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# JEDE AMENDMENTS

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AB 1447(Cooley & Bigelow): Introduced 2/19/21  
Submitted by: Toni Symonds, JEDE Committee Staff

Version 3 (same as 2 without but no summary)

**SECTION 1. Article 11 (commencing with Section 63049.73) is added to Chapter 2 Division 1 of Title 6.7 Chapter 17 (commencing with Section 8899.80) is added to Division 1 of Title 2 of the Government Code, to read:**

## **Article 11 ~~CHAPTER 17.~~ Rural California Infrastructure Act**

~~8899.80.~~ This chapter shall be known as the Rural California Infrastructure Act.

~~63049.73~~ **8899.81.** For purposes of this chapter, the following shall apply:

(a) **“Account” means the Rural California Infrastructure Account established pursuant to Section X**  
~~“Committee” means the Rural California Infrastructure Committee established in Section 8899.82~~

(b) “Fund” means the **California Infrastructure and Economic Development Bank Fund established pursuant to Section 63050.** ~~Rural California Infrastructure Fund established pursuant to Section 8899.84.~~

(c) “Local agency” means a special district, independent fire district, or county, with a population of less than 300,000 individuals according to the 2020 census data.

(d) “Rural infrastructure project” means a project in a local agency’s jurisdiction **that meets either the definition of an economic development facility, pursuant to subdivision (g) of Section 63010, or a public development facility, pursuant to subdivision (q) of Section 63010,** and is related to ~~meets~~ any of the following:

(1) ~~Fairground maintenance.—[moved down to disaster preparedness]~~

(2) Disaster preparedness **and mitigation projects** including, **but not limited to,** creating, **upgrading, or rehabilitating** ~~maintaining~~ evacuation or shelter areas, **county fairgrounds, or highways, streets, and roads used for** emergency evacuations **or identified as priority ingress and egress routes for first responders as demonstrated as being within the local, regional, or state disaster response plan;**

(3) **Disaster recovery projects, including, but not limited to, drainage, water supply and flood control; and city streets, county highways, and state highways.** ~~Highway or street maintenance or repair.~~

(4) Historic or cultural preservation **projects, rehabilitation and reconstruction** ~~or repair.~~

~~63049.74 8899.82.~~ **Notwithstanding any other law, Article 3 (commencing with Section 63040), Article 4 (commencing with Section 63042), and Article 5 (commencing with Section 63043) shall not apply to any financing provided by the bank in connection with this article.**

~~(a) There is established in state government the Rural California Infrastructure Committee.~~

~~(b) The committee shall consist of seven members who shall be appointed as follows:~~

~~(1) One member appointed by the Governor.~~

~~(2) One member appointed by the Speaker of the Assembly.~~

~~(3) One member appointed by the Speaker Pro Tempore of the Senate.~~

~~(4) Two members appointed by the California State Association of Counties who serve as representatives of that association. One member shall be a representative from northern California and one member shall be a representative from southern California.~~

~~(5) Two members appointed by the League of California Cities who serve as representatives of that association. One member shall be a representative from northern California and one member shall be a representative from southern California.~~

~~(c) Except as provided in subdivision (d), each member shall serve a two-year term.~~

~~(d) The appointing power shall have the power to remove any member of the board from office for neglect of any duty required by law or for incompetency or unprofessional or dishonorable conduct.~~

~~(e) Each member shall only receive per diem and expenses as necessary to carry out their duties on the committee.~~

**63049.75 8899.83.** (a) (1) ~~The committee~~ **bank may establish the Rural California Infrastructure Program consistent for the purpose making competitive grant awards to eligible local agencies for rural infrastructure projects, consistent with the requirement of this article.** shall establish, by July 1, 2022, an application process for local agencies to apply for grants to fund rural infrastructure projects.

(2) **The bank shall not commence implementation of the program before adopting a resolution finding that there is sufficient money in the appropriate account to cover the costs of implementing the Rural California Infrastructure Program, including, but not limited to, appropriate oversight costs.**

(b) (1) **Within six months of the bank adopting the resolution pursuant to paragraph (2) (a), the bank shall begin the accept grant applications from local agencies for** Beginning January 1, 2023, and every two years thereafter, the committee shall award grants to fund rural infrastructure projects to local agencies that complete the application process.

(2) **The bank shall administer at least one funding round within both the first and second year of program implementation.**

(c) The committee **bank** shall prioritize applications for projects that:

(1) The grant funds will be no more than 50% of the total project cost.

(2) The project is ~~are~~ considered shovel ready, ~~as determined by the committee.~~

(d) Local agencies that are awarded a grant under this chapter may additionally leverage federal or private funding or private-public partnerships to complete the rural infrastructure project the grant was awarded for.

(e) (1) ~~The committee may~~ **bank shall** adopt directives and requirements ~~regulations necessary to carry out the purposes of this article~~ chapter in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3).

(2) **Grants shall be awarded in a manner that ensures geographic equity.**

(3) **No less than 70% of the funds shall be used for rural infrastructure projects that address disaster preparedness and recovery.**

**(4) No state funds may be released until the local agency can demonstrate that it has the capacity and the full funding to complete the project.**

**(f) Notwithstanding any other law, the bank may implement, in whole or in part, the Rural California Infrastructure Program with the administrative support of any bank staff, with the administrative costs of those staff being reimburse from the Rural California Infrastructure Account.**

**(g) The bank may administer the program authorized pursuant to this article through one or more of the banks other programs, to the extent the requirements of this Article are met.**

**63049.76–8899.84.** (a) There is hereby established in the State Treasury **Fund** the Rural California Infrastructure **Account** ~~Fund~~. Notwithstanding Section 13340, moneys in the fund are hereby continuously appropriated without regard to fiscal years for purposes of this chapter.

(b) On January 1, 2022, the Controller shall transfer a sum of one billion dollars (\$1,000,000,000) to the Rural California Infrastructure **Account** ~~Fund~~.

**(c) The bank may create subaccounts in the Rural California Infrastructure Account for purposes of implementing this article.**

**(d) (1) To cover the costs of administering the program, each applicant shall pay a nonrefundable application fee, including a proportional share of the costs of developing the program, reviewing applications, and monitoring and overseeing the program. Fee moneys shall be deposited directly into the Rural California Infrastructure Account, established pursuant to subdivision (a), for the purpose of ensuring that funds are available to the state for the sole purpose of administration of the program.**

**(2) Moneys allocated pursuant to subdivision (b) for purposes of administering this article may also be used to cover the costs of developing the program, reviewing applications, and monitoring and overseeing the program. If such moneys are used to cover these costs, the nonrefundable application fee shall be reduced accordingly.**

**63049.77 (a) The bank shall annually report, by January 1, commencing on January 1, 2023, to the Governor and the Legislature, pursuant to Section 9795, on program activity in any fiscal year that the Rural California Infrastructure Account receives funding or is actively administering grants.**

**(b) At a minimum, the information provided pursuant to subdivision (a) shall include all of the following:**

**(1) The total amount of moneys in the Rural California Infrastructure Account and its subaccounts, at the beginning of the fiscal year and at the end of the fiscal year.**

**(2) The number of projects funded.**

**(3) The number of jobs created and the number of jobs retained through program assistance in each of the fiscal years.**

**(c) The bank may include the information required by this section in any annual report of the bank, in lieu of submitting a separate report for purposes of complying with this section.**