

Topic: **State Auditor's Report is a Tipping Point**  
Update: **May 14, 2010**

*This legislative update is sent to city council members, state legislative offices, agencies, local officials and others interested in following high-speed rail's progress. It is a service provided by CARRD, Californians Advocating Responsible Rail Design, to help inform the public of legislative activities related to the HSR project. These updates are available on CARRD's website, [www.calhsr.com](http://www.calhsr.com). To receive regular updates contact Rita Wespi at [rwespi@carrdnet.org](mailto:rwespi@carrdnet.org).*

Today I have two treats for you: the latest Legislative Update and bill tracker, and a [transcript of the Senate Transportation Committee's hearing](#) on the CHSRA audit which was held on Tuesday, May 11.

### Highlights of the Audit Hearing

This audit hearing was a defining moment in post-Prop 1A history: it was the first committee hearing I've observed where a line in the sand was drawn which conveyed that legislative support of the state's high-speed rail project is not unconditional.

As you're undoubtedly aware, the State Auditor's Report on CHSRA was critical of the project's management and oversight. Senators Lowenthal, Huff, Ashburn and Simitian each took their turn seeking clarification from the State Auditor or the CHSRA spokespeople. Senator Simitian reiterated 5 specific areas in which he expects "real", "significant" and "dramatic" improvements: the business plan, the financial plan, community engagement, peer review and guarantee issues. His opening comments vindicated a great lot of people who've expressed concerns about the project.

"My hope would be that at this point folks would stop being in denial about the cause for concern and come to the conclusion that if you've got thoughtful, well-intended, constituent concern that is backed by the concern of this committee and the budget sub-committee which you and I sit, Mr. Chairman, which is backed by the LAO, which is backed by the Audit, at some point I think folks really do need to come to grips to the fact that this isn't the case of isolated concern or misguided complaint or rampant NIMBYism – that there are real and legitimate concerns here and they need to be addressed sooner rather than later."

In his opening remarks he also described his early and dependable support of the HSR project. With that background, his closing comments exposed the depth of his frustration.

"And at some point, I think that we're going to say we can't do it. We have managed thus far, Mr. Chairman, in the budget process to essentially say we're going to authorize the appropriation of funds based on certain pre-conditions, and if those conditions are met we'll move forward. I anticipate that we'll be having a similar conversation sometime in the next few weeks in the Senate budget sub-committee process, but at some point, I think people are going to say we just have to call it a day and toss it in. I hope that day never comes, but that's the question."

Thank you, Senator Simitian, for your willingness to square up to this frustration.

### **What's next?**

The next big events to watch for are the budget hearings. Both the Assembly and Senate budget subcommittees recently held hearings on the CHSRA; most of their budget requests were unresolved so I assume there will be follow-up hearings. It's likely that the Senate will attach conditions for appropriating the funds, as alluded to by Senators Lowenthal and Simitian on Tuesday.

The group of CEQA "litigation protection" bills which exempt 125 projects over a 5 year span from having to respond to legal action (which is the ONLY recourse to a bad EIR) has dwindled down to [AB 1805](#) and [SB 1010](#), both of which are barely limping along. If you intend to send a letter stating your views on these bills, be sure to include the Governor in your correspondence because the word is that this language may find its way back into the Governor's version of the budget bill, which, incidentally, is where it originated.

Until next time,

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*CARRD is a grassroots organization committed to creating public awareness, providing relevant up-to-date information, and assisting local and state representatives in advocating for the best possible outcome of California's high-speed rail project.*

p.s. Visit CARRD's library of [Transcripts](#). We've added new legislative hearings and board meetings. It's a great way to follow these meetings without sitting through an entire video, and – they're searchable!

This legislative update is provided by Rita Wespi of CARRD. To receive an electronic version with active hyperlinks send email to [rwespi@carrdnet.org](mailto:rwespi@carrdnet.org) or visit [www.calhsr.com](http://www.calhsr.com).

Updated 5/14/10

Bill numbers are hyperlinked to their doc set; links in the Description column are of particular interest; votes are linked; dates are linked to video. Links to Budget Subcommittee Hearings and CHSRA Board Meetings are in the Committee Info tables on Page 2.

