Receive State and Federal Legislative Update

JPB Board Meeting March 6, 2025





Federal

- Federal Reductions in Force
 - Thousands of federal employees have been fired.
 - On March 4, the Administration sent an <u>OPM memo</u> updating its guidance to department heads that demanded the firing of federal workers, adding that it's up to the agency to decide.

• Temporary Pause on All Regulatory Activities

• On Jan 20, Executive Order (EO) "Regulatory Freeze Pending Review" issued which pauses ongoing regulatory activities, including proposed and recently published rules, until an administration official is in place to review and approve.

• Ending Federal DEI Programs

• On Jan 20, President Trump signed an EO: "Ending Radical and Wasteful Government DEI Programs and Preferencing." This eliminates any and all "Diversity, Equity, and Inclusion" programs throughout the federal government. Each agency, department or commission head has to complete these actions by March 21, 2025.

• Appropriations and Appointments

- Steven Bradbury nomination for DOT Deputy Secretary was approved in committee and will move to ful Senate.
- Continuing Resolutions through March 14, 2025.

Federal Cont.

- Infrastructure Investment and Jobs Act
 - Nearing its end. Goes through FY 2026.
 - Discussions have started on the next transportation bill
- Federal Investigation into California High-Speed Rail
 - On Feb 20, US DOT Secretary Duffy Announced a federal compliance investigation into the CA High-Speed Rail Project.
- National Environmental Policy Act (NEPA) Regulations
 - On Feb 19, the CEQ submitted a <u>memo</u> and pre-publications interim final rule rescinding its NEPA regulations.
 - The NEPA law remains in effect and each federal agency has 12 months to write their own non-binding guidelines.
- Federal Funding Uncertainty
 - A Temporary Restraining Order is sill in effect regarding the EOs that require federal funding freezes, including freezing funds from the IIJA.
 - Courts have also approved preliminary injunction on the federal funding freeze.
 - FTA is processing grants as of right now.



Federal

• New Federal Grants Policy

- Jan 29 DOT memo outlines new policy regarding federal loans, grants, and other assistance.
- The Secretary also directed the DOT general counsel to investigate how DOT can unilaterally renew existing grant agreements to ensure compatibility with EOs.



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- Legislative Update
 - Legislators had until February 21 to introduce bills for consideration in the first year of the two-year session.
 - The Assembly requires spot bills to be amended by March 17 and the Senate by March 26.
 - Continuing to work with partners on Caltrain's regenerative braking issue
 - On February 4, Caltrain CEO Bouchard and Caltrain staff traveled to Sacramento to meet with state legislators and administration
- Budget Update
 - As part of the FY25-26 budget, Senators Wiener and Arreguin are leading efforts in the Legislature to secure an additional \$2 billion to address transit needs
- CTC Elects New Leadership
 - At its January 2025 business meeting, the California Transportation Commission elected Darnell Grisby as its Chair and Clarissa Falcon as its Vice Chair
 - Effective March 1





CalSTA Held Eighth Transit Transformation Task Force Meeting

- The California State Transportation Agency's Transit Transformation Task Force met for its eighth time on February 5.
- The meeting included discussion on the process and timeline for completing the Task Force's report to the Legislature by October 30, 2025, and afforded Task Force members the opportunity to review the draft staff report on recommendations for fleet and asset management transit system oversight and reporting and further discuss options for additional transit funding.



AB 1372 (Papan) – Caltrain Energy Bill (Sponsor)

- AB 1372 (Papan) Electricity: electrified commuter railroads: regenerative braking: net energy.
 - Caltrain sends about 23% of the energy we consume back to the grid.
 - Caltrain currently receives no compensation for this energy.
 - AB 1372 is a spot bill and we are working with our energy partners and Assemblymember Papan's office to ensure Caltrain can receive fair credit for the energy it produces.
 - Any savings on energy bills through receiving credit for energy sent back to the grid is not included in the strategic financial plan projections and would directly lower Caltrain's future operating deficit.



SB 71 - Recommend Support

- SB71 (Wiener) CEQA Exemptions for Transit Projects Recommend Support
 - Would indefinitely extend the CEQA exemptions for transit and transportation projects established under SB 922 (Wiener, 2022), removing the current January 1, 2030 sunset date.
 - Will add additional project types to the list of exemptions including ferry terminals, transit operations analysis and bus stops and shelters.
 - Co-Sponsored by the California Transit Association.
 - Caltrain previously supported SB 922, as well as AB 2503 (Lee, 2024), which added to the list of statutory exemptions an exemption for zero-emission rail.



AB 394 - Recommend Support

- AB 394 (Wilson) Transit Safety Recommend Support
 - Would enhance the safety and security of California's public transportation systems by strengthening protections for transit operators, employees, and passengers.
 - Would apply enhanced penalties for assaults to all transit employees, as well as updated provisions for trespass violations on transit systems.
 - Would empower agencies to seek court-issued prohibition orders against those convicted of assault or trespass.
 - Promotes safer transit environments for transit riders and employees alike.
 - Co-Sponsored by the California Transit Association, ATU, Teamsters and SMART



MTC Transit Regional Measure Principles

- Measure Must be Passable
- Measure Must Prevent Major Transit Service Cuts for Regional Operators
- Measure Must Take Local Transportation Funding Needs into Consideration
- Measure Must Advance Transit Transformation: Fund & Deliver Rider-Focused Improvements
- Measure Must Ensure Fairness
- Measure Must Include Meaningful Accountability Provisions



Regional Measure - MTC Poll

MTC Polling Results (Full Results Here)



Regional Measure – MTC Poll

Initial Support by County



Table shows percent "Yes"	1A: <u>½ Cent Sales Tax</u> 57% Yes 4-County	Hybrid: <u>½ Cent Sales + Parcel Taxes</u> 51% Yes 9-County	Variable: <u>1/2 - 7/8 Cent Sales Tax</u> 56% Yes 4-County
Alameda MoE <u>+</u> 6.2 p.p. for each model	61%	55%	59%
Contra Costa MoE <u>+</u> 6.9 p.p. for each model	53%	51%	54%
San Francisco MoE <u>+</u> 6.9 p.p. for each model	55%	54%	58%
San Mateo MoE <u>+</u> 6.9 p.p. for each model	59%	53%	52%
Santa Clara MoE <u>+</u> 5.7 p.p.		50%	
North Bay (Napa, Marin, Solano, Sonoma) MoE <u>+</u> 6.9 p.p.		44%	

Caltrain

Caltrain Polling - Key Takeaways

- Caltrain has a very high favorability rating (82%) and the highest favorability rating of any major transit system in any of the counties that we operate in.
- Over 70% of people agree that transit has a need for funding.
- 76% of people say relieving traffic congestion on Highways 101, I-280, and El Camino Real is a major priority.
- Sales tax polls better than parcel tax.
- Polling for Caltrain 1/8 cent sales tax is close to 2/3rds in San Mateo and San Francisco Counties.
- This Poll represents one point in time and a lot can change.
- With Caltrain's high favorability rating, it would likely be an asset to any transit funding measure effort.



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FOR MORE INFORMATION

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