



MEMO

To: NCRA Board of Directors

From: Executive Director Stogner

Date: March 14, 2018

Subject: **Agenda Item E.5 – Discussion and Possible Action Regarding Legislation, SB1029 (McGuire) Pertinent to NCRA**

On February 8, State Senator Mike McGuire introduced SB1029, a “spot bill” which says the following: Section 1. “It is the intent of the Legislature to enact legislation to add the creation of a system-wide trail to the priorities of the North Coast Railroad Authority and to seek funds for the maintenance of the active portion of its rail corridor.”

Under legislative rules, SB1029 needs to be in print for 30 days before it can be amended and set for its first hearing in the Senate Transportation and Housing Committee. In preparation for the first policy committee hearing, Sen. McGuire and his staff have been in discussions with Caltrans, CTC, State Department of Finance staff and the NCRA Ad-Hoc Legislative Committee, among others, regarding the first set of amendments to SB1029. Many details need to be worked out, especially with respect to funding provisions. Based on the first round of discussions between Sen. McGuire’s staff and the Ad-Hoc Legislative Committee, it appears the initial draft of the bill will include the following:

- Management of freight service on the NWP line from Brazos Junction to Willits would be transferred to SMART or a new entity yet to be determined;
- Management of the rail line from Willits north would be transferred to a new entity comprised of representatives from Mendocino and Humboldt Counties and designated state agencies;
- The new entity north of Willits would eventually be responsible for railbanking from Willits to Eureka and managing a rails-with-trails configuration from Eureka to Arcata and Samoa that could accommodate a multi-use trail as well as an excursion train and a freight line around the Port of Humboldt Bay.

We will see the details of the first set of amendments by the end of the week which will provide some clarity, especially regarding timing and the state funding provisions required to implement these concepts.

Chair Wagenet has recommended that the Board use this opportunity to continue the workshop discussion on SB1029 (McGuire) that was initiated at our February 14 Board meeting in Santa Rosa. Please keep in mind that this first set of amendments is not the final word on this legislation. There will be plenty of opportunities for additional changes as this bill moves through the legislative process.