

## LANGUAGE FOR FREIGHT PROGRAM

Section 2192 of the Streets and Highways Code is amended to read:

### 2192.

(a) ~~(1) The Trade Corridors Improvement Fund-Enhancement Account, created pursuant to subdivision (e) of Section 8879.23 2192.4 of the Government Streets and Highways Code, is hereby continued in existence to receive revenues from state sources other than the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. This chapter shall govern expenditure of those other revenues. shall be allocated for projects approved pursuant to this chapter, except for those revenues appropriated by Senate Bill 132, Statutes of 2017.~~

(2) An amount of federal funds equal to the amount of federal funds Revenues apportioned to the state under Section 167 of Title 23 of the United States Code from the national highway freight program, pursuant to the federal Fixing America's Surface Transportation Act ("FAST Act," Public Law 114-94) shall be allocated for projects approved pursuant to this chapter.

(b) This chapter shall govern the expenditure of those state and federal revenues described in subdivision (a).

~~(b) The moneys in the fund from these other sources~~

(c) The funding described in subdivision (a) shall be available upon appropriation for allocation by the California Transportation Commission for infrastructure improvements in this state on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network, and along other corridors that have a high volume of freight movement, as determined by the ~~commission.~~ commission and as identified in the state freight plan developed and adopted pursuant to Section 13978.8 of the Government Code. ~~In determining prioritizing the projects eligible for funding, the commission shall consult the Transportation Agency's state freight plan as described in Section 13978.8 of the Government Code, the State Air Resources Board's Sustainable Freight Strategy adopted by Resolution 14 2, and the trade infrastructure and goods movement plan submitted to the commission by the Secretary of Transportation and the Secretary for Environmental Protection. The commission shall also consult California Sustainable Freight Action Plan released in July 2016 pursuant to Executive Order B-32-15, the state freight plan developed and adopted pursuant to Section 13978.8 of the Government Code, trade infrastructure and goods movement plans adopted by regional transportation planning agencies, adopted regional transportation plans required by state and federal law, and the statewide applicable port master plan when determining eligible projects for funding. plan. Eligible projects for the funding described in subdivision (a) shall further the state's economic, environmental, and public health objectives and goals for freight policy, as articulated in the plans to be consulted pursuant to this subdivision. Eligible projects for these funds include, but are not limited to, all of the following: are as follows:~~

(1) ~~Highway~~ Highway, local road, and rail capital and capacity improvements, rail landside access improvements, landside freight access improvements to airports, seaports, and land ports, and operational improvements to more efficiently accommodate the movement of freight, particularly for ingress and egress to and from the state's land ports of ~~entry~~ entry, rail terminals,

and seaports, including navigable inland waterways used to transport freight between seaports, land ports of entry, and airports, and to relieve traffic congestion along major trade or goods movement corridors.

(2) Freight rail system improvements to enhance the ability to move goods from seaports, land ports of entry, and airports to warehousing and distribution centers throughout California, including projects that separate rail lines from highway or local road traffic, improve freight rail mobility through mountainous regions, relocate rail switching yards, and other projects that improve the efficiency and capacity of the rail freight system.

(3) Projects to enhance the capacity and efficiency of ports.

(A) No funds available pursuant to this paragraph shall be awarded to a project that includes the purchase of fully automated cargo handling equipment. For the purpose of this section, "fully automated" means equipment that is remotely operated or remotely monitored, with or without the exercise of human intervention or control.

(B) Nothing in this paragraph shall prohibit the use of funds available pursuant to this section for award to a project that includes the purchase of human-operated zero-emission equipment, human-operated near zero-emission equipment, and infrastructure supporting such human-operated equipment. Furthermore, nothing in this section shall prohibit the purchase of devices that support such human-operated equipment, including equipment to evaluate the utilization and environmental benefits of such human-operated equipment.

(4) Truck corridor and capital and operational improvements, ~~including~~ including, but not limited to, dedicated truck facilities or truck toll facilities.

