

Introduced by Senator GonzalezFebruary 16, 2022

An act to amend Section 13978.8 of, and to add Section 12096.3.6 to, the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1104, as introduced, Gonzalez. Governor's Office of Business and Economic Development: Office of Freight.

Existing law creates the Governor's Office of Business and Economic Development, known as "GO-Biz," and requires GO-Biz to serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. Under existing law, GO-Biz is under the direct control of the Director of the Governor's Office of Business and Economic Development, who is responsible to the Governor.

Existing law requires the Transportation Agency to prepare a state freight plan on or before December 31, 2014, and every 5 years thereafter, with specified elements to govern the immediate and long-range planning activities and capital investments of the state with respect to the movement of freight.

This bill would establish the Office of Freight within GO-Biz. The bill would require the office to serve as the coordinating entity to steer the growth, competitiveness, and sustainability for freight and ports across the state and to promote and assess the continued economic vitality and sustainability of the freight sector. The bill would require the office, in coordination with specified state agencies, to prepare an assessment of statewide economic growth, competitiveness, prosperity, resiliency, and sustainability for the state's ports and freight sector. The bill would require the office to submit the assessment to the Legislature

on or before December 31, 2024, and an updated assessment at least once every 5 years thereafter. The bill would require the Transportation Agency to incorporate the findings of the assessment into the state freight plan, as specified.

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

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

1 SECTION 1. Section 12096.3.6 is added to the Government
2 Code, to read:

3 12096.3.6. (a) For purposes of this section, the following
4 definitions apply:

5 (1) “Economic competitiveness” means the ability of the
6 California freight sector to successfully compete with freight
7 sectors in other states as measured by using existing comparable
8 metrics, to increase the productivity of freight and related sectors,
9 and to contribute to the growth of the state’s economy. Economic
10 competitiveness is affected by policies, institutions, and
11 investments that influence the freight sector’s productivity.

12 (2) “Freight sector” means all transportation-based and
13 transportation-dependent enterprises involved in the supply chain
14 from point of origin to point of consumption, including ports, rail,
15 freight corridors, and warehouses and distribution centers.

16 (b) The Office of Freight is hereby established within the
17 Governor’s Office of Business and Economic Development. The
18 Office of Freight shall serve as the coordinating entity to steer the
19 growth, competitiveness, and sustainability for freight and ports
20 across the state, and shall promote and assess the continued
21 economic vitality and sustainability of the freight sector.

22 (c) (1) The Office of Freight, in coordination with the State Air
23 Resources Board, the California Transportation Commission, and
24 the Transportation Agency, shall prepare an assessment of
25 statewide economic growth, competitiveness, prosperity, resiliency,
26 and sustainability for the state’s freight sector.

27 (2) Notwithstanding Section 10231.5, the office shall submit
28 the assessment to the Legislature on or before December 31, 2024,
29 and an updated assessment at least once every five years thereafter.
30 The assessment shall be submitted in compliance with Section
31 9795.

1 (d) In developing the assessment, the Office of Freight shall do
2 all of the following:

3 (1) Consult with a representative cross section of public and
4 private sector freight stakeholders, including representatives of
5 ports, shippers, carriers, freight-related associations, supply chain
6 businesses, the freight industry workforce, the Public Utilities
7 Commission, the State Lands Commission, local air pollution
8 control districts, environmental, safety, and community
9 organizations and representatives from communities that are
10 adjacent to, or environmentally impacted by, the freight sector.

11 (2) Consult with the Legislature.

12 (3) Use the most current data reasonably available to ensure the
13 assessment reflects current market conditions.

14 (e) The assessment shall do all of the following:

15 (1) Evaluate the resiliency of the state's freight sector, including
16 assessing the ongoing needs to address supply chain congestion
17 outlined in Executive Order No. N-19-21.

18 (2) Expand on the California Sustainable Freight Action Plan
19 developed pursuant to Executive Order No. B-32-15, and evaluate
20 the role and capacity of the freight sector in advancing the
21 zero-emission goals set forth in Executive Order No. N-79-20.

22 (3) Identify the economic competitiveness of all sectors of
23 freight movement along the supply chain. This identification shall
24 include an evaluation of the state's supply chain competitiveness,
25 international trade and exports, manufacturing, warehousing,
26 distribution centers, capacity to expand, defense, and workforce
27 development, that may impact businesses, workers, and
28 communities as they relate to the freight industry.

29 (4) Identify metrics and baselines from which to measure the
30 effectiveness of the goals, recommendations, and actions proposed
31 in the assessment, including, but not limited to, financial
32 performance, market share performance, workforce development,
33 labor market effects, emerging technologies including logistics,
34 and overall short- and long-term economic performance of the
35 freight sector.

