

**Receive State and Federal
Legislative Update;
Consider Positions on SB
1375 (Cortese), AB 1941
(González), and AB 2308
(Haney); and Receive
Update on SB 63 Phase 1
Financial Efficiency
Review**

**JPB Meeting
May 7, 2026**



Federal

FY27 Presidential Budget Request

- \$16.3B (-23%) public transit and \$2.8B (-82%) passenger rail
- Several programs face elimination or cuts (budget excludes IIJA advanced appropriations)
 - Capital Investment Grants (-\$1.6 billion)
 - State of Good Repair grants (-\$950 million)
 - All Station Accessibility Program (-\$350 million)
 - Federal-State Partnership for Intercity Passenger Rail Grants (-\$7.2 billion)
 - Railroad Crossing Elimination Grants (-\$500 million)

Appropriations

- Reps. Mullin and Liccardo submitted Caltrain's Safety Enhancements Project community project requests
- THUD Subcommittee mark-up expected late May/early June

Surface Transportation Reauthorization

- House Markup, originally scheduled for April 29, has been further delayed

State

Legislative Update

- Anticipating "May Revise" on May 14
- May 29 last day each house to pass bills introduced in that house
- Budget must be passed by June 15

CARB Climate Credit Issue

- CARB considering new climate credit allocation changes redirect/reduce auction proceeds from the Cap-and-Invest Program through 2030
- Estimates suggest reduction is ~\$2 billion annually
- Reduction would mean Tier 3 programs (i.e. AHSC, TIRCP, LCTOP) will not have sufficient funding
- CTA engaged and Caltrain joined other agencies across the state - urging CARB to revisit this proposal
- CARB meeting May 28-29

SB 1375 (Cortese) – *Recommend Support*

AB 1375 (Cortese) – Diridon Station Environmental Streamlining

- Establishes CEQA exemption for a public urban, intermodal rail station project within a long-urbanized area within the statewide passenger rail network, at which high-capacity light, commuter, and intercity rail services converge that meet certain conditions
- Addresses issues for intermodal rail Station CEQA exemption that were not fully addressed in SB 71, SB 131, or other relevant legislation
- Would apply to the Diridon Station Project
- Would shorten the delivery window allowing realization of environmental, economic, and mobility benefits sooner, while also reducing total project costs
- **Staff recommends a Support Position.**

AB 1941 (González) – *Recommend Support*

AB 1941 (González) – Organized Metal Theft

- Co-sponsored by City of San Jose
- Prohibits organized metal theft and makes a violation of organized metal theft punishable as either a misdemeanor or a felony
- Establishes an information-sharing framework between law enforcement and the Department of Justice for metal theft data
- Authorizes local law enforcement, public agencies, and private entities to share metal theft information with DOJ
- **Staff recommends a Support Position**

AB 2308 (Haney) – *Recommend Support*

AB 2308 (Haney) – Redevelopment: successor agency debt: City and County of San Francisco.

- Sponsored by Transbay Joint Powers Authority (TJPA)
- Authorizes expanded financing tools to support the Transbay Program, including infrastructure and affordable housing tied to TJPA
- Allows San Francisco's successor agency to issue bonds and extend use of pledged revenues (e.g., tax increment) to complete Transbay projects
- Ensures financing can be structured flexibly with oversight approval and cost-effective terms
- **Staff recommends a Support Position.**

SB 63 Efficiency Review

- Oversight Committee met April 17 to discuss the draft report focused on:
 - Cost-saving measures since Jan 1, 2020.
 - Early action strategies to improve service efficiency, customer experience with existing resources.
 - Documentation of transit agency-owned real estate assets and redevelopment opportunities
- Caltrain was represented by Director Gee; SFMTA was represented by Director Heminger.
- The report was favorable to Caltrain, including that it:
 - Highlighted Caltrain savings of \$76 Million over the period.
 - Noted that "Caltrain achieved meaningful cost savings while simultaneously delivering a transformational capital program" and that
 - Caltrain's "Cost-saving measures slowed the pace of operating cost growth and offset a material share of inflationary pressure."

SB 63 Efficiency Review

- The report also noted potential Caltrain early action strategies such as:
 - Seek Strategies to Enhance Parking Revenue
 - Expanding GoPass/BayPass
 - Monetize Fiber/Communications Assets
 - Explore Feasibility of Energy Storage
 - Explore efficiencies in procurement and with upcoming extension of operator contract.
- Report is a good effort that helps explain the significant efforts agencies undertook to cut costs and become more efficient
- Staff will continue to work w/ the committee, consultants and MTC to improve the final product.
- Next Oversight Committee meeting is May 22.
- Planned Caltrain adoption: AMP May 27 and Board June 4

FOR MORE INFORMATION

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