

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 14-15, 2025

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.1, Action

Prepared By: Vincent Ma
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Subject: State and Federal Legislative Matters

Recommendation:

Staff recommends the California Transportation Commission (Commission) (1) accept the report on pending state legislation included as Attachment A and (2) delegate to the Executive Director the authority to take positions on legislation, upon consultation with the Chair and Vice Chair, until the next regular Commission meeting.

Issue:

The Legislature is scheduled to return from Summer Recess on August 18. The next upcoming legislative deadline is August 29 for fiscal committees to meet and report bills to the floor. The Senate and Assembly will then have until September 12 to conclude their business for the year before adjourning for the Interim Recess. The Governor will have until October 12 to sign or veto bills passed by the Legislature.

Attachment A includes a list of 40 bills monitored by staff, pursuant to the Commission's bill monitoring policy. Of these bills, 18 are still moving through the legislative process, while 22 failed to pass various deadlines and are inactive.

Because the Commission will not meet again prior to the constitutional deadlines for action by the Legislature and the Governor, and because bills could undergo substantial amendments during that time, staff recommends the Commission delegate the authority to take positions on pending legislation to the Executive Director, upon consultation with the Chair and Vice Chair, until the next regular Commission meeting. The Commission has delegated this authority to the Executive Director in a similar manner in prior years.

Background:**State Legislative Matters**

The Commission previously took a support position on Senate Bill 470 (Laird): Bagley-Keene Open Meeting Act: teleconferencing. This bill would extend certain provisions of the Bagley-Keene Open Meeting Act that authorize meetings of state bodies, including advisory bodies, to occur under alternative teleconference requirements until January 1, 2030. The bill is currently pending in the Assembly Appropriations Committee.

Commission staff is not recommending any new positions on bills at this time. Staff continues to discuss bills that may affect the Commission with bill authors, legislative staff, and stakeholders to provide technical assistance.

State Budget

The Governor signed a package of bills enacting the 2025-26 state budget on June 27 and June 30. The enacted budget does not include a final agreement on the extension of the Cap-and-Trade Program and associated expenditures from the Greenhouse Gas Reduction Fund, including funding for the Transit and Intercity Rail Capital Program and Senate Bill 125 Transit Program. The Legislature has indicated it will seek an agreement on the extension before adjourning for Interim Recess. The budget also authorizes General Fund loans of up to \$750 million for Bay Area transit agencies to prevent service reductions, contingent upon the enactment of future legislation establishing the terms of the loans and authorizing a regional revenue measure to support the long-term financial stability of those transit agencies.

The package of bills signed by the Governor includes Assembly Bill 130, which authorizes agencies to contribute funds to the Transit-Oriented Development Implementation Program administered by the Department of Housing and Community Development for the purpose of mitigating significant transportation impacts under the California Environmental Quality Act.

Federal Funding

On July 4, the President signed the budget reconciliation bill for federal Fiscal Year 2025. The bill rescinds approximately \$4.4 billion for discretionary grant programs established by the Inflation Reduction Act and administered by the Federal Highway Administration, including the Neighborhood Access and Equity Grant Program, the Low Carbon Transportation Materials Program, and assistance for environmental review for transportation projects. None of the rescissions impact formula funding received by California or funding levels of programs administered by the Commission. A requirement for states to collect annual registration fees of \$250 for electric vehicles and \$100 for hybrid vehicles that had appeared in earlier versions of the bill was not included in the final version.

Commission staff continues to monitor actions at the federal level that may impact the availability of federal funds.