**Noteworthy changes:** . [AB 2121](#) & [AB 289](#) have significant amendments. [SB 1010](#) (CEQA exemption) failed Sen EQ but reconsideration was granted. [SB 1456](#) (urgency) CEQA mediation bill is fast-tracking through the Senate. [SB 976](#) (urgency) CEQA exemption of overpasses died in Senate Environmental Quality committee. [SB 455](#), [SB 476](#), [SB 686](#), [SB 1260](#) were removed from list.

| Senate Bills                       |                     |         |  |  |                                      |
|------------------------------------|---------------------|---------|--|--|--------------------------------------|
| Bill                               | Author              | Hearing | Description  | Status/Update  | Location                             |
| <a href="#">SB 409</a>             | Ducheny             |         | Creates Dept. of Railroads, transferring all rail functions from Caltrans to new dept; also moves rail safety from CPUC to rail dept. (see <a href="#">CPUC Report</a> ). <a href="#">Amend</a> 1/26 adds funding plan, rail connectivity plan, Sen confirmation of Gov appts. | 4/14 Trans Com: on hold for CA Research Bureau's study.<br>6/9 Sen Trans: <a href="#">(10-0)</a><br>8/27 Sen Appr: <a href="#">(13-0)</a><br>1/28 Senate Floor: <a href="#">(32-0)</a> | Assembly<br>Trans                    |
| <a href="#">SB 474</a>             | Ducheny             |         | Pilot trans programs: Public-Private Partnership, design-build, streamlining CEQA. <a href="#">Amend</a> 6/3. <a href="#">Trans Anal</a> 6/25. <a href="#">Amend</a> 8/24. <a href="#">Sen Anal</a> 8/24.  | 7/7 Sen Trans: <a href="#">(9-0)</a><br>8/27 Senate: <a href="#">(38-0)</a>  | Assembly<br>Trans                    |
| <a href="#">SB 964</a>             | Alquist             |         | Appr \$25M from HSR bond to work with CA Com Colleges to establish a workforce development pgm. <a href="#">Amend</a> 4/22 planning/env fund. <a href="#">Appr Anal</a> 4/26.  | 4/20/10: Sen Trans: <a href="#">(6-2)</a><br>4/26/10 Appr: placed on Appr Suspense file. <a href="#">(9-0)</a>   | Senate Appr<br>suspense file         |
| <a href="#">SB 965</a>             | DeSaulnier          |         | Authorizes CHSRA to receive and expend fed funds; requires expenditure plans; related to ARRA. <a href="#">Amend</a> 4/7/10. <a href="#">Trans Anal</a> 4/7/10. <a href="#">Sen Anal</a> 4/28.   | 4/13/10 Sen Trans <a href="#">(8-0)</a><br>4/26/10 Sen Appr: <a href="#">(8-1)</a><br>4/29/10 Senate Floor: <a href="#">(26-8)</a>   | Asm Trans                            |
| <a href="#">SB 976</a><br>Urgency  | Hollingsworth       | 4/19    | CEQA exemption for on/off ramps, overpasses. Presumably includes grade sep projects. Local agencies and schools would not be reimbursed.   | 4/19/10 Sen Env Qual: <a href="#">(2-4)</a>  | Dead.                                |
| <a href="#">SB 1010</a><br>Urgency | Correa<br>Cogdill   |         | Enacts CEQA Litigation Protection Pilot Program of 2010. Requires the BTH to select projects that meet requirements. Exempts 125 projects from judicial review. <a href="#">EQ Anal</a> 4/1.   | 2/10/10 introduced.<br>4/5/10 Env Qual <a href="#">(2-4)</a><br>4/5/10 Env Qual, reconsider <a href="#">(6-0)</a>  | Senate Env<br>Qual<br>Senate Jud.    |
| <a href="#">SB 879</a>             | Cox                 | 5/17    | Allow design/build contracts. <a href="#">LG Anal</a> 4/15. <a href="#">Amend</a> 4/26.  | 4/19/10 Loc Gov <a href="#">(3-2)</a><br>5/10/10 Sen Appr <a href="#">(6-3)</a>  | Senate Floor<br>3 <sup>rd</sup> read |
| <a href="#">SB 894</a>             | Senate Loc.<br>Gov. |         | Land use mediation law; affects CEQA.  | 4/19/10 Loc Gov <a href="#">(5-0)</a><br>5/10/10 Sen Floor <a href="#">(30-0)</a>  | Assembly                             |
| <a href="#">SB 1012</a>            | Runner              |         | CEQA spot bill.  | 2/18/10 to Rules for assignment.   |                                      |
| <a href="#">SB 1261</a>            | Ashburn             |         | CEQA: fast-track environmental review process.   | 2/19/10 introduced.  | Senate Rules                         |
| <a href="#">SB 1293</a>            | Hollingsworth       | 5/3     | CEQA: exemption from vegetation plan. <a href="#">Amend</a> 4/13/10.   | 4/19/10 Env Qual <a href="#">(7-0)</a><br>5/3/10 Appr <a href="#">(10-0)</a> suspense file.  | Senate Appr<br>suspense file         |
| <a href="#">SB 1371</a><br>urgency | Lowenthal           |         | DOT and local trans agencies to work jointly develop list of 2 <sup>nd</sup> round fed trans stimulus projects. Requires monthly status report to legis.   | 4/20/10 Sen Trans: <a href="#">(8-0)</a><br>5/10/10 Senate Floor <a href="#">(30-0)</a>  | Assembly                             |
| <a href="#">SB 1456</a><br>urgency | Simitian            |         | Introduces CEQA mediation. <a href="#">Env Qual anal</a> 4/1. <a href="#">Sen anal</a> 4/7.  | 4/5/10 Sen Env Qual <a href="#">(6-0)</a><br>4/15/10 Senate Floor <a href="#">(35-0)</a>   | Assembly                             |

