



March 16, 2026

To: Members of the Board of Directors

From: Jason Jewell, Managing Director

Subject: State Legislative Status Report

Overview

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency provides updates to the Board of Directors on policy issues directly impacting its overall functions, as necessary. This report includes a recommended position on legislation that would clean up definitions related to previous transit-oriented development legislation. In addition, information is provided on a bill related to railroad wayside detectors.

Recommendation

Adopt an OPPOSE UNLESS AMENDED position on Senate Bill 677 (Wiener, D-San Francisco), which would clean up definitions related to previous transit-oriented development legislation, Senate Bill 79 (Chapter 512, Statutes of 2025).

Discussion

Senate Bill (SB) 677 (Wiener, D-San Francisco): Housing development: transit-oriented development.

SB 677 is a clean-up bill related to the implementation of SB 79 (Chapter 512, Statutes of 2025), the Abundant and Affordable Homes Near Transit Act, which significantly altered California land-use law by authorizing increased housing density near Transit Oriented Development (TOD) in urban transit counties. SB 79 was enacted to increase housing development near transit by establishing statewide minimum development standards for housing near qualifying transit facilities by making housing a permitted use and limiting local land-use controls in these areas. While SB 79 has not yet been implemented, the majority of its provisions take effect on July 1, 2026, with further enforcement provisions to follow on January 1, 2027. Prior to those dates, metropolitan planning organizations, including the Southern California Association of Governments and the San Diego Association of Governments, must create maps delineating the TOD stops, and the California Department of Housing and Community

Development (HCD) is to develop guidance. As written, both SB 79 and SB 677 lack sufficient clarity regarding critical definitions and implementation standards.

Rather than addressing the broader policy concerns and definitional issues raised under SB 79, SB 677 further expands technical definitions that may affect jurisdictions and passenger rail providers along the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor. Under SB 79, a county qualifies as an “urban transit county” if it contains at least 15 passenger rail stations; however, the term “passenger rail” remains undefined. Once a county is designated as an urban transit county, TOD stops within that county become subject to the bill’s provisions. For counties within the LOSSAN Rail Corridor that include multiple intercity and commuter rail stations, the absence of a clear definition creates uncertainty regarding how passenger rail stations would be counted and whether those counties would meet the statutory threshold. This ambiguity complicates corridor-wide planning and coordination, as the classification directly determines whether station areas served by intercity passenger rail would be subject to the TOD requirements

Two categories of TOD stops are included:

- “Tier 1 TOD Stop” is a stop served by heavy rail transit or very high-frequency commuter rail, defined as commuter rail service (excluding Amtrak) operating at least 72 passenger trains per day in each direction.
- “Tier 2 TOD Stop” is a stop served by light rail transit, including streetcar service, high-frequency commuter rail, defined as public commuter or intercity rail service averaging at least 48 passenger trains per weekday in both directions at the station, or bus rapid transit service

The changes and clarifications in SB 677 do not address the key concerns related to the implementation of the legislation. Key issues with SB 79 include unclear and evolving definitions related to urban transit counties, commuter and intercity rail service frequency and the types of stops with which the provisions apply, the potential over-application of Tier 1 TOD standards, increased litigation risk for local jurisdictions, and substantial reliance on forthcoming guidance from HCD and metropolitan planning organizations.

For the LOSSAN Agency and its member jurisdictions, statutory ambiguity affecting passenger rail station classifications creates significant operational, legal, and long-term planning risks across a multi-county intercity rail system where consistent statutory interpretation is essential. The LOSSAN Agency oversees intercity passenger rail service along a corridor that spans multiple counties and numerous local jurisdictions, each of which would be responsible for interpreting and implementing SB 79 and SB 677. Unclear definitions of “passenger rail,” “intercity rail,” and applicable frequency thresholds introduce

uncertainty regarding how stations along the corridor would be classified and whether TOD mandates would apply consistently.

Additionally, SB 79 establishes a framework in which higher service frequencies may trigger additional land-use mandates, potentially creating unintended disincentives to expand or enhance intercity passenger rail service. This dynamic could create circumstances in which cities and counties are hesitant to support increased service levels if doing so would subject station areas to expanded state mandates. Tying land-use requirements to frequency thresholds introduces instability into long-range service planning and adds pressure when evaluating service expansions, schedule adjustments, or temporary service modifications. Because intercity rail service levels may fluctuate due to funding availability, construction impacts, or operational disruptions, development decisions could be based on service thresholds that later change, undermining both housing and mobility objectives.