Attachment:

- Attachment A: Legislation Monitored by Commission Staff

Legislation Monitored by Commission Staff
Active Bills (2025-26 Regular Session)
(As of July 29, 2025)

Bill	Author	Subject	Description	Status
AB 289*	Haney	State highway work zone speed safety program.	Authorizes the California Department of Transportation (Caltrans) to establish a program for automated speed enforcement in state highway construction or maintenance areas until January 1, 2032.	Pending in Senate Appropriations Committee
AB 334*	Petrie-Norris	Operators of toll facilities: interoperability programs: vehicle information.	Authorizes an operator of a toll facility on federal-aid highways engaged in an interstate interoperability program to provide to an out-of-state agency only the information regarding a vehicle's use of the toll facility that is required by specified national interoperability specifications.	Pending on Senate Floor
AB 390	Wilson	Vehicles: highway safety.	Expands the requirement that drivers approach stationary marked Caltrans vehicles with caution to apply to all marked highway maintenance vehicles, as defined.	Signed by the Governor and chaptered
AB 891*	Zbur	Transportation: Quick-Build Pilot Program.	Establishes the Quick-Build Pilot Program to expedite the development and implementation of low-cost improvements on the state highway system, as specified, and requires Caltrans to identify and commit to funding a minimum of six quick-build improvements by December 31, 2028.	Pending in Senate Appropriations Committee
AB 902*	Schultz	Transportation projects: barriers to wildlife movement.	Requires lead agencies to incorporate wildlife passage features into transportation infrastructure projects in connectivity areas, except for projects on the state highway system where Caltrans is the lead agency, as specified.	Pending in Senate Appropriations Committee
AB 954*	Bennett	Interregional transportation strategic plan: bicycle highways.	Requires Caltrans, to the extent feasible and consistent with the California Transportation Plan, to assess incorporating bicycle highways into strategic interregional corridors within the interregional transportation strategic plan.	Pending in Senate Appropriations Committee
AB 1275	Elhawary	Regional housing needs: regional transportation plan.	Modifies the timeline for the Department of Housing and Community Development to update each region's existing and projected housing need, requires each council of governments to consider the development pattern set forth in the region's sustainable communities strategy of its regional transportation plan in developing the methodology for its regional housing needs allocation, and requires each region's housing needs allocation plan be informed by the applicable sustainable communities strategy, instead of being consistent with that strategy.	Pending on Senate Floor

Bill	Author	Subject	Description	Status
SB 63*	Wiener	San Francisco Bay area: local revenue measure: transportation funding.	Establishes the Transportation Revenue Measure District in Alameda and Contra Costa Counties and the City and County of San Francisco to be governed by the Metropolitan Transportation Commission's governing board, and authorizes the district's board or a qualified voter initiative to impose a retail transaction and use tax to fund operating expenses of specified transit operators and public transportation expenses in the counties comprising the district.	Pending in Assembly Appropriations Committee
SB 71*	Wiener	California Environmental Quality Act: exemptions: environmental leadership transit projects.	Extends and expands various existing exemptions from the California Environmental Quality Act (CEQA) for certain types of active transportation, transit, and passenger rail projects.	Pending in Assembly Appropriations Committee
SB 74	Seyarto	Office of Land Use and Climate Innovation: Infrastructure Gap-Fund Program.	Requires the Governor's Office of Land Use and Climate Innovation to establish the Infrastructure Gap-Fund Program to provide grants to local agencies for the development and construction of infrastructure projects, as specified.	Pending in Assembly Appropriations Committee
SB 78	Seyarto	Department of Transportation: report: state highway system: safety enhancements.	Requires Caltrans to prepare a report to identify types of safety enhancements that could be implemented on the state highway system, as well as common factors contributing to delays in those enhancements, and strategies to expedite them.	Pending in Assembly Appropriations Committee
SB 298*	Caballero	State Energy Resources Conservation and Development Commission: seaports: plan: alternative fuels.	Requires the California Energy Commission, in coordination with the California State Transportation Agency (CalSTA), the California Air Resources Board, and the State Lands Commission, to develop a plan for the alternative fuel needs of oceangoing vessels at California's public seaports that would enable the seaports to meet their emissions goals.	Pending in Assembly Appropriations Committee
SB 359*	Niello	Use Fuel Tax Law: Diesel Fuel Tax Law: exempt bus operation.	Applies the exemptions from the provisions of the Diesel Fuel Tax Law and the Use Fuel Tax Law to counties that own and operate a local transit system, as provided.	Pending in Assembly Appropriations Committee
SB 419*	Caballero	Hydrogen fuel.	Provides an exemption from the state taxes imposed by the Sales and Use Tax Law for hydrogen fuel.	Pending in Assembly Appropriations Committee
SB 470	Laird	Bagley-Keene Open Meeting Act: teleconferencing.	Extends alternative teleconferencing provisions for the Bagley-Keene Open Meeting Act until January 1, 2030.	Pending in Assembly Appropriations Committee

