

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 19-20, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.1, Action

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Subject: State and Federal Legislative Matters

## **Recommendation:**

Staff recommends the California Transportation Commission (Commission) accept this report on state and federal legislation.

## **Issue:**

Attachment A includes a list of bills monitored by staff, pursuant to the Commission's bill monitoring policy. As of February 24, Commission staff have identified 35 bills for monitoring in the regular session.

Commission staff is not recommending any positions on bills at this time.

## **Background:**

### **State Legislation**

The deadline for legislators to introduce bills was February 20. Policy committees are expected to begin meeting to consider bills this month. The committees have until April 24 and May 1 to hear fiscal and non-fiscal bills, respectively. Bills must pass out of fiscal committees by May 15.

### **State Budget**

The Legislature continues to hold hearings on the Governor's proposed 2026-27 state budget. Budget subcommittee hearings are expected to continue until the Governor's revised budget proposal (May Revision) is released later in the Spring.

On February 17, the Governor signed AB 117 (Gabriel, Chapter 6, Statutes of 2026), a budget trailer bill that requires the California State Transportation Agency to loan up to \$590 million to the Metropolitan Transportation Commission (MTC) from funds programmed through the Transit and Intercity Rail Capital Program for the purpose of providing loans to specified public transit operators within the MTC region. The Commission is required to monitor and report on the status of funds used for the loan based on specific benchmarks.

Federal Funding

The Infrastructure Investment and Jobs Act (IIJA) will expire in September 2026. Discussions continue at the state and federal level on replacing IIJA with a new multi-year surface transportation reauthorization before IIJA expires. Formal proposals on reauthorization are expected to be announced in March.

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 February 24, 2026)

<b>Bill</b>	<b>Author</b>	<b>Subject</b>	<b>Description</b>	<b>Status</b>
AB 66	Tangipa	California Environmental Quality Act: exemption: egress route projects: fire safety.	Exempts from the California Environmental Quality Act (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.	Pending in Senate Natural Resources and Water Committee
AB 117*	Gabriel	Transit and Intercity Rail Capital Program: loans: transit operating purposes: San Francisco Bay area.	Requires the California State Transportation Agency (CalSTA), to loan up to \$590 million to the Metropolitan Transportation Commission (MTC) from funds programmed through the Transit and Intercity Rail Capital Program (TIRCP) for the purpose of providing loans to specified public transit operators within the MTC region, and requires the California Transportation Commission (Commission) to monitor and report on the status of funds used for the loan based on specific benchmarks.	Signed by the Governor and chaptered
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 in the Senate
AB 431	Wilson	Advanced Air Mobility Infrastructure Act.	Requires the California Department of Transportation (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	Pending in Senate Transportation 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 the Senate

