



MEMO

To: NCRA Board of Directors

From: Executive Director Stogner

Date: September 12, 2018

Subject: **Agenda Item F.6 – Discussion and Possible Action Regarding SB1029 (McGuire)**

The state legislature has approved and sent to Gov. Brown SB1029 (McGuire) as amended August 24, 2018. This legislation requires the state Transportation Agency and the state Resources Agency to conduct an assessment to determine the most appropriate way to dissolve the NCRA and to dispense with its assets and liabilities. The bill requires these state cabinet level agencies to complete their findings and report back to the legislature no later than July 1, 2020. The NCRA is required to cooperate with the assessment and to provide access to all NCRA records requested by the state agencies conducting the assessment. Any new lease or sale of NCRA property proposed after August 2018 must be approved by the CTC.

Also, the bill specifically authorizes the continuation of freight service from Lombard to Windsor and appropriates \$ 4 million dollars from the state Public Transportation Account to be used as follows:

“\$ 4 million dollars shall be allocated to SMART for the acquisition of freight rights and equipment from the NWP Co. to ensure efficient provision of goods movement requirements in the corridor in the context of growing passenger service. Following a signed baseline agreement between the state Transportation Agency and SMART that articulates deliverables, the anticipated expenditure schedule, and reporting requirements, the Secretary of Transportation may transfer these moneys to SMART pursuant to the provisions of the baseline agreement. These moneys shall not be transferred to SMART for the acquisition of freight rights and equipment from NWP Co. unless the terms and conditions of the baseline agreement have been approved by both the Secretary of Transportation and the Department of Finance. If these moneys are not transferred to SMART within two-years of the chaptering of this act, these moneys shall be returned to the Public Transportation Account.”

The Governor has until September 30 to sign or veto SB1029.