

2024 END OF YEAR LEGISLATIVE REPORT

LEGISLATION ENACTED

I. Audits, Records, Reports, and Litigation

**AB 1785 (Pacheco, D-Downey): California Public Records Act.
(Chapter 551, Statutes of 2024)**

This legislation addresses the provisions of the California Public Records Act (CPRA), which currently requires that state and local agencies make their records available for public inspection unless an exemption applies. Current law also stipulates that state or local agencies cannot post the home address or telephone number of any elected or appointed official without written consent from the individual first. AB 1777 expands this provision, prohibiting a state or local agency from publicly posting the home address, telephone number, or both the name and assessor parcel number associated with the home address of any elected or appointed official without receiving the written consent of that individual first.

**AB 1972 (Alanis, R-Modesto): Regional property crimes task force.
(Chapter 167, Statutes of 2024)**

AB 1972 requires the regional property crimes task force convened by the California Highway Patrol (CHP) and Department of Justice to assist railroad police and specifically adds cargo theft as a property crime for consideration by the regional property crimes task force. To address the increasing number of cargo thefts perpetrated by organized crime rings, CHP's Organized Retail Crimes Task Force aims to provide railroad police with logistical support, equipment, and personnel resources in counties identified with the increased cargo theft.

Urgency Bill – Effective Immediately

AB 2013 (Irwin, D-Thousand Oaks): Generative artificial intelligence: training data transparency.

(Chapter 817, Statutes of 2024)

AB 2013 requires that developers of a generative artificial intelligence (GenAI) system or service must publish the data it used to train the system or service online by January 1, 2026, if the system or service was released on or after January 1, 2022. The datasets would include the sources, a description of its intended purpose, the number of data points included, a description of the data points, whether the datasets include any protected data, whether the datasets include any personal information, and more. There are exemptions if the system or service is for operation of aircraft or for defense purposes.

AB 2299 (Flora, R-Ripon): Labor Commissioner: whistleblower protections: model list of rights and responsibilities.

(Chapter 105, Statutes of 2024)

AB 2299 mandates that the Labor Commissioner develop a standardized model list of whistleblower rights and protections, which would be available on the Labor Commissioner's website. Employers who use this model list for display would be automatically considered in compliance with the law's posting requirement. Additionally, state agencies posting certain required notices that include the whistleblower hotline number will also be considered compliant with this regulation.

AB 2455 (Gabriel, D-Encino): Whistleblower protection: state and local government procedures.

(Chapter 568, Statutes of 2024)

AB 2455 makes changes to existing whistleblower protection laws to enhance the procedures for reporting and investigating improper government activity at the state and local levels. Specifically, this bill authorizes city, county, or city and county auditors or controllers, or their designees, to maintain a whistleblower hotline for reporting improper governmental activities. It also broadens the definition of "fraud, waste, or abuse" to include activities by local agencies, employees, contractors, and subcontractors, while ensuring confidentiality for whistleblowers and subjects of investigations. AB 2455 also expands the duties of auditors or controllers in conducting investigative audits and makes the identity of whistleblowers confidential. Additionally, this legislation aligns local whistleblower procedures with the California Whistleblower Protection Act by defining "improper governmental activity" to include misuse of state expenditures and requiring reports to be shared with the appropriate legislative committees.

AB 3007 (Hoover, R-Folsom): California Environmental Quality Act: record of environmental documents: format.

(Chapter 583, Statutes of 2024)

Instead of requiring the county clerk and the Governor's Office of Land Use and Climate Innovation (LUCI) to maintain a California Environmental Quality Act (CEQA) record received from the California Department of Fish and Wildlife both electronically and in paper, AB 3007 would only require the county clerk and LUCI to maintain the record electronically and authorize the county and LUCI to maintain the record on paper.

AB 3130 (Quirk-Silva, D-La Palma): County board of supervisors: disclosure.

(Chapter 251, Statutes of 2024)

AB 3130 introduces additional transparency requirements for county boards of supervisors when appropriating funds to nonprofit entities. Under existing law, public officials are prohibited from having a financial interest in contracts they oversee, with certain exceptions for remote interests, including those involving nonprofit organizations. Current law allows these exceptions if the remote interest is disclosed and recorded before the board acts on the contract, with the interested party abstaining from the vote. AB 3130 builds upon these provisions by mandating that any member of a board of supervisors must disclose a known family relationship with an officer or employee of a nonprofit entity prior to the board appropriating money to that nonprofit. This bill aims to further strengthen transparency and prevent potential conflicts of interest in financial decisions involving county boards of supervisors.

