

Date of Hearing: April 10, 2019

ASSEMBLY COMMITTEE ON APPROPRIATIONS  
Lorena Gonzalez, Chair  
AB 422 (Frazier) – As Introduced February 7, 2019

Policy Committee: Transportation Vote: 14 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

**SUMMARY:**

This bill requires the High Speed Rail Authority (HSRA), in consultation with the high speed rail peer review group, to (a) develop and update quarterly a summary of performance measurement “dashboards” that show ongoing performance of the project and (b) post the full sets of the dashboards on its website.

**FISCAL EFFECT:**

- 1) One-time costs of an unknown amount, but likely less than \$150,000, to HSRA to develop the dashboards (special fund).
- 2) Minor ongoing costs, likely in the tens of thousands of dollars, to HSRA to update dashboards (special funds).

**COMMENTS:**

**Background and Purpose.** In 2008, voters approved Proposition 1A, the Safe, Reliable, High-Speed Passenger Train Bond Act, a \$9.95 billion general obligation bond to fund the proposed California high-speed rail project and related improvements. The project was to consist of an 800-mile dedicated high-speed passenger rail system capable of speeds up to 220 miles per hour, initially serving the major metropolitan market of San Francisco through the Central Valley into Los Angeles and Anaheim (Phase I), with service eventually extended to Sacramento, the Inland Empire and San Diego (Phase II). The act also called for creation of an independent peer review group of made up of eight members with specific backgrounds in infrastructure project planning, construction, management and finance that would review and analyze the planning, engineering, financing and other elements of the HSRA’s plans for accuracy and viability.

When voters approved the bond act, the HSRA estimated a total project cost of \$33 billion. More recently, the authority has estimated costs for Phase I only to be over \$77 billion.

Late last year, the state auditor released a review of the HSRA’s operations and management. The auditor’s report was highly critical, concluding the HSRA “failed to implement sound contract management practices.” Among its recommendations, the auditor called for increased transparency and clearly defined performance metrics directly tied to defined objectives.

The author notes HSRA has recently developed dashboard metrics—simple, visual representations that provide intuitive summaries of key performance indicators—for use by its

board of directors. The author contends the public, and the Legislature, should also have access to the HSRA dashboard indicators to increase transparency and enable better oversight.

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