| Select Committee Info:   |              |             |            |  |
|--|--------------|-------------|------------|--|
| Senate (no. members)   | Hearings     | Chair       | Vice Chair | Hearings of interest (non-bill items)  |
| <a href="#">Appropriations</a> (13)                              | Mon 11:00    | Kehoe       | Cox        |  |
| <a href="#">Budget &amp; Fiscal Review</a> (40)                  | Thurs 8:00   | Ducheny     | Dutton     |  |
| <a href="#">Budget Sub No2 Resources, Env, Energy, Trans</a> (3) | Thurs 9:30   | Simitian    |            | 4/30/9: CHSRA – <a href="#">agenda</a> ; <a href="#">mp3 audio</a> (CHSRA 01:40:00); <a href="#">outcomes</a> .<br>5/14/9: CHSRA - <a href="#">agenda</a> ; <a href="#">mp3 audio</a> .<br>4/15/10: CHSRA. 5/13/10: CHSRA. |
| <a href="#">Environmental Quality</a> (7)                        | 1/3 Mon 1:30 | Simitian    | Runner     |  |
| <a href="#">Rules</a> (5)  | Wed 1:30     | Steinberg   | Aanestad   |  |
| <a href="#">Transportation &amp; Housing</a> (11)                | Tues 1:30    | A.Lowenthal | Huff       | 5/11/10 <a href="#">CHSRA</a> . 3/17/9: CHSRA – <a href="#">agenda</a> ; <a href="#">video</a> . Jan 19, 2010 <a href="#">video</a> .  |