**SB 896 (Dodd, D-Napa): Generative Artificial Intelligence Accountability Act.
(Chapter 928, Statutes of 2024)**

SB 896, the Generative Artificial Intelligence Accountability Act, requires the California Department of Technology, under the guidance of several state agencies, to update the report mandated by Executive Order No. N-12-23 (2023), which focuses on the impact of GenAI. Key elements include a requirement for state agencies to provide disclaimers when using GenAI to communicate directly with individuals regarding government services or benefits. These communications must clearly indicate they were generated by artificial intelligence (AI) and provide information on how to contact a human representative. Additionally, the Office of Emergency Services (OES) is required to perform risk analyses of potential threats posed by GenAI to California's critical infrastructure, including risks that could lead to mass casualty events. These analyses will be summarized and submitted to the Legislature annually.

SB 896 also emphasizes the importance of equity and privacy in the use of AI, aiming to prevent discrimination or bias in AI systems. It promotes collaboration with academia and industry experts and encourages public-private partnerships to develop workforce training in AI-related fields. The bill takes steps to ensure AI systems are aligned with existing state and federal privacy laws and that they contribute to equitable outcomes for all Californians.

**SB 1181 (Glazer, D-Antioch): Campaign contributions: agency officers.
(Chapter 785, Statutes of 2024)**

SB 1181 amends the Political Reform Act of 1974, which restricts certain campaign contributions exceeding \$250 to agency officers from parties or participants involved in agency proceedings on licenses, permits, or entitlements. The current act mandates disclosure of contributions within the last 12 months on the record of the proceeding. SB 1181 would exempt particular proceedings from these restrictions, including the periodic review or renewal of development agreements and competitively bid contracts, provided no material modifications or amendments are proposed exceeding ten percent of the contract's value or \$50,000, whichever is lower. Additionally, city attorneys and county counsels offering legal advice without decision-making authority would be excluded from the definition of "officer" in these contexts. The bill extends the timeframe for an agency officer to return contributions that would otherwise disqualify them from participating in a proceeding, allowing for a return up to 30 days after making a decision. SB 1181 codifies existing regulations from the Fair Political Practices Commission (FPPC) regarding the definition of an "agent", clarifying that individuals providing technical data or preparing architectural or engineering submissions without the intent to influence a proceeding are not considered agents. SB 1181 also integrates specific amendments proposed by SB 1243 (Chapter 1017, Statutes of 2024), with these changes only becoming effective if SB 1181 is enacted after SB 1243.

**SB 1243 (Dodd, D-Napa): Campaign contributions: agency officers
(Chapter 1017, Statutes of 2024)**

Under the Political Reform Act of 1974 (also referred to as the Levine Act), there is a prohibition against certain contributions over \$250 to be made to an officer by an agency,

party, and participants during a proceeding involving a license, permit, or other entitlement for use. It additionally requires disclosure of contributions over \$250 from a party or agency within 12 months and disqualifies an officer from participating in decision-making regarding an agency's permit if they are aware of the contributions. An officer can deflect the violation within 14 days of receiving the contribution by returning the excess amount of the contribution to align with the \$250 limit. SB 1243 raises the contribution limit from \$250 to \$500 and would increase the 14-day reporting period to 30 days in 2025. The bill does not apply to developers working on state-mandated housing projects or to labor unions if a decision affects membership dues.

II. Environment

AB 1889 (Friedman, D-Burbank): Conservation element: wildlife and habitat connectivity.

(Chapter 686, Statutes of 2024)

AB 1889 expands the requirements of the conservation element as part of the Planning and Zoning Law, which mandates the adoption of a comprehensive general plan that includes various elements, such as land use and conservation, and requires consideration of the impacts of development on natural resources located on public lands. AB 1889 expands the requirements of the conservation element by mandating that, upon the next update of one or more elements on or after January 1, 2028, cities and counties must also consider the effects of development on wildlife movement and habitat connectivity. Specifically, it requires the conservation element to identify and analyze connectivity areas, permeability, natural landscapes, and existing or planned wildlife passage features within the jurisdiction. It further requires local governments to assess the impacts of development and any barriers created by development on wildlife and habitat connectivity. AB 1889 allows local jurisdictions to incorporate by reference existing plans that meet these new requirements, such as certified local coastal plans, into their general plans. Additionally, cities and counties updating their conservation elements are encouraged to consider adopting appropriate standards and policies, consult with relevant entities, and use the best available scientific data regarding landscape connectivity. The bill also authorizes jurisdictions to include a separate wildlife connectivity element in their general plans to meet these requirements.

SB 1136 (Stern, D-Calabasas): California Global Warming Solutions Act of 2006: report.