(5) Border access capital and operational improvements that enhance goods movement between California and Mexico and that maximize the state's ability to access ~~coordinated border infrastructure~~ funds made available to the state by federal law.

(6) Surface transportation and connector road capital and operational improvements to effectively facilitate the movement of goods, particularly for ingress and egress to and from the state's land ports of entry, airports, and seaports, to relieve traffic congestion along major trade or goods movement corridors.

~~(c)(1) the commission shall allocate funds for trade infrastructure improvements from the fund consistent with Section 8879.52 of the Government Code and the Trade Corridors Improvement Fund (TCIF) Guidelines adopted by the commission on November 27, 2007, or as amended by the commission, and in a manner that (A) addresses the state's most urgent needs, (B) balances the demands of various land ports of entry, seaports, and airports, (C) provides reasonable geographic balance between the state's regions, and (D) places emphasis on projects that improve trade corridor mobility while reducing emissions of diesel particulate and other pollutant emissions.~~

(d) (1) In selecting the program of projects to be funded with funds described in subdivision (a), the commission shall evaluate the total potential economic and noneconomic benefits of the program of projects to California's economy, environment, and public health. The commission shall consult with the agencies identified in Executive Order B-32-15 and metropolitan planning

organizations in order to utilize the appropriate models, techniques, and methods to develop the parameters for evaluating the program of projects. The commission shall allocate the funding of subdivision (a) for trade infrastructure improvements as follows:

(A) Sixty percent of the funds shall be available for projects nominated by regional transportation agencies and other public agencies, including counties, cities, and port authorities, in consultation with the department, and consistent with the state freight plan developed and adopted pursuant to Section 13978.8 of the Government Code ~~corridor-based programming targets contained in the Trade Corridors Investment Fund (TCIF) Guidelines adopted by the commission on November 27, 2007, or as amended by the commission, The commission shall provide reasonable geographic targets for funding allocations without constraining what an agency may propose or what the commission may approve.~~

(B) Forty percent of the funds shall be available for projects nominated by the department.

(2) In selecting a program of projects, pursuant to paragraph (1), the commission shall prioritize projects jointly nominated and jointly funded by the state and local agencies. In considering geographic balance for the overall program, the commission may adjust the corridor-based targets in subparagraph (A) of paragraph (1), to account for projects programmed pursuant to subparagraph (B) of paragraph (1).

(3) The commission shall adopt guidelines to allocate the funding described in subdivision (a) for trade infrastructure improvements in a manner that (A) addresses the state's most urgent needs, (B) balances the demands of various land ports of entry, seaports, and airports, (C) provides reasonable geographic balance between the state's regions, (D) places emphasis on projects that improve trade corridor mobility and safety while reducing emissions of diesel particulates, greenhouse gases, and other pollutants and reducing other negative community impacts, especially in disadvantaged communities, and (E) makes a significant contribution to the state's economy.

(4) In adopting amended guidelines, and developing and adopting the program of projects, the commission shall do all of the following:

(A) Accept nominations for projects to be included in the program of projects from regional and local transportation agencies and the department.

(B) Recognize the key role of the state in project identification and support integrating statewide goods movement priorities into the corridor approach.

(C) Give the highest priority for funding allocations to projects jointly nominated by the department and a regional or other public agency.

(D) Include disadvantaged communities measures, as established by the California Environmental Protection Agency pursuant to Health and Safety Code 39711, and other tools as the commission determines, for evaluating benefits or costs for disadvantaged communities and low income communities.

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(5) In addition, the commission shall also consider the following factors when allocating ~~these funds:~~ *funds under this section:*

(A) “Velocity,” which means the speed by which large cargo would travel from the land port of entry or seaport through the distribution system.

(B) “Throughput,” which means the volume of cargo that would move from the land port of entry or seaport through the distribution system.

(C) “Reliability,” which means a reasonably consistent and predictable amount of time for cargo to travel from one point to another on any given day or at any given time in California.

(D) “Congestion reduction,” which means the reduction in recurrent daily hours of delay to be achieved.