

Smith, Watts & Company, LLC.

Consulting and Governmental Relations

MEMORANDUM

TO: Transportation Clients

FROM: Mark Watts

DATE: June 26, 2015

SUBJECT: Special Session #1 Report –
Everything you need to know about the Special Session

Legislature

Special Session

The Governor called two special sessions last week: Infrastructure and Healthcare. The Transportation & Infrastructure special session is referred to as the First Extraordinary Session.

Call of the Special Sessions:

The wording in the proclamation by the Governor is important because the Legislature is limited, in the special session, to the consideration of the matters specified in the Governor's Proclamation (*Art. IV, Sec. 3(b)*). This is referred to as the "call of the special session".

"Call" in Transportation Infrastructure Special Session:

Legislation to enact pay-as-you-go, permanent and sustainable funding to:

- a. Adequately and responsibly maintain and repair the state's transportation and other critical infrastructure; and
- b. Improve the state's key trade corridors; and
- c. Complement local efforts for repair and improvements of local transportation infrastructure

Also, to consider and act upon legislation necessary to:

- a. Establish clear performance objectives measured by the percentage of pavement, bridges and culverts in good condition; and
- b. Incorporate project development efficiencies to expedite project delivery or reduce project costs.”

Committees Created:

Yesterday, both the Senate and Assembly announced the committees that will hear special session bills. No committee hearings have been scheduled at this time.

Senate Special session #1 Committees

Transportation and Infrastructure Development (13 members): Beall (Chair), Cannella (Vice Chair), Allen, Bates, Berryhill, Gaines, Hertzberg, Leyva, Liu, McGuire, Mendoza, Pavley, and Wieckowski.

Appropriations (7 members): Lara (Chair), Bates (Vice Chair), Beall, Hill, Leyva, Mendoza, and Nielsen.

Assembly Special Session #1 Committees

Transportation And Infrastructure Development (13 members): Frazier (Chair), Achadjian (Vice Chair), Alejo, Burke, Chiu, Dodd, Eggman, Gatto, Hadley, Kim, Linder, Nazarian, and O'Donnell.

Finance (9 members): Gomez (Chair), Bigelow (Vice Chair), Bloom, Jones–Sawyer, McCarty, Melendez, Obernolte, Ting, and Weber.

Special Session Procedures

Some unique aspects of special sessions include:

- Bills do not need to wait 30 days in print to be heard.
- Extraordinary session bills are exempt from the four/two day file notice requirement, so committees can be scheduled rapidly, as needed.
- Majority vote special session bills take effect 91 days after the final adjournment of that special session (Con. Art. IV, Sec. 8(c)(1)) unless they are urgency measures.
- Taxes still require a 2/3rds vote

Special Session #1 bills Introduced

Senate

SB X1 1 (Beall):

Senator Beall reintroduced his regular session \$4 billion roadway repair funding bill proposal (SB 16) in the Transportation Special Session

SCAX1 1 (Huff):

This bill would constitutionally guarantee that the transportation taxes paid by California drivers annually are only used for transportation purposes and is a reintroduction of SCA 7 in the Regular session.

SB X1 2 (Huff):

This bill would dedicate cap and trade taxes paid from putting gasoline production under the cap to improving California's streets and roads. SB X1 2 would direct how approximately \$1.9 billion in revenues would be spent.

Assembly

AB X1 1 (Alejo)

This bill is a reintroduction of Mr. Alejo's AB 227 from regular session. It would transfer truck weight fees back from Prop 1B debt Service to state highway purposes and would also accelerate repayment of outstanding loans back from the General fund.

AB X1 2 (Perea)

This bill is a reintroduction of Mr. Perea's AB 1265 relating to Public Private partnerships (P3).