(Chapter 184, Statutes of 2024)

Existing law requires the California Air Resources Board (CARB) to provide an annual presentation to the Joint Legislative Committee on Climate Change Policies, evaluating emission trends and include a discussion of the regulatory requirements, initiatives, and other programs that may influence those trends. SB 1136 changes the focus of this report to topics related to CARB's Scoping Plan. As background, the Scoping Plan lays out a path to achieve targets for carbon neutrality and reduce greenhouse gas (GHG) emissions by 85 percent below 1990 levels no later than 2045.

III. Funding

AB 761 (Friedman, D-Glendale): Local finance: enhanced infrastructure financing districts.

(Chapter 344, Statutes of 2024)

Existing law allows for the creation of enhanced infrastructure financing districts (EIFD) to support public capital facilities or community projects. A city or county can propose an EIFD by adopting a resolution that outlines the intention and boundaries of the district. The public financing authority must create and adopt an infrastructure financing plan that aligns with general and specific plans. This plan must include a financing section detailing funding strategies, tax limits, and a termination date, normally not exceeding 45 years from bond issuance approval. AB 761 specifies that infrastructure plans proposed on or after January 1, 2025, and focused on passenger rail projects in Los Angeles County with at least 75 percent of district revenue used for federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan debt service, the EIFD's existence can extend up to 75 years from the TIFIA loan approval date. This aligns with the newly extended maximum term of a TIFIA loan established by the Infrastructure Investment and Jobs Act.

AB 2086 (Schiavo, D-Santa Clarita): Transportation funding: California Transportation Plan (CTP): public dashboard.

(Chapter 629, Statutes of 2024)

Current law requires the California Department of Transportation (Caltrans) to prepare the CTP to submit to the Governor and the Legislature. The CTP is California's long-range transportation plan that provides a vision for how the State will meet its transportation needs consistent with the State's GHG emission goals. AB 2086 would require that the CTP include a new financial element, which will provide a comprehensive summary of the full cost associated with implementing the plan in the long term. Specifically, it requires detailed cost summaries for the first ten years of the planning period, an analysis of available revenues throughout the entire planning period, and an assessment of what aspects of the plan are feasible based on realistic revenue projections. AB 2086 also directs Caltrans to enhance an existing public online dashboard by January 1, 2027, to display how annual project investments from various transportation funding programs are advancing the vision and the goals of the CTP. The dashboard must also include other information, such as the status of the implementation of the short-, mid-, and long-term implementation actions included in the CTP, and must be periodically updated to ensure the data and metrics remain current.

AB 2261 (Garcia, D-Coachella): Transportation: federal funding: tribes.

(Chapter 102, Statutes of 2024)

AB 2261 allows a federally recognized Native American to be eligible for federal funding for a transportation project. Twenty-Nine Palms Band of Mission Indians is embarking on a series of transportation improvement projects, including safety projects, to address at-risk infrastructure. The tribe will be authorized as the lead agency for a transportation project that receives federal funding, to the extent permitted by federal and state law.

Urgency Bill – Effective Immediately

AB 2555 (Quirk-Silva, D-La Palma): Sales and use tax: exemption: medicinal cannabis: donations.

(Chapter 920, Statutes of 2024)

AB 2555 extends the existing exemption from use tax for donated medicinal cannabis and medicinal cannabis products until January 1, 2030. AB 2555 also mandates that no reimbursement will be made to local agencies for lost sales and use tax revenues resulting from this exemption. The Legislative Analyst's Office (LAO) is required to collect data on the exemption's effectiveness and submit an annual report to the Legislature and the Governor to assess whether the tax exemption is achieving its intended goals.

Urgency Bill – Effective Immediately

AB 2854 (Irwin, D-Thousand Oaks): Bradley-Burns Uniform Local Sales and Use Tax Law.

(Chapter 842, Statutes of 2024)

AB 2854 amends the Bradley-Burns Uniform Local Sales and Use Tax Law, which allows counties and cities to impose local sales and use taxes in alignment with state sales tax regulations. AB 2854 introduces new reporting requirements for local agencies involved in agreements that lead to the direct or indirect transfer, diversion, or rebate of Bradley-Burns local tax revenues. Local agencies must provide detailed information about such agreements annually to the California Department of Tax and Fee Administration. Additionally, AB 2854 mandates that local agencies publish this information on their websites to ensure transparency. Failure to comply with these reporting and publication requirements would result in monetary penalties.

SB 867 (Allen, D-Santa Monica): Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024.

