved of the relevant penalty provided by Section 6591.3.

(b) Except as provided in subdivision (c), a person seeking to be relieved of the penalty shall file with the department a statement under penalty of perjury setting forth the facts upon which the person bases the claim for relief.

(c) The department shall establish criteria that provides for efficient resolution of requests for relief pursuant to this section.

SEC. 9. (a) (1) Notwithstanding any other law, the business plan required to be prepared, published, adopted, and submitted to the Legislature no later than May 1, 2020, pursuant to subdivision (a) of Section 185033 of the Public Utilities Code shall be prepared, published, adopted, and submitted no later than December 15, 2020.

(2) After the High-Speed Rail Authority publishes the draft of the business plan described in paragraph (1), the authority shall submit any update to the draft business plan to the independent peer review group established pursuant to Section 185035 of the Public Utilities Code for review before the authority adopts the business plan.

(b) Notwithstanding any other law, the project update report otherwise required to be provided to the budget committees and the appropriate policy committees of both houses of the Legislature on or before March 1, 2021, pursuant to Section 185033.5 of the Public Utilities Code is not required.

SEC. 10. For the 2020–21 fiscal year, the sum of one million seven hundred five thousand dollars (\$1,705,000) is hereby appropriated to the Department of Motor Vehicles from the Air Pollution Control Fund to develop the interface system for the department's vehicle registration system to communicate with the State Air Resources Board's compliance database.

SEC. 11. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.