

**Introduced by Senator Moorlach**February 18, 2016

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An act to add Section 155.7 to the Streets and Highways Code, relating to state highways.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1141, as introduced, Moorlach. State highways: transfer to local agencies: pilot program.

Existing law provides that the Department of Transportation has full possession and control of all state highways and associated property, and sets forth the powers and duties with respect to operation, maintenance, and improvement of state highways. Existing law authorizes the California Transportation Commission to exercise various powers and duties on transportation matters, including the allocation of certain transportation capital improvement funds available to the state.

This bill would require the department to participate in a pilot program over a 5-year period under which 2 counties, one in northern California and one in southern California, are selected to operate, maintain, and make improvements to all state highways, including freeways, in the affected county. The bill would require the department, with respect to those counties, for the duration of the pilot program, to convey all of its authority and responsibility over state highways in the county to the county or to a regional transportation agency that has jurisdiction in the county. The bill would require the commission to administer and oversee the pilot program and to select the counties that will participate in the program. The bill would require certain moneys to be appropriated for these purposes as a block grant in the annual Budget Act to a participating county, as specified. The bill would authorize any cost

savings realized by a participating county to be used by the county for other transportation priorities. The bill would require the participating counties to report to the Legislature upon the conclusion of the pilot program.

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. Section 155.7 is added to the Streets and  
2 Highways Code, to read:

3 155.7. (a) The department shall participate in a pilot program  
4 over a five-year period under which two counties, one in northern  
5 California and one in southern California, shall be selected to  
6 operate, maintain, and make improvements to all state highways,  
7 including freeways, in the affected county. The department, with  
8 respect to those counties, shall, for the duration of the pilot  
9 program, convey all of its authority and responsibility over state  
10 highways in the county to the county or to a regional transportation  
11 agency that has jurisdiction in the county. The pilot program shall  
12 commence no later than January 1, 2018.

13 (b) The commission shall administer and oversee the pilot  
14 program and shall, from applications received, select the counties  
15 that will participate in the program. The commission shall exercise  
16 the same level of oversight over expenditure of state highway  
17 resources in a participating county as it exercises over the  
18 department with respect to state highways in nonparticipating  
19 counties.

20 (c) For the duration of the pilot program, moneys shall be  
21 appropriated as a block grant in the annual Budget Act to a  
22 participating county in an amount equivalent to federal and state  
23 funds otherwise to be expended by the department on the state  
24 highways in the county, including, among other things, funding  
25 for operations, maintenance, capital outlay support, the State  
26 Highway Operation and Protection Program, and the State  
27 Transportation Improvement Program. The commission, in  
28 consultation with the department, shall determine the applicable  
29 grant amounts for each participating county and shall submit its  
30 recommendations to the Governor and the Legislature.

1 (d) Any cost savings realized by a participating county,  
2 compared to comparable expenditures that otherwise would have  
3 been undertaken by the department on state highways in the county  
4 in the absence of the pilot program, may be used by the county for  
5 other transportation priorities consistent with eligible expenditures  
6 for the funding source involved, subject to approval by the  
7 commission.

8 (e) The participating counties shall report to the Legislature  
9 upon the conclusion of the pilot program, in the manner provided  
10 in Section 9795 of the Government Code.

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