(Chapter 83, Statutes of 2024)

SB 867 creates the Safe Drinking Water, Wildlife Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, authorizing a \$10 billion bond placed on the ballot for voter approval. At least 40 percent of these funds must be allocated to projects that benefit vulnerable or disadvantaged communities. If approved, the funding would be available for the Legislature to appropriate in the following ways:

- \$3.8 billion for safe drinking water, drought, flood, and water resilience programs.
- \$1.5 billion for wildfire and forest resilience programs.
- \$1.2 billion for coastal resilience programs.
- \$450 million for extreme heat mitigation programs.
- \$1.2 billion for biodiversity protection and nature-based climate solution programs.
- \$300 million for climate-smart, sustainable, and resilient farms, ranches, and working lands programs.
- \$700 million for park creation and outdoor access programs.
- \$850 million for clean air programs.

**SB 904 (Dodd, D-Napa): Sonoma-Marín Area Rail Transit District.
(Chapter 866, Statutes of 2024)**

SB 904 allows special taxes for the Sonoma-Marín Area Rail Transit District to be imposed via a qualified voter initiative, expanding beyond the district board's authority to propose tax measures. It requires the boards of supervisors in Sonoma and Marin Counties to call special elections for such measures, with costs reimbursed by the district. The bill removes the restriction limiting commuter stations in Sonoma County north of Healdsburg to incorporated areas and requires the district to secure both federal and state workers' compensation and unemployment insurance coverage for employees. Additionally, SB 904 raises the threshold for competitive bidding from \$40,000 to \$75,000 and allows contracts to be awarded based on "best value" criteria rather than just the lowest bid.

**SB 1140 (Caballero, D-Salinas): Enhanced infrastructure financing district.
(Chapter 599, Statutes of 2024)**

Existing law allows a city or county to create EIFDs for funding public projects by passing a resolution and mailing it to affected taxing entities. The public financing authority must then hold a meeting and three public hearings, and the infrastructure financing plan must be sent to landowners and taxing entities, with detailed notice requirements. Alternative notice methods are permitted, and the financing plan must be reviewed annually with amendments as needed and an annual report posted after the public hearing. SB 1140 modifies these requirements, reducing the number of public hearings to two, eliminating the need for first-class mail for annual report notices, and expanding the use of alternative notice procedures with added requirements. Notices must be provided in English and other languages spoken by 20 percent or more of the jurisdiction's population with limited English proficiency. SB 1140 also aims to allow local agencies to support additional public benefits such as improving air quality, broadband access, and constructing facilities for nonprofit organizations.

IV. Planning

**AB 1881 (Davies, R-Oceanside): California Coastal Commission: scientific panel expertise: coastal erosion.
(Chapter 88, Statutes of 2024)**

Under current law, the California Coastal Commission (CCC) must convene one or more scientific panels to review technical documents and reports and to give advice and make recommendations to the CCC before making decisions requiring scientific expertise. Existing law requires these panels to be composed of people with expertise in areas such as marine biology, fisheries, geographic information systems, water quality, and more. AB 1881 requires that a person with expertise in coastal erosion also be included in these panels.

**SB 768 (Caballero, D-Salinas): California Environmental Quality Act: Department of Housing and Community Development: vehicle miles traveled: study.
(Chapter 773, Statutes of 2024)**

SB 743 (Chapter 386, Statutes of 2013) required the Office of Planning and Research, also now known as LUCI, to update the CEQA criteria for analyzing transportation impacts

of projects to replace the traditional metric of “levels of service”. Discretion was provided on using the new metric in transit priority areas or statewide. The goal was to better promote the State’s goals of reducing GHG emissions and transportation-related air pollution, promoting the development of multimodal transportation system, and providing clean, efficient access to destinations. LUCI proposed changing the CEQA guidelines, identifying vehicle miles traveled (VMT) as the best metric to evaluate a project’s transportation impacts both within and beyond transit priority areas.

By January 1, 2028, and upon appropriation by the Legislature, SB 768 requires HCD to conduct and post online a study on how VMT is used as a metric for measuring transportation impacts of housing projects. In conducting this study, HCD must consult with local governments and other parties such as the California State Transportation Agency (CalSTA), CARB, Caltrans, LUCI, local agencies, and industry organizations. The study must include: an analysis of the implementation and outcomes of the guidelines as they pertain to housing projects, an analysis and comparison of how VMT impacts of mitigation measures are identified, measures, and deployed at all levels of government, a list of the cost of VMT mitigation measures on housing projects, a list of housing project types that are exempted from analysis of VMT, an analysis of the differences in the availability and feasibility of mitigation measures to housing projects for VMT in various regions, and a discussion of the relationship between VMT reduction, GHG reduction, housing volume, house affordability, transportation, economic development, public health, and equity. This requirement will sunset on January 1, 2029.