Bill	Author	Subject	Description	Status
SB 695	Cortese	Transportation: climate resiliency: projects of statewide and regional significance.	Requires Caltrans, in consultation with the Commission and CalSTA, to create and submit to the Legislature a prioritized list of projects of statewide and regional significance to better prepare the state for extreme weather-related events, as specified, by July 1, 2026 and annually thereafter.	Pending in Assembly Appropriations Committee
SB 800*	Reyes	State overpasses: suicide prevention.	Requires Caltrans, in consultation with affected local governments, to assess and determine appropriate mitigation measures to help prevent suicides on locally owned overpasses over state highways, as specified.	Pending in Assembly Appropriations Committee
SB 840	Limón	Greenhouse gases: report.	Extends indefinitely the requirement for the Legislative Analyst's Office to annually submit to the Legislature the report on the economic impacts and benefits of the State Air Resources Board's greenhouse gas emissions targets.	Pending in Assembly Appropriations Committee

Total Active Measures: 18

Note: Measures marked with "*" were amended since the most recent staff report.

Legislation Monitored by Commission Staff
Inactive Bills (2025-26 Regular Session)
(As of July 21, 2025)

Bill	Author	Subject	Description
AB 52	Aguiar-Curry	Native American resources.	Modifies the processes and requirements for consultation with federally recognized tribes and non-federally recognized tribes under the Planning and Zoning Law and the California Environmental Quality Act (CEQA).
AB 66*	Tangipa	California Environmental Quality Act: exemption: egress route projects: fire safety.	Exempts from CEQA egress route projects undertaken by a public agency to improve emergency access to and evacuation from a subdivision without a secondary egress route under specified conditions until January 1, 2032.
AB 431	Wilson	Advanced Air Mobility Infrastructure Act.	Requires Caltrans to develop an advanced air mobility plan that includes vertiports, electric aviation charging, and the infrastructure needs of other advances in aviation technology, as specified
AB 612	Rogers	Transportation: Highway Design Manual: emergency response times.	Requires Caltrans to update the Highway Design Manual to direct local governments to consult with local fire departments to ensure road improvements do not negatively impact emergency response times.
AB 707	Soria	San Luis and Delta-Mendota Water Authority: B.F. Sisk Dam Raise and Reservoir Expansion Project.	Appropriates \$455.5 million from the General Fund to the San Luis and Delta-Mendota Water Authority for the purpose of funding the State Highway 152 Route improvements required to complete the B.F. Sisk Dam Raise and Reservoir Expansion Project.
AB 733	Tangipa	Agency Reports.	Requires each state agency that is required to submit one or more reports to the Legislature to submit, by April 1 of each year, a list of all reports the agency has not yet submitted to the Legislature along with a status summary, and provides that the Legislature may withhold appropriations for an agency that fails to submit timely reports.
AB 939	Schultz	The Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026.	Enacts the Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026, which, if approved by the voters, authorizes \$20 billion in bonds to finance transit and passenger rail improvements, local streets and roads, and active transportation projects, zero-emission vehicle investments, transportation freight infrastructure improvements, and grade separations and other critical safety improvements.
AB 1058	Gonzalez, Jeff	Motor Vehicle Fuel Tax Law: suspension of tax.	Suspends the imposition of the tax on motor vehicle fuels for one year and requires the State Controller to transfer an amount equal to the amount collected under the tax in Fiscal Year 2023-24 from the General Fund.
AB 1168	Solache	Department of Transportation: transferred property: City of Lynwood.	Requires Caltrans to release and remove the deed restriction that it imposed on a parcel, previously transferred to the City of Lynwood, that requires a portion of the property to be used exclusively for public purposes for a period of 15 years from the recorded date of the deed.