36 (5) Identify goals to increase economic competitiveness and
37 strengthen resilience to economic downturns and the effects of
38 climate change.

39 (6) Identify a process to track, at least annually, progress being
40 made to reach the goals and implement the recommendations and

1 other actions proposed in the assessment. This process shall include
2 a mechanism for modifying those goals and actions to address
3 immediate and emerging issues, stay-at-home orders, or other
4 crises that may impact the competitiveness of the freight sector.

5 (7) Identify ongoing strategies the state is employing to address
6 freight mobility issues, such as congestion, truck bottlenecks,
7 inefficiencies, and a deficit of workforce, and prioritize and
8 recommend to the California Transportation Commission and the
9 Transportation Agency complementary or additional strategies to
10 reduce these mobility issues.

11 (8) Identify challenges the California freight sector faces in
12 meeting the state's emission reduction goals, quantify the costs
13 associated with meeting those emission reduction goals, and
14 prioritize and recommend strategies the state can use to address
15 these challenges.

16 (9) Include a data sheet indicating the source of the data and
17 the time period that the data reflects.

18 SEC. 2. Section 13978.8 of the Government Code is amended
19 to read:

20 13978.8. (a) The Transportation Agency shall prepare a state
21 freight plan. The state freight plan shall comply with the relevant
22 provisions of the federal Moving Ahead for Progress in the 21st
23 Century Act (MAP-21), Public Law 112-141. The agency shall
24 develop a state freight plan that provides a comprehensive plan to
25 govern the immediate and long-range planning activities and capital
26 investments of the state with respect to the movement of freight.

27 (b) (1) The agency shall establish a freight advisory committee
28 consisting of a representative cross section of public and private
29 sector freight stakeholders, including representatives of ports,
30 shippers, carriers, freight-related associations, the freight industry
31 workforce, the California Transportation Commission, the
32 Department of Transportation, the Public Utilities Commission,
33 the State Lands Commission, the State Air Resources Board,
34 regional and local governments, and environmental, safety, and
35 community organizations.

36 (2) The freight advisory committee shall do all of the following:

37 (A) Advise the agency on freight-related priorities, issues,
38 projects, and funding needs.

39 (B) Serve as a forum for discussion for state transportation
40 decisions affecting freight mobility.

1 (C) Communicate and coordinate regional priorities with other
2 organizations.

3 (D) Promote the sharing of information between the private and
4 public sectors on freight issues.

5 (E) Participate in the development of the state freight plan.

6 (c) The state freight plan shall include, at a minimum, all of the
7 following:

8 (1) An identification of significant freight system trends, needs,
9 and issues.

10 (2) A description of the freight policies, strategies, and
11 performance measures that will guide freight-related transportation
12 investment decisions.

13 (3) A description of how the state freight plan will improve the
14 ability of California to meet the national freight goals established
15 under Section 167 of Title 23 of the United States Code.

16 (4) Evidence of consideration of innovative technologies and
17 operational strategies, including intelligent transportation systems,
18 that improve the safety and efficiency of freight movement.

19 (5) In the case of routes on which travel by heavy vehicles,
20 including mining, agricultural, energy cargo or equipment, and
21 timber vehicles, is projected to substantially deteriorate the
22 condition of roadways, a description of improvements that may
23 be required to reduce or impede the deterioration.

24 (6) An inventory of facilities with freight mobility issues, such
25 as truck bottlenecks within California, and a description of the
26 strategies California is employing to address those freight mobility
27 issues.

28 (7) A description of needed infrastructure, projects, and
29 operations for the deployment of zero-emission medium- and
30 heavy-duty vehicles and the development of freight corridors
31 identified pursuant to Section 14517.

32 (8) *Beginning with the state freight plan due on or before*
33 *December 31, 2029, and each state freight plan thereafter, the*
34 *findings of the assessment prepared pursuant to Section 12096.3.6.*

35 (d) Notwithstanding Section 10231.5, the state freight plan shall
36 be submitted to the Legislature, the Governor, the California
37 Transportation Commission, the Public Utilities Commission, and
38 the State Air Resources Board on or before December 31, 2014,
39 and every five years thereafter. The state freight plan shall be
40 submitted pursuant to Section 9795.

1 (e) The state freight plan required by this section may be
2 developed separately from, or incorporated into, the statewide
3 strategic long-range transportation plan required by Section 135
4 of Title 23 of the United States Code.

5 (f) The freight rail element of the state freight plan may be
6 developed separately from, or incorporated into, the state rail plan
7 prepared by the Department of Transportation pursuant to Section
8 14036.

9 (g) *The Transportation Agency shall incorporate the findings*
10 *of the assessment prepared pursuant to Section 12096.3.6 into the*
11 *state freight plan that is due on or before December 31, 2024, as*
12 *an addendum by December 31, 2024.*