**SB 960 (Wiener, D-San Francisco): Transportation: planning: complete streets facilities: transit priority facilities.
(Chapter 630, Statutes of 2024)**

Current law requires Caltrans, in consultation with the CTC, to prepare an asset management plan to guide selection of projects for the State Highway Operation and Protection Program (SHOPP). It also requires the CTC, in connection with the plan, to adopt targets and performance measures reflecting state transportation goals and objectives. SB 960 would add targets for "complete streets" that include bicycle, pedestrian, and transit facilities to these performance measures and plans. It also directs Caltrans to commit to four-year targets for incorporating these facilities into SHOPP projects. For SHOPP projects with complete streets facilities, Caltrans would be required to consult with various stakeholders to develop guidance on implementation. Projects in underserved communities would be required to have targeted outreach. If Caltrans does not include complete streets facilities consistent with the aforementioned guidance, the justification must be documented and posted to Caltrans’ website.

SB 960 also requires Caltrans to develop a policy for implementing transit priority facilities on state highways by January 1, 2026. This must be developed in consultation with relevant stakeholders, including transit operators, local government, regional transportation planning agencies, and transit advocacy organizations. By January 1, 2027, Caltrans must adopt guidance that defines transit performance measures and identifies specific responsibilities for Caltrans in supporting the reliable, predictable, and fast movement of transit vehicles on the state highway system. Design

guidance for transit priority facilities must be adopted by Caltrans by July 1, 2028. Beginning with the 2028 SHOPP, Caltrans would be required to, in locations with current or future transit priority needs, provide and improve transit priority facilities on the state highway system in a manner consistent with its most recent guidance, transit plans, and the State Highway System Management Plan.

V. Public Meetings

AB 2302 (Addis, D-San Luis Obispo): Open meetings: local agencies: teleconferences.

(Chapter 389, Statutes of 2024)

AB 2302 makes adjustments to the rules for local government bodies, such as city councils or county boards, when they hold meetings via teleconference under the Ralph M. Brown Act. Normally, if these bodies use teleconferencing, they must make all teleconference locations accessible to the public and meet certain requirements, including having a quorum of members physically present within the area the agency oversees. AB 2302 updates the rules for how often members of these bodies can participate in meetings remotely, but only for "just cause" or "emergency circumstances" if the board has permitted such remote participation. It removes some previous limits on how long members can participate remotely and instead sets new rules based on how frequently the local agency meets. For example, the number of meetings a member can attend remotely each year will depend on how often the legislative body regularly holds meetings. It also clarifies that if multiple meetings happen on the same day, they will be counted as one for the purpose of tracking remote participation.

AB 2715 (Boerner, D-Solana Beach): Ralph M. Brown Act: closed sessions.

(Chapter 243, Statutes of 2024)

AB 2715 amends the Ralph M. Brown Act to expand the circumstances under which a legislative body of a local agency may hold closed sessions. Currently, the Act allows closed sessions for matters posing a threat to the security of essential public services. This bill would additionally permit closed sessions with law enforcement or security personnel to address threats related to critical infrastructure controls or critical infrastructure information concerning cyber security. AB 2715 defines "critical infrastructure controls" as networks and systems vital to the local agency, where disruption would severely impact public health, safety, or economic security. It also defines "critical infrastructure information" as sensitive data related to vulnerabilities or threats to critical infrastructure, including cybersecurity risks.

VI. Public Works and Procurement

AB 2879 (Lackey, R-Palmdale): High-Speed Rail Authority: contracting.

(Chapter 248, Statutes of 2024)

AB 2879 requires any contract change order with a value greater than \$100 million to be approved by the California High-Speed Rail Authority rather than delegating that power to the executive director.

SB 1068 (Eggman, D-Stockton): Tri-Valley-San Joaquin Valley Regional Rail Authority: contracting: Construction Manager/General Contractor project delivery method.

(Chapter 181, Statutes of 2024)

SB 1068 allows the Tri-Valley-San Joaquin Valley Regional Rail Authority (Valley Link Rail) to utilize the Construction Manager/General Contractor project delivery method for contracting purposes related to the planning, design, and construction of a rail connection between BART and the Altamont Corridor Express commuter rail service. Under existing law, Valley Link Rail has the power to contract with public and private entities for various tasks necessary to achieve transit connectivity. The bill expands these powers, specifically authorizing Valley Link Rail to use the Construction Manager/General Contractor project delivery method, which involves contracting a construction manager to provide both preconstruction services during the design phase and construction services during the project's construction phase. Additionally, SB 1068 extends Valley Link Rail's contract powers to include work on the state highway system related to the construction of passenger rail service through the Altamont Pass Corridor, with the requirement that Caltrans perform construction inspection services for any projects interfacing with the state highway system.

