

AMENDED IN SENATE JUNE 21, 2016

AMENDED IN SENATE JUNE 9, 2015

AMENDED IN ASSEMBLY APRIL 21, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 531**

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**Introduced by Assembly Member O'Donnell  
(Coauthors: Assembly Members Gray and Quirk)**

February 23, 2015

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An act to ~~amend Section 42127.01 of the Education Code, relating to school finance; add Part 2.5 (commencing with Section 1780) to Division 6 of the Harbors and Navigation Code, relating to ports.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 531, as amended, O'Donnell. ~~School finance; budget calculations; Southern California Port Congestion Authority.~~

*Existing law prescribes procedures for the formation of port districts and regulates the operation and development of ports in the state, including the operation of port facilities, equipment, and certain sea-going vessels.*

*This bill would establish the Southern California Port Congestion Authority and would require that the authority be governed by a board consisting of 7 members appointed by the Secretary of Transportation. The bill would authorize the authority to plan, develop, and implement measures and projects necessary to alleviate congestion in the Port of Los Angeles and the Port of Long Beach, as specified. The bill would require each marine terminal operator at the Port of Los Angeles and the Port of Long Beach to report to the authority specified information with respect to traffic at the ports. The bill would also require the*

*authority to hold quarterly public hearings to discuss the results of these reports.*

*To the extent that the bill would impose new duties upon local government entities, it would impose a state-mandated local program.*

*(2)The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.*

~~Existing law, unless the school district is granted an exemption, limits the amount of the combined assigned or unassigned ending fund balance contained in a school district’s annual budget in any fiscal year immediately after a fiscal year in which a transfer is made into the Public School System Stabilization Account, and establishes a formula for calculating the maximum amount allowable for school districts with less than 400,000 units of average daily attendance, and a formula for school districts with more than 400,000 units of average daily attendance, as specified.~~

~~This bill would instead make the formula for school districts with less than 400,000 units of average daily attendance applicable to school districts with 400,000 units of average daily attendance or less. The bill would specify that the limitation on the combined assigned or unassigned ending fund balance does not apply to moneys in a committed fund balance, as defined. The bill would also make a technical change by deleting an obsolete provision. To the extent the bill would impose additional duties on school districts, the bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Part 2.5 (commencing with Section 1780) is added  
2 to Division 6 of the Harbors and Navigation Code, to read:

3  
4     PART 2.5. SOUTHERN CALIFORNIA PORT CONGESTION  
5                     AUTHORITY  
6

7     1780. For the purposes of this part, the following terms have  
8 the following meanings:

- 9     (a) "Agency" means the Transportation Agency.
- 10    (b) "Authority" means the Southern California Port Congestion  
11 Authority, established pursuant to subdivision (a) of Section 1781.
- 12    (c) "Board" means the governing board of the authority.
- 13    (d) "Commercial motor vehicle" means a vehicle defined in  
14 subdivision (b) of Section 15210 of the Vehicle Code.
- 15    (e) "Secretary" means the Secretary of Transportation.

16     1781. (a) The Southern California Port Congestion Authority  
17 is hereby established.

18     (b) The authority shall be governed by a board consisting of  
19 the following seven members, appointed by and serving for  
20 indefinite terms at the pleasure of the secretary:

- 21     (1) One member representing the Port of Los Angeles.
- 22     (2) One member representing the Port of Long Beach.
- 23     (3) One member representing longshore workers at the Port of  
24 Los Angeles and the Port of Long Beach.
- 25     (4) One member of the Los Angeles City Council.
- 26     (5) One member of the Long Beach City Council.
- 27     (6) One member representing commercial truck drivers at the  
28 Port of Los Angeles and the Port of Long Beach.
- 29     (7) One member representing a community or neighborhood  
30 organization at, or adjacent to, either the Port of Los Angeles or  
31 the Port of Long Beach.

- 32     (c) Vacancies to the board shall be filled by the secretary.
- 33     (d) The geographic jurisdiction of the authority is limited to the  
34 Port of Los Angeles and the Port of Long Beach.