<b>Bill</b>	<b>Author</b>	<b>Subject</b>	<b>Description</b>	<b>Status</b>
AB 1421	Wilson	Vehicles: Road Usage Charge Technical Advisory Committee.	Requires the Commission, in consultation with CalSTA, to consolidate and prepare research and recommendations related to a road user charge or a mileage-based fee system, and submit a report to the Legislature by January 1, 2027, as specified.	Pending committee referral in Senate
AB 1599*	Ahrens	Public transit: California Transit Stop Registry: transit datasets.	Requires Caltrans to create the California Transit Stop Registry to serve as a centralized dataset of information on transit stops, as specified, and requires transit operators to ensure that the name and location of each stop conforms with information contained in the registry.	Pending hearing in Assembly Transportation Committee
AB 1740*	Zbur	Coastal resources: coastal development permits: urban multimodal communities: bicycle facilities.	Authorizes a city to designate itself as an urban multimodal community if it meets certain requirements, provides that a coastal development permit is not required for certain activities and types of development within an urban multimodal community, and provides that a coastal development permit is not required for the installation of Class I, II, or IV bike facilities within the right-of-way of a state highway, as specified.	Pending hearing in Assembly Natural Resources Committee
AB 1745*	Gonzalez, Jeff	Motor Vehicle Fuel Tax law: suspension of tax.	Suspends the imposition of the tax on motor vehicle fuels for one year.	Pending hearing in Assembly Transportation Committee
AB 1783*	DeMaio	Additional local taxes: vehicle miles traveled tax.	Prohibits a city, county, or any political subdivision from imposing a tax, fee, or charge that is calculated based on the number of miles traveled by a motor vehicle, and provides that any existing program, pilot program, or regulation inconsistent with this prohibition is void.	Pending committee referral in Assembly
AB 1823*	Jackson	State government: California Equity Act.	States the intent of the Legislature to enact legislation to establish a statewide definition of equity.	Pending committee referral in Assembly
AB 1855*	Gonzalez, Jeff	California Environmental Quality Act: exemption: passenger rail service.	Expands an exemption from CEQA where certain projects for the improvement, institution, or increase of passenger rail service for zero-emission trains to also non-zero-emission trains until January 1, 2040.	Pending hearing in Assembly Natural Resources Committee
AB 2170*	Boerner	California Environmental Quality Act.	States the intent of the Legislature to enact legislation to increase accessibility and transparency and to enhance environmental review for projects in burdened communities.	Pending committee referral in Assembly

<b>Bill</b>	<b>Author</b>	<b>Subject</b>	<b>Description</b>	<b>Status</b>
AB 2267*	Garcia	State bridges and overpasses: suicide prevention.	Requires Caltrans to develop and maintain a set of preapproved designs that local governments may use to install suicide prevention barriers.	Pending committee referral in Assembly
AB 2329*	Fong	Surplus residential property: City of South Pasadena.	Requires the fair market value offered to present tenants for surplus residential property in South Pasadena to be based on an appraisal of the property.	Pending committee referral in Assembly
AB 2371*	Hadwick	Transportation.	States the intent of the Legislature to enact subsequent legislation related to transportation.	Pending committee referral in Assembly
AB 2552*	Farias	California Environmental Quality Act: transportation impact mitigation.	Provides that a contribution to the Transit-Oriented Development Fund to mitigate a project's transportation impact is a full and complete mitigation for that portion of the project's transportation impact under CEQA.	Pending committee referral in Assembly
AB 2560*	Schultz	Climate Action Plan for Transportation Infrastructure: goals.	Establishes specified goals for the Climate Action Plan for Transportation Infrastructure (CAPTI) and authorizes CalSTA to update the goals, and requires projects in the Interregional Transportation Improvement Program, the TIRCP, the Local Partnership Program, the Trade Corridor Enhancement Program, the Active Transportation Program, and the Solutions for Congested Corridors Program to apply the CAPTI goals where feasible, within the fix-it-first approach.	Pending committee referral in Assembly
AB 2569*	Hart	California Environmental Quality Act: natural hazards and adverse environmental conditions.	Expands the definition of "significant effect on the environment" for the purposes of CEQA to include impacts on people, as specified, and requires a lead agency to include a statement on any significant effects from locating a project near existing or foreseeable natural or environmental hazards in an environmental impact report for that project.	Pending committee referral in Assembly
AB 2679*	Hadwick	Road Maintenance and Rehabilitation Account: funding apportionments: cities.	Requires the State Controller, with respect to revenues apportioned annually to cities under the Road Maintenance and Rehabilitation Account Local Streets and Roads Program, to apportion a minimum of \$200,000 to each city beginning in the 2027-28 fiscal year.	Pending committee referral in Assembly