VII. Rail

AB 2503 (Lee, D-Milpitas): California Environmental Quality Act: exemption: passenger rail projects.

(Chapter 718, Statutes of 2024)

AB 2503 expands existing CEQA exemptions for certain transportation-related projects. Certain transportation projects such as bus rapid transit and light rail services using low- or zero-emission vehicles on existing rights-of-way are currently exempt from CEQA until January 1, 2030. AB 2503 expands this exemption to include passenger rail projects that will be exclusively operated by zero-emission trains and are located entirely within existing rail or highway rights-of-way. If a lead agency determines that a passenger rail project qualifies for this exemption, the agency must still file a notice of exemption with LUCI and the county clerk where the project is located.

SB 1098 (Blakespear, D-Encinitas): Passenger and freight rail: LOSSAN Rail Corridor.

(Chapter 777, Statutes of 2024)

SB 1098, also known as the Southern California Rail Revitalization Act, requires, upon appropriation by the Legislature, the CalSTA Secretary to submit a report to the Legislature, no later than two years after the appropriation is made, on the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor. In preparing this report, the Secretary must consult existing plans, studies, reports, and guidance. The report must include:

- A baseline summary of transportation and environmental conditions in existence as of January 1, 2025, along the rail corridor.

- Prioritized capital improvement projects in the corridor necessary to improve current services and achieve service growth, performance, and network goals consistent with the State Rail Plan.
- Prioritized improvement projects in the corridor necessary to ensure the resiliency of both natural resources and transportation infrastructure.
- A description of administrative actions taken by CalSTA, using authority in existence before January 1, 2025, to improve operations and performance of the corridor.
- Recommendations for the corridor to connect with other passenger rail services.
- Strategies to support and improve existing rail service and increase ridership, including a description of necessary operations funding for increased service frequencies.
- Recommendations to achieve zero-emission state-supported intercity service, including an analysis of available technologies and necessary corridor infrastructure.
- Strategies and recommendations to support coastal hazard resiliency planning in the corridor.
- A description of coordination activities through the federal Corridor Identification and Development (Corridor ID) Program.

The CalSTA Secretary must also convene a working group that includes at least the following representatives: LOSSAN Rail Corridor track owners, LOSSAN Rail Corridor passenger and freight operators, the county transportation commissions of the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura, the metropolitan planning organizations for the counties of Los Angeles, Orange, Riverside, San Diego, San Luis Obispo, Santa Barbara, and Ventura; business, community, transportation, environmental, labor, and civic organizations; the CCC; and Caltrans' Division of Rail and Mass Transportation.

The working group must submit consensus recommendations and feedback in a report to the Legislature by February 1, 2026. The recommendations must include strategies to increase rail service coordination and reduce disruptions or delays, alternative management and operations models or structures that improve intercity and regional rail services, changes to state statutes, rules, or funding necessary to improve passenger rail services, and coordination of planning and project development through the federal Corridor ID Program. The working group must recognize the ownership and rights held in the LOSSAN Rail Corridor and it must be developed with meaningful public engagement. Also, before submitting the report, the working group must submit the recommendations and feedback to the governing boards of the LOSSAN Rail Corridor Agency, the Southern California Regional Rail Authority, and the North County Transit District for review and consideration. More information can be included in the larger CalSTA report if there is a need for follow-up on any of these items. No funding is provided for the working group or report.

Upon appropriation, SB 1098 would also require the CalSTA Secretary to submit a report to the Legislature no later than three years after an appropriation is made, and then every

two years, regarding the management of the LOSSAN Rail Corridor. The report must contain information related to all of the following:

- Performance, ridership, usage, and quality of intercity, regional rail, and freight services.
- Updates to capital improvement planning.
- Progress in delivering fleet and infrastructure improvement projects.
- Improvements to service and fare coordination.
- Opportunities to increase the quality and frequency of services.
- Updates on corridor resiliency, prepared in coordination with the CCC.

SB 1098 further stipulates that the CalSTA Secretary must provide guidance and recommendations to stakeholders to ensure the performance of the LOSSAN Rail Corridor. This would include planning, as needed, related to service frequencies, equipment and fleet management, infrastructure improvement and state-of-good-repair projects, and resiliency of the corridor.

