



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

SB-640 Transportation financing: jointly funded projects. (2021-2022)

SHARE THIS:  

Date Published: 07/16/2021 09:00 PM

Senate Bill No. 640

CHAPTER 108

An act to amend Section 2034 of the Streets and Highways Code, relating to transportation.

[Approved by Governor July 16, 2021. Filed with Secretary of State July 16, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

SB 640, Becker. Transportation financing: jointly funded projects.

Existing law vests the Department of Transportation with full possession and control of the state highway system and associated property. Existing law creates the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. Existing law provides for the deposit of various funds, including revenues from certain increases in fuel taxes and vehicle fees, for the program into the Road Maintenance and Rehabilitation Account. After certain allocations for the program are made, existing law requires the remaining funds available for the program to be continuously appropriated 50% for allocation to the department for maintenance of the state highway system or for the State Highway Operation and Protection Program and 50% for apportionment to cities and counties by the Controller pursuant to a specified formula. Existing law requires a city or county to submit to the California Transportation Commission a list of proposed projects, as specified, to be eligible for an apportionment of those funds.

This bill would authorize cities and counties to propose projects to be jointly funded by the cities and counties' apportionments of those funds, as specified.

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

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

SECTION 1. Section 2034 of the Streets and Highways Code is amended to read:

2034. (a) (1) Before receiving an apportionment of funds under the program pursuant to paragraph (2) of subdivision (h) of Section 2032 from the Controller in a fiscal year, an eligible city or county shall submit to the commission a list of projects proposed to be funded with these funds. Two or more eligible cities, or one or more cities and a county, may propose a project to be jointly funded with these funds. Each city or county that proposes to jointly fund a project shall include its participation in the project in its list of projects submitted to the commission. All projects proposed to receive funding shall be adopted by resolution by the applicable city council or county board of supervisors at a regular public meeting. A proposed jointly funded project shall additionally be endorsed by a memorandum of understanding that is approved by the entities proposing to jointly fund the project and that includes the identity of the project's lead agency and a description of the individual contributions of each participating city and county to the project. The list of projects proposed to be funded with these funds, including jointly funded projects, shall include a description and the location of each proposed project, a proposed schedule for that project's completion, and the

estimated useful life of the improvement. The project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities so long as the projects are consistent with subdivision (b) of Section 2030.

(2) The commission shall submit an initial report to the Controller that indicates the cities and counties that have submitted a list of projects as described in this subdivision and that are therefore eligible to receive an apportionment of funds under the program for the applicable fiscal year. If the commission receives a list of projects from a city or county after it submits its initial report to the Controller, the commission shall submit a subsequent report to the Controller that indicates the cities and counties that submitted a list of projects after the commission submitted its initial report.

(3) The Controller, upon receipt of the initial report, shall apportion funds to eligible cities and counties.

(4) (A) For any city or county that is not included in the initial report submitted to the Controller pursuant to paragraph (2), the Controller shall retain the monthly share of funds that would otherwise be apportioned and distributed to the city or county pursuant to paragraph (3).

(B) If the Controller receives a subsequent report from the commission within 90 days of receiving the initial report from the commission that a city or county has become eligible to receive an apportionment, the Controller shall apportion the funds retained pursuant to subparagraph (A) to the city or county.

(C) The Controller shall reapportion to all eligible cities and counties pursuant to the formula in clauses (i) and (ii) of subparagraph (C) of paragraph (3) of subdivision (a) of Section 2103 any funds that were retained pursuant to subparagraph (A) but that were not apportioned and distributed pursuant to subparagraph (B).

(b) For each fiscal year, each city or county receiving an apportionment of funds shall, upon expending program funds, submit documentation to the commission that details the expenditures of all funds under the program, including a description and location of each completed project, the amount of funds expended on the project, the completion date, if applicable, and the estimated useful life of the improvement. For projects jointly funded pursuant to paragraph (1) of subdivision (a), each participating city and county shall submit to the commission the documentation required pursuant to this subdivision.

(c) Before receiving an apportionment of funds under the program pursuant to paragraph (2) of subdivision (h) of Section 2032, an eligible city or county may expend other funds on eligible projects and may reimburse the source of those other funds when it receives its apportionment from the Controller over one or more years.