Furthermore, inconsistent interpretation or application across jurisdictions could result in uneven station treatment along the same rail line, complicating coordinated corridor investment strategies and capital planning decisions. Ambiguity in the statute increases exposure to legal challenges and places added pressure on corridor cities and rail partners to implement state law before final guidance is issued by HCD and metropolitan planning organizations. SB 677 does not resolve these underlying ambiguities, leaving the LOSSAN Agency and its member jurisdictions exposed to continued uncertainty that could hinder collaborative station-area planning efforts and undermine the stability necessary to maintain and enhance reliable intercity passenger rail service.

Recommended amendments to SB 677 include:

- Clarifying a narrow application limited to the Bay Area rather than a uniform statewide mandate.
- Delaying SB 79's effective dates for implementation and enforcement to allow additional stakeholder engagement and refinement of definitions affecting passenger rail stations and corridor planning.
- Providing flexibility in implementation, including mechanisms that allow jurisdictions to opt-in to TOD provisions rather than imposing a uniform statewide mandate that may affect intercity rail station areas differently across the corridor.
- Excluding state-supported intercity passenger rail service from commuter rail frequency calculations, so that intercity train service levels are not used to trigger Tier 1 or Tier 2 TOD classifications that are intended to apply to urban commuter or rapid transit systems.

SB 908 (Wiener, D-San Francisco) has been introduced as a related spot bill, which has been referred to committee and remains in early development pending continued stakeholder discussions and potential amendments.

Due to SB 677 not adequately resolving ambiguities or implementation challenges associated with SB 79, an OPPOSE UNLESS AMENDED position is recommended. Other transportation agencies have taken similar positions, including the Los Angeles County Metropolitan Transportation Agency and the Orange County Transportation Authority. The full text of SB 677 is included as an attachment to this report for reference.

SB 667 (Archuleta, D-Norwalk): Railroads: safety: wayside detectors.

SB 667 proposes new state-level requirements intended to enhance rail safety through the expanded use of trackside detection technology. The bill would mandate the installation and operation of wayside detector systems along freight rail lines and establish spacing, operational, and regulatory requirements associated with those systems, including that they be equipped with a hot wheel bearing detector.

The bill defines a “wayside detector system” as an electronic device or series of connected devices that scan passing freight trains and their component equipment for defects, including hot wheel bearings, hot wheels, dragging equipment, shifted loads, excessive height or weight, and other mechanical conditions. Under SB 667, each wayside detector system must include a hot wheel bearing detector and be located no farther than ten miles apart for Class I railroads, 25 miles apart for Class II railroads, and 35 miles apart for Class III railroads on a continuous track. If a freight train operates between detector systems that do not meet the required spacing, the train may not travel faster than ten miles per hour until it passes a compliant detector and receives a message indicating no defects. The bill also requires railroad corporations to submit a wayside detector system response plan to the California Public Utilities Commission (CPUC) and directs the CPUC to adopt rules and processes to implement the section, including establishing a penalty of not less than \$25,000 per violation.

The LOSSAN Rail Corridor is a shared-use rail corridor that supports state-supported intercity passenger rail service, commuter rail, and freight operations. Because freight trains operate on segments of the corridor, SB 667 would apply to freight operators using LOSSAN infrastructure. Compliance with the bill’s spacing requirements may necessitate installation of additional detector systems along segments of the corridor. Such infrastructure changes would require coordination among corridor partners and could involve substantial capital investment and ongoing maintenance responsibilities. Host freight railroads have indicated that costs associated with required installations could

be passed through under existing shared-use arrangements, which would create a direct fiscal implication for the LOSSAN Agency and its member agencies.

The operational provisions in the bill, including the requirement that freight trains operate at no more than ten miles per hour when detector spacing requirements are not met, could significantly slow overall rail throughput on the LOSSAN Corridor. Specifically, on portions of the corridor where freight and passenger trains operate on the same tracks, reduced freight speeds may occupy track segments for longer periods of time, limit dispatching flexibility, and reduce the number of train movements that can be accommodated within a given operating window. In a constrained corridor environment, this could result in delays, reduced schedule reliability, and potential disruptions to passenger rail service, particularly during peak operating periods.

This item is presented to the LOSSAN Board of Directors (Board) for informational purposes to provide awareness of potential operational and fiscal implications for the LOSSAN Rail Corridor. The author's office has indicated openness to amendments, including potential revisions to detector spacing requirements. Staff will continue coordinating with partner agencies to engage the author's office to discuss potential amendments. Staff will monitor amendments and implementation discussions and will return to the Board if future action or a formal position is warranted.

Summary

A recommended position on transit-oriented development legislation is provided. A summary of legislation relating to railroad wayside detector systems is provided.

Attachments

- A. SB 677 (Wiener, D-San Francisco) Bill Language
- B. SB 667 (Archuleta, D-Norwalk) Bill Language

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