VIII. State Budget

AB 107 (Gabriel, D-Encino): Budget Act of 2024. (Chapter 22, Statutes of 2024)

AB 107 is a subsequent budget bill detailing further agreements between the Legislature and the Administration for the fiscal year (FY) 2023-24 state budget. Specifically, this budget bill adjustments to public transportation funding disbursements. The following was included:

- \$5.1 billion preserved in formula funding for public transit capital projects and operations, subject to the accountability provisions of SB 125 (Chapter 54, Statutes of 2023). \$4 billion of these dollars are formula Transit and Intercity Rail Capital (TIRCP) funds, and the other \$1.1 billion are Zero-Emission Transit Capital Program (ZETCP) funds.
- Preserves the \$148 million in remaining TIRCP Cycle 6 program funds for Southern California and the LOSSAN Rail Corridor.
- Restores \$200 million of the \$600 million in proposed cuts for ATP, including \$100 million in FY 2024-25 and \$100 million in FY 2025-26. The remaining \$400 million of the \$600 million that was not restored as part of this budget is subject to future budget cycles.
- Includes \$211 million for the State-Supported Intercity Passenger Rail Agencies over three years: \$66 million in FY 2024-25, \$72 million in FY 2025-26, and \$73 million in FY 2026-27 to fund operating expenses from the Public Transportation Account.

Urgency Bill – Effective Immediately

**AB 166 (Committee on Budget): Housing.
(Chapter 48, Statutes of 2024)**

AB 166 is a subsequent budget bill detailing further agreements between the Legislature and the Administration for the FY 2023-24 state budget. Specifically of note, this budget bill pushes the obligated deadline for the Regional Early Action Planning Grants Program from June 30, 2024, to September 30, 2024, and maintains the deadline for expenditures under the program of June 30, 2026. However, this bill will now provide that for funds unexpended after June 30, 2026, the HCD may make those funds available to other eligible entities.

Urgency Bill – Effective Immediately

**AB 173 (Committee on Budget): Transportation budget trailer bill.
(Chapter 53, Statutes of 2024)**

AB 173 is the transportation trailer bill for this year. The primary component of this bill is the modification of the accountability provisions of SB 125 (Chapter 54, Statutes of 2023) related to the supplemental funding provided for transit and capital operations. Specifically, this bill modifies the SB 125 accountability provisions related to this funding by:

- Allowing CalSTA to adjust TIRCP formula program guidelines annually before fund distribution in 2024, 2025, 2026, and 2027.
- Requiring regional transportation planning agencies to submit updated financial plans and transit operator data by December 31, 2024, to receive funds for FY 2024-25, with similar requirements for FYs 2025-26, 2026-27, and 2027-28.
- Allows a regional transportation agency to remedy its financial plan and transit operator data by August 31, 2024, and maintains April 30th as the deadline for the next three years.

Additionally, AB 173 adds several other provisions related to reporting and funding requirements, including:

- Requiring the Secretary of CalSTA to work with Caltrans and the CTC to identify available funding for grade separation projects that were previously awarded funding from Cycle 6 of the TIRCP and the Port and Freight Infrastructure Program. CalSTA must submit a report to the Legislature by April 30, 2025, on any identified funding for the impacted projects.
- Requiring Caltrans to annually compile and report to the Legislature by October 1, starting in 2025, on the zero-emission vehicles it purchases, owns, or leases. The report must include details on weight categories, fuel source types, average prices, delivery times, and an analysis of vehicle performance by weight class, along with information on charging and refueling stations. This requirement will be in effect until January 1, 2036.
- Requiring up to 25 percent of funding made available for the Highways to Boulevards Program to be set aside for planning, with the remainder for project implementation.

Urgency Bill – Effective Immediately

**AB 179 (Committee on Budget): State government.
(Chapter 997, Statutes of 2024)**

AB 179 is a subsequent budget bill that makes various amendments to the State Contract Act and other existing laws related to state government processes. AB 179 authorizes the use of job order contracting by the Department of General Services (DGS) for public works projects. It limits job order contracts to a maximum initial term of 24 months and a total contract value of \$10 million during the first term and permits the DGS to extend contracts for up to four additional one-year terms, with an annual limit of \$5 million per extension. Individual job orders under the contract cannot exceed \$1 million. Requires annual adjustments to the contract and job order caps based on the California Construction Index and mandates that contractors provide an enforceable commitment to use a skilled and trained workforce for all work in apprenticeable occupations, in accordance with existing labor laws. Requires compliance with prevailing wage laws, ensuring that contractors pay prevailing wages applicable at the time the job order is issued, with wage adjustments for the duration of the contract.

Urgency Bill – Effective Immediately

**SB 108 (Wiener, D-San Francisco): Budget Act of 2024.
(Chapter 35, Statutes of 2024)**

SB 108 is a Budget Bill Junior associated with the 2024 Budget Act, making technical and substantive changes to various budget provisions. This bill adjusts total state spending, which amounts to \$293 billion, including \$211.5 billion from the General Fund. Specifically, it amends AB 107, the 2024-25 Budget Act, to reflect various funding shifts, reappropriations, and new appropriations across multiple sectors.