<b>Bill</b>	<b>Author</b>	<b>Subject</b>	<b>Description</b>	<b>Status</b>
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 applicable federal and state laws.	Pending in Assembly Transportation Committee
SB 508	Martinez Valladares	California Environmental Quality Act: transportation impact mitigation.	Requires a contribution to the Transit-Oriented Development Implementation Fund made to mitigate the transportation impact of a project to a less than significant level under CEQA to be deemed full and complete mitigation for that portion of the project's significant transportation impact.	Pending hearing in Assembly Business and Professions Committee
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.	Pending in Assembly Transportation Committee
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.	Pending in Assembly Revenue and Taxation Committee
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.	Pending in Assembly Natural Resources Committee
SB 922*	Laird	Vehicles: local agency charges: use of streets or highways.	Limits the existing prohibitions on a local agency from imposing a tax, permit fee, or other charge for using its streets and highways to only apply to charges based on weight, and provides that a fee, charge, or surcharge imposed by a local agency to recover the cost of street maintenance associated with the use of its roads is not a tax, permit fee, or other charge that is prohibited, as provided.	Pending hearing in Senate Local Government Committee

Bill	Author	Subject	Description	Status
SB 935*	Choi	Local agency design-build projects: authorization.	Extends the authorization for local agencies to use the design-build procurement process for projects in excess of \$1 million indefinitely.	Pending hearing in Senate Local Government Committee
SB 1008*	Ochoa Bogh	California Environmental Quality Act: exemption: railroad grade crossing closure.	Exempts the closure of a railroad grade crossing by order of the California Public Utilities Commission (CPUC) from CEQA, if the CPUC finds the crossing to be a threat to public safety.	Pending hearing in Senate Environmental Quality Committee
SB 1042*	Seyarto	Vehicle registration modernization study.	Requests the Milton Marks "Little Hoover" Commission on California State Government Organization and Economy to conduct a study on modernizing vehicle registration in the state and submit a report to the Legislature no later than January 1, 2028.	Pending hearing in Senate Transportation Committee
SB 1087*	Cabaldon	Transportation planning: sustainable communities strategies: Road Maintenance and Rehabilitation Program: local planning grants.	Requires every other update of a Regional Transportation Plan to include a Sustainable Communities Strategy (SCS), instead of every update, and requires Caltrans to allocate funding from the Road Maintenance and Rehabilitation Account currently allocated to local planning grants to regional transportation planning agencies for local and regional planning that furthers state goals, including the goals of an applicable SCS.	Pending committee referral in Senate
SB 1174*	Martinez Valladares	Public contracts: Department of Transportation: bid preferences: employee stock ownership plans.	Requires Caltrans to provide bid preferences for contractors with an employee stock ownership plan beginning January 1, 2028.	Pending committee referral in Senate
SB 1250*	Cortese	State highway system: wildlife connectivity.	Requires the targets and performance measures adopted by the Commission for the Transportation Asset Management Plan to include targets and performance measures reflecting transportation goals and objectives for wildlife connectivity assets, as specified, and requires Caltrans to include wildlife connectivity assets in the asset management plan.	Pending committee referral in Senate
SB 1256*	Jones	California Environmental Quality Act: exemption for closure of railroad grade crossing.	Exempts the closure of a railroad grade crossing by order of the California Public Utilities Commission (CPUC) from CEQA, if the CPUC finds the crossing to be a threat to public safety.	Pending committee referral in Senate

<b>Bill</b>	<b>Author</b>	<b>Subject</b>	<b>Description</b>	<b>Status</b>
SB 1275*	McNerney	Sales and use tax exemption: vehicle license fee imposition: motor vehicles.	Exempts from January 1, 2027 to January 1, 2032, the sale of a new motor vehicle from state sales tax and imposes an additional vehicle license fee on the first sale of a new motor vehicle equal to the amount of sales tax the purchaser would have paid, to be deposited in the state General Fund.	Pending committee referral in Senate
SB 1334*	Alvarado-Gil	Route 59: Adoption.	Requires the Commission to reach an agreement with the Counties of Merced, Stanislaus, and Tuolumne for the acquisition and adoption of county road J59 as a state highway, as specified, without the Counties being required to upgrade the county road to meet state highway standards.	Pending committee referral in Senate

Total Active Measures: 35

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