



**November 28, 2018**

**To:** Members of the Board of Directors  
**From:** Jennifer L. Bergener, Managing Director  
**Subject:** Status Report of State Legislation Enacted in 2018

**Overview**

At the conclusion of the 2018 State legislative session, 1,016 bills were signed and chaptered by Governor Jerry Brown, while 201 bills were vetoed. A report containing a brief analysis of legislation relevant to the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is provided.

**Recommendation**

Receive and file as an information item.

**Discussion**

**2018 Legislative Session Adjourns**

Following the State Legislature's adjournment, Governor Jerry Brown had until September 30, 2018, to either sign or veto all legislation submitted to his office. Of the 1,217 bills sent to the Governor in 2018, 201 bills were vetoed; about 16.5 percent of the total number of bills presented to his office. This was the highest number of bills he has had to consider as Governor since 2011.

A detailed summary of the legislation relevant to the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is included as Attachment A. Among the bills considered this session were the following transportation proposals:

**Significant Bills of Interest in 2018 - Bills Signed**

Assembly Bill (AB) 1912 (Chapter 909, Statutes of 2018): Public Employees' Retirement: Joint Powers Agreements: Liability  
LOSSAN Agency Position: Monitor

AB 1912 (Chapter 909, Statutes of 2018) was introduced to ensure that all joint power authority (JPA) entities can cover their retirement obligations, even if

these liabilities were not considered at the time the JPA was formed. The bill in its original form would have held current and former JPA member agencies jointly-and-severally liable for pension obligations. However, given that that bill would have adversely affected the financial structure of member agencies and deterred against the future use of JPAs, AB 1912 was amended in an attempt to give more discretion to these agencies. While some stakeholders viewed the amendments as a compromise, others, such as the Orange County Transportation Authority (OCTA), remained opposed as the previously mentioned concerns were not adequately addressed.

The final version signed into law by the Governor does not allow a JPA to dissolve without a plan to apportion outstanding pension liabilities between current and former member agencies. Absent an apportionment agreement by member agencies, either the California Public Employees' Retirement System or the appropriate retirement plan, depending on the legal structure of the JPA, has discretion to apportion liability, with any challenges subject to arbitration. Member agencies could still be subject to more financial liability than was anticipated and could face barriers on the formation of future JPAs. It is worth noting, though, that LOSSAN Agency staff are employees of OCTA and not the JPA. As such, the provisions of the AB 1912 are not expected to affect OCTA's retirement liabilities for these employees.

AB 2034 (Chapter 812, Statutes of 2018): Human Trafficking: Notice  
LOSSAN Agency Position: Monitor

AB 2034 (Chapter 812, Statutes of 2018) requires agencies that operate intercity rail, light rail, or bus stations to provide at least 20 minutes of training by January 1, 2021, to employees who may interact with a victim of human trafficking or are likely to receive a report about suspected human trafficking. The bill also provides that agencies may use the California Department of Justice, the Santa Clara Valley Transit Authority, and private nonprofit organizations that represent the interests of human trafficking victims, as a resource in developing guidelines. Amtrak, who operates intercity rail stations on the LOSSAN Rail Corridor, will have to review and amend their existing training program to comply with the provisions set forth in AB 2034.

Senate Bill (SB) 502 (Chapter 602, Statutes of 2018): Commuter Rail Systems: Availability of Automated External Defibrillators: Construction Manager/General Contractor Project Delivery Method: Metrolink Commuter Rail Projects  
LOSSAN Agency Position: Monitor

SB 502 (Chapter 602, Statutes of 2018) requires public entities that operate a commuter rail system to ensure that each train is equipped with an automated external defibrillator (AED) by July 1, 2020. The LOSSAN Agency, though not required to comply as an intercity passenger rail service, has worked with Amtrak to install AEDs on all Pacific Surfliner trains. In addition, SB 502 provides



Construction Manager/General Contractor (CM/GC) authority to the Southern California Regional Rail Authority (Metrolink) for capital projects upon approval from county transportation commissions that have jurisdiction over the project. The CM/GC project delivery tool could serve to expedite the delivery of capital improvement projects in the region that may also have the potential to benefit operations on the LOSSAN rail corridor.

**Additional Bills of Interest in 2018 – Failed Passage**

SB 477 (Canella, R-Ceres): Intercity Rail Corridors: Extensions  
LOSSAN Agency Position: Support in Concept

Sponsored by the Transportation Agency for Monterey County, SB 477 (Canella, R-Ceres) would have provided flexibility to intercity rail corridors to allow for future expansion beyond the existing statutory defined corridors. Specifically, SB 477 would have provided the LOSSAN Agency the opportunity to consider future expansion further north or eastward if an expansion was recommended and justified in the business plan adopted by the LOSSAN Agency, signed by the Secretary of the California State Transportation Agency, and determined by the LOSSAN Agency that the extension would not have jeopardized or come at the expense of other existing intercity rail services. However, if SB 477 was chaptered, additional legislation would have been needed to appropriately redefine the boundaries of the LOSSAN rail corridor under statute and its associated JPA before service could have been assumed in those areas. The bill was ultimately held in the Assembly Appropriations Committee and thus failed passage. The Assembly Appropriations Committee analysis expressed concerns over the lack of a revenue stream to support an expansion of intercity rail services and the unknown cost pressures associated with one-time capital improvements and increased operating subsidies.

AB 1421 (Dababneh, D-Woodland Hills): Railroads: Noise and Vibration Levels  
LOSSAN Agency Position: Monitor

AB 1421 (Dababneh, D-Woodland Hills) would have required the California Department of Public Health to conduct a study to determine the noise and vibration levels associated with all railroad lines in the vicinity of residential areas or schools that have an average day-night sound level in excess of 60 decibels. However, given concerns over potential costs and the lack of a current funding source for mitigating the excessive noise and vibration of existing rail lines, the bill failed to make it out of the Senate Rules Committee.

***Summary***

A summary report on all state legislation enacted in 2018 affecting the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is provided for review by the Board of Directors.

***Attachment***

A. LOSSAN Rail Corridor Agency 2018 End of Year Legislative Report

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