Urgency Bill – Effective Immediately

**SB 109 (Wiener, D-San Francisco): Budget Act of 2023.
(Chapter 36, Statutes of 2024)**

SB 109 is a Budget Bill Junior that makes technical and substantive changes to the Budget Act of 2023-24, aligning it with the final budget agreement between the Legislature and the Administration. The bill reflects adjustments across multiple sectors, including significant investments in transportation infrastructure.

Key transportation-related provisions include:

- Competitive TIRCP: The bill provides \$1.4 billion General Fund and \$133.2 million Greenhouse Gas Reduction Fund (GGRF) for this program, managed by CalSTA. These funds aim to support projects that enhance public transit and intercity rail services, improving connectivity and reducing GHG emissions.
- Formula TIRCP: SB 109 allocates \$1.5 billion General Fund and \$463 million GGRF for this program, also overseen by CalSTA. This funding will be distributed

to transit agencies based on a formula, supporting infrastructure upgrades and capital projects that promote the use of public transit and intercity rail.

- **Transit Buses & Infrastructure:** The bill provides \$28.5 million GGRF to the California Energy Commission (CEC) for Transit Buses & Infrastructure. This funding is intended to support the expansion of clean energy transit bus fleets and the necessary infrastructure to support zero-emission vehicles, contributing to the state's climate goals.

Urgency Bill – Effective Immediately

**SB 164 (Committee on Budget and Fiscal Review): State government.
(Chapter 41, Statutes of 2024)**

SB 164 is a trailer bill that implements various provisions adopted as part of the 2024 Budget Act. This bill makes technical and substantive statutory changes necessary to carry out the provisions of the state's budget. Key transportation and infrastructure-related provisions include:

- **Middle-Mile Broadband Initiative:** The bill requires the Office of Broadband and Digital Literacy, under the California Department of Technology, to prioritize last-mile connections to unserved and underserved areas for the construction of the statewide open-access middle-mile broadband network. Caltrans will prioritize segments necessary for last-mile projects funded through the Broadband Equity, Access, and Deployment Program, the California Advanced Services Fund, and the Federal Funding Account.
- **Governor's Office of Planning and Research (OPR) Reorganization:** The bill restructures OPR by renaming OPR to LUCI and by moving several programs. The Zero-Emission Vehicle Program is transferred from OPR to the Governor's Office of Business and Economic Development (GO-Biz) to enhance the state's efforts in promoting clean vehicle technology and infrastructure. Other programs, such as California Volunteers and the California Jobs First Program, are also moved to align state resources more effectively.

Urgency Bill – Effective Immediately

IX. Other Legislation

AB 2553 (Friedman, D-Glendale): Housing development: major transit stops: vehicular traffic impact fees.

(Chapter 275, Statutes of 2024)

AB 2553 alters existing law related to local governments that charge fees for vehicular impacts from new development to allow for reduced fees for a housing development that is located within a transit priority area. A "transit priority area" means an area within one-half mile of a major transit stop that is existing or planned. AB 2553 revises this definition to authorize major transit stops to be counted if they are included in the regional transportation plan or when the stops are planned for completion before or within a year

from the housing development. In addition, the definition is expanded to include an intersection of two or more major bus routes with a frequency of service intervals of 20 minutes or less during the morning and afternoon peak commute periods, expanding the current definition of 15 minutes or less. The goal of this legislation is to expand the geographic scope for which these lower fees apply and encourage more housing near transit. However, the definitional changes for “major transit stop,” specifically that related to transit frequency may impact other state statutory requirements that cite this definition.

**ACA 10 (Aguiar-Curry, D-Davis): Local government financing: affordable housing and public infrastructure: voter approval.
(Chapter 134, Statutes of 2024)**

ACA 1 (Chapter 173, Statutes of 2023) is a constitutional amendment that allows a city, county, or special district to incur bonded indebtedness or impose specified special taxes to fund projects for affordable housing, permanent supportive housing, or public infrastructure with 55 percent voter approval rather than two-thirds. ACA 10 would direct the Secretary of State to make specified changes to ACA 1, which appeared on the November 5, 2024, ballot as California Proposition 5. If approved by the voters, ACA 10 would change the approval requirements for local governments to impose, extend, or increase certain taxes for funding public infrastructure and affordable housing projects, including to remove the ability for local agencies to pass special taxes for public infrastructure and affordable housing with a 55 percent vote of the public, leaving only the ability for local agencies to pass bonds at the lower 55 percent vote threshold. ACA 10 also revises the definition of public infrastructure.

Urgency Bill – Effective Immediately