Bill	Author	Subject	Description
AB 1244	Wicks	California Environmental Quality Act: transportation impact mitigation: Transit-Oriented Development Implementation Program.	Authorizes a project to satisfy CEQA mitigation requirements for transportation impacts by contributing an amount of money per vehicle mile traveled set by the Governor's Office of Land Use and Climate Innovation to the Transit-Oriented Development Implementation Fund, as specified, and authorizes the Department of Housing and Community Development to use those moneys to fund developments located in the same region as the project.
AB 1268	Macedo	Motor Vehicle Fuel Tax Law: adjustment suspension.	Authorizes the Governor to suspend an inflationary adjustment to the motor vehicle fuel tax upon deciding that the adjustment would impose an undue burden on low-income and middle-class families, as provided.
AB 1343	Gallagher	Local alternative transportation improvement program: Feather River crossing.	Authorizes affected local agencies with canceled planned state transportation facilities over the Feather River in Sutter and Yuba Counties, to develop and file with the California Transportation Commission (Commission) a local alternative transportation improvement program in the area that was to be served by the planned facilities.
AB 1399	Hoover	Department of Transportation: encroachment permits: broadband facilities.	Requires Caltrans to perform additional actions for an encroachment permit application for a broadband facility, as specified.
AB 1421	Wilson	Vehicles: Road Usage Charge Technical Advisory Committee.	Extends the operation of the Commission's Road Usage Charge Technical Advisory Committee until January 1, 2035.
AB 1491	Ta	Transportation: road safety.	States the intent of the Legislature to enact legislation to improve safety on the roads in the state.
ACA 12	Wallis	Road usage charges: vote and voter approval requirements.	Provides that the imposition of a road usage charge to be subject to a 2/3 vote requirement for approval. Requires that any road usage charge be imposed at a uniform rate, and not vary based on any factor. Prohibits the Legislature from imposing both a road usage charge, and either a motor vehicle fuel tax or a tax on the sale, storage, or use of motor vehicle fuels used in vehicles subject to a road usage charge.
SB 10	Padilla	Otay Mesa East Toll Facility Act: toll revenues.	Authorizes toll revenues generated by the Otay Mesa East Toll Facility Act to also be used to assist in the maintenance of the South Bay International Boundary and Water Commission sewage treatment facility and additional sanitation infrastructure related to the Tijuana River, consistent with applicable federal and state laws.
SB 73	Cervantes, Sabrina	California Environmental Quality Act: exemptions.	Exempts those projects located in a very low vehicle travel area from CEQA requirements, as defined.
SB 569	Blakespear	Department of Transportation: homeless encampments.	Requires Caltrans to establish a dedicated liaison to facilitate communication with local governments and relevant state agencies to address homeless encampments within the state highway system, as specified.

Bill	Author	Subject	Description
SB 661	Hurtado	Airports: financial assistance.	Requires the revenues from the imposition of state sales and use taxes on jet fuel to be transferred to the Aeronautics Account for allocation in specified percentages to qualifying airports, and other aviation-related purposes, as specified. Requires remaining revenue to be retained by the airport at which the fuel is sold for airport operations, as specified.
SB 741	Blakespear	Coastal resources: coastal development permit: exemption: Los Angeles-San Diego-San Luis Obispo Rail Corridor.	Expands the exemptions from the coastal development permitting process to include certain emergency projects undertaken by a public agency to maintain, repair, or restore existing railroad track along the Los Angeles-San Diego-San Luis Obispo Rail Corridor, as provided.
SB 752	Richardson	Sales and use taxes: exemptions: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.	Extends the exemption for specified zero-emission technology transit buses from existing sales and use taxes until January 1, 2028.

Total Inactive Measures: 22

Note: Measures marked with “*” were amended since the most recent staff report.