| Assembly Bills   |                    |         |   |   |   |
|--|--------------------|---------|---|---|---|
| Bill   | Author             | Hearing | Description   | Status/Update   | Committee                                     |
| <a href="#">AB 153</a>                                   | Ma                 |         | Exempts CHSRA from certain contingencies related to eminent domain, giving them greater autonomy when acquiring rights-of-way. Allows hiring legal staff. <a href="#">Trans Anal</a> 3/20. <a href="#">Sen Trans Anal</a> 6/18/9.   | 3/23/9 Trans Com: <a href="#">(9-3)</a> & to Jud. 4/14/9 Jud Com: <a href="#">(7-2)</a> & to Appr. 4/29/9 Appr: pass <a href="#">(11-5)</a> . 5/11/9 Asm: <a href="#">(53-16)</a> | Senate Trans (Hearing canceled by author 7/2) |
| <a href="#">AB 289</a><br>Urgency                        | Galgiani           |         | <del>Exempts high-speed grade separation projects from having to meet CEQA.</del> <a href="#">Amend</a> 8/17/9 use bonds to match ARRA. <a href="#">Amend</a> 1/25/10 CHSRA appoints Exec Dir, Gov appoints 5 Deputy dirs, Exec Dir appoints necessary staff. <a href="#">Amend</a> 4/21.   | 4/27/9 Trans: <a href="#">(13-0)</a><br>5/18/9 Assembly: (72-3)<br>2/11/10 to Sen Trans.  | Senate Trans                                  |
| <a href="#">AB 987</a><br>(was <a href="#">AB 338</a> )  | Ma                 | 6/9     | Increases size of Transit Village, allows IFDs without voter approval. Affects affordable housing, density, funding of TODs. Authorizes city or co. to make infrastructure improve's without voter approval. Requires local govts to use >20% of tax increment of certain bond funds for afford housing. <a href="#">Amend</a> 1/4. | 1/7/10 Asm Rules <a href="#">(10-0)</a><br>1/14/10 Asm Local Gov <a href="#">(4-1)</a><br>1/27/10 Assembly <a href="#">(43-29)</a><br>2/11/10 to Senate Local Gov.                | Senate Local Gov                              |
| <a href="#">AB 1375</a>                                  | Galgiani           |         | Repeal and reenact CHST Act in Public Utilities Code. Creates new Dept. of Rail in BTHA. 6-year cap improve plan. Gov appts Dir & 10 execs. <a href="#">Amend</a> 1/15. <a href="#">Asm Anal</a> 1/20. <a href="#">Amend</a> 4/21 to require 6-year expend plan.  | 4/27/9 Asm Trans: do pass <a href="#">(9-4)</a><br>1/21/10 Asm Appr: <a href="#">(12-5)</a><br>1/27/10 Assembly Floor <a href="#">(42-20)</a><br>2/11/10 to Sen Trans.            | Senate Trans                                  |
| <a href="#">AB 1747</a><br>(was <a href="#">AB 733</a> ) | Galgiani           | 5/17    | Authorizes the CHSRA to set fares and schedules, relocate highways and utilities, acquire rights-of-way through eminent domain, issue debt, etc. <a href="#">Amend</a> 4/14. <a href="#">Asm Anal</a> 4/23.   | 4/5/10 Asm Trans <a href="#">(13-1)</a><br>4/21/10 Asm Appr <a href="#">(15-1)</a>  | Assembly 3 <sup>rd</sup> read                 |
| <a href="#">AB 1805</a><br>Urgency                       | Calderon, Nestande | 4/19    | Enacts CEQA Litigation Protection Pilot Program of 2010. Requires the BTH to select projects that meet requirements. Exempts projects from judicial review. <a href="#">Nat Res Anal</a> 4/16.  | 3/22/10 Nat Res hearing canceled.<br>4/19/10 Nat Res for testimony only.  | Assembly Nat Resources                        |
| <a href="#">AB 1830</a>                                  | Galgiani           | 5/14    | Make efforts to buy HST rolling stock from CA mfg. <a href="#">Trans Anal</a> 4/2/10. <a href="#">Asm Anal</a> 4/23/10.   | 4/5/10 Asm Trans <a href="#">(12-2)</a><br>4/21/10 Asm Appr <a href="#">(12-4)</a>  | Assembly 3 <sup>rd</sup> read                 |
| <a href="#">AB 2121</a>                                  | Harkey Galgiani    | 5/12    | <del>End bond funding for HSR as of 1/1/11.</del> <a href="#">Amend</a> 4/28. 6-year finance plan. <a href="#">Asm Trans Anal</a> 4/29.   | 4/19/10 Asm Trans <a href="#">(13-0)</a>  | Asm Appr. Suspense file                       |
| <a href="#">AB 2565</a>                                  | Ammiano            |         | CEQA notification: agency may post on website. <a href="#">Asm Nat Res Anal</a> 4/9/10.   | 4/12/10 Asm Nat Res <a href="#">(9-0)</a><br>4/21/10 Asm Appr <a href="#">(17-0)</a> to consent<br>4/29/10 Assembly <a href="#">(74-0)</a>  | Senate Rules                                  |
| <a href="#">AB 2713</a>                                  | Knight             |         | CEQA spot bill.   | 2/19/10 introduced.   | Assembly                                      |
| <a href="#">AB 2728</a>                                  | Furutani           |         | CEQA spot bill.   | 2/19/10 introduced.   | Assembly                                      |

| Select Committee Info:                        |                         |             |            |  |
|---|-------------------------|-------------|------------|--|
| Assembly (no. members)                        | Hearings                | Chair       | Vice Chair | Hearings of interest (non-bill items)  |
| <a href="#">Appropriations</a> (17)           | Wed 9:00                | De Leon     | Nielsen    |  |
| <a href="#">Budget</a> (27)                   | Wed, on call            | Evans       | Niello     | 5/12/10 hearing on CHSRA<br>5/14/9: hearing on <a href="#">Debt Services</a>   |
| <a href="#">Budget No5 Tech, Trans</a> (5)    | Wed 4:00                | Blumenfield |            | 4/29/10: hearing on CHSRA. 4/29/9: CHSRA – <a href="#">agenda.doc</a>  |
| <a href="#">Rules</a> (11)                    | Mon, on call            | Lieu        | Blakeslee  |  |
| <a href="#">Transportation</a> (14)           | Mon 1:30                | B.Lowenthal | Jeffries   | 1/11/10: hearing on <a href="#">CHSRA Bus Plan</a>   |
| <a href="#">Select committee on Rail</a> (7)  |                         | Davis       | Fletcher   | 10/22/9: hearing on <a href="#">Econ Downturn Impact on CA Rail</a>  |
| <a href="#">Joint Legislative Audit</a> (13)  | Monthly                 | Huber       | Ashburn    | 5/27/9: <a href="#">Video</a> (01:14:00) audit CHSRA after Fed Stim Appl. (10-0)   |
| <a href="#">Joint Legislative Budget</a> (16) | Monthly                 | Ducheny     | Evans      |  |
| <b>CHSRA Board Meetings</b>                   | <a href="#">Monthly</a> | Pringle     | Umberg     | <a href="#">Board packets</a> . Workshops: <a href="#">8/6 Prj Phasing</a> , <a href="#">9/3 Finance</a> , <a href="#">9/23 ARRA</a> . |