35     1782. The authority has the power to plan, develop, and  
36 implement projects and measures necessary to alleviate congestion  
37 in the Port of Los Angeles and the Port of Long Beach, including,  
38 but not limited to, regulating hours by access to the ports by

1 commercial motor vehicles, establishing maximum fees that may  
 2 be charged by marine terminal operators for cargo movement at  
 3 the ports, and implementing other measures directed at reducing  
 4 congestion, improving traffic flow, regulating the scheduling of  
 5 shipments during other than normal business hours, repairing,  
 6 improving, and expanding port infrastructure, and reducing air  
 7 pollution at the ports caused by commercial motor vehicle traffic.

8 1783. Each marine terminal operator at the Port of Los Angeles  
 9 and the Port of Long Beach shall report both of the following to  
 10 the authority on a quarterly basis:

11 (a) The average turn times for each hour of daytime operation  
 12 and each hour of off-peak operation.

13 (b) The percentage of truck traffic at each terminal during  
 14 daytime operations and during off-peak operations.

15 1784. The authority shall hold quarterly public hearings to  
 16 report and discuss the results of the reports from the marine  
 17 terminal operators submitted pursuant to Section 1783.

18 SEC. 2. If the Commission on State Mandates determines that  
 19 this act contains costs mandated by the state, reimbursement to  
 20 local agencies and school districts for those costs shall be made  
 21 pursuant to Part 7 (commencing with Section 17500) of Division  
 22 4 of Title 2 of the Government Code.

23 ~~SECTION 1. Section 42127.01 of the Education Code is~~  
 24 ~~amended to read:~~

25 ~~42127.01. (a) In a fiscal year immediately after a fiscal year~~  
 26 ~~in which a transfer is made into the Public School System~~  
 27 ~~Stabilization Account, a school district budget that is adopted or~~  
 28 ~~revised pursuant to Section 42127 shall not contain a combined~~  
 29 ~~assigned or unassigned ending fund balance that is in excess of~~  
 30 ~~the following:~~

31 ~~(1) For school districts with 400,000 or fewer units of average~~  
 32 ~~daily attendance, the sum of the school district's applicable~~  
 33 ~~minimum recommended reserve for economic uncertainties adopted~~  
 34 ~~by the state board pursuant to subdivision (a) of Section 33128,~~  
 35 ~~multiplied by two.~~

36 ~~(2) For school districts with more than 400,000 units of average~~  
 37 ~~daily attendance, the sum of the school district's applicable~~  
 38 ~~minimum recommended reserve for economic uncertainties adopted~~  
 39 ~~by the state board pursuant to subdivision (a) of Section 33128,~~  
 40 ~~multiplied by three.~~

1 ~~(b) The limitation in subdivision (a) shall not apply to moneys~~  
2 ~~in a committed fund balance, as defined in the California School~~  
3 ~~Accounting Manual. Nothing in this section shall be interpreted~~  
4 ~~to mean that the governing board of a school district may not, in~~  
5 ~~a subsequent year, redirect moneys in a committed fund balance~~  
6 ~~to an alternative purpose.~~

7 ~~(e) A county superintendent of schools may grant a school~~  
8 ~~district under its jurisdiction an exemption from the requirements~~  
9 ~~of subdivision (a) for up to two consecutive fiscal years within a~~  
10 ~~three-year period if the school district provides documentation~~  
11 ~~indicating that extraordinary fiscal circumstances, including, but~~  
12 ~~not limited to, multiyear infrastructure or technology projects,~~  
13 ~~substantiate the need for a combined assigned or unassigned ending~~  
14 ~~fund balance that is in excess of the minimum recommended~~  
15 ~~reserve for economic uncertainties. As a condition of receiving an~~  
16 ~~exception, a school district shall do all of the following:~~

17 ~~(1) Provide a statement that substantiates the need for an~~  
18 ~~assigned and unassigned ending fund balance that is in excess of~~  
19 ~~the minimum recommended reserve for economic uncertainties.~~

20 ~~(2) Identify the funding amounts in the budget adopted by the~~  
21 ~~school district that are associated with the extraordinary fiscal~~  
22 ~~circumstances.~~

23 ~~(3) Provide documentation that no other fiscal resources are~~  
24 ~~available to fund the extraordinary fiscal circumstances.~~

25 ~~SEC. 2. If the Commission on State Mandates determines that~~  
26 ~~this act contains costs mandated by the state, reimbursement to~~  
27 ~~local agencies and school districts for those costs shall be made~~  
28 ~~pursuant to Part 7 (commencing with Section 17500) of Division~~  
29 ~~4 of Title 2 of the Government Code.~~