



March 7, 2024

To: Members of the Board of Directors

From: Jason Jewell, Managing Director

Subject: State Legislative Update

Overview

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency provides updates to the Board of Directors on policy issues, which may directly impact its overall functions, as necessary. This legislative session, Senator Catherine Blakespear (D-Encinitas) has introduced Senate Bill 1098, known as the Southern California Revitalization Act, which creates several new reporting and long-term planning requirements for the California State Transportation Agency Secretary and the metropolitan planning organizations located within the Los Angeles – San Diego – San Luis Obispo Rail Corridor. A summary is provided of the main components of the legislation. After receiving feedback and direction from the Board of Directors, staff will work with the author's office and coordinate with member agencies to help inform and identify any areas for potential improvement.

Recommendation

Direct staff to engage with the author's office and work with Los Angeles – San Diego – San Luis Obispo Rail Corridor member agency staff to help inform and identify any potential improvements to Senate Bill 1098 (Blakespear, D-Encinitas).

Discussion

On February 13, 2024, Senator Blakespear (D-Encinitas) introduced Senate Bill (SB) 1098 (Blakespear, D-Encinitas), known as the Southern California Rail Revitalization Act. A copy of the bill language is contained in Attachment A. Senator Blakespear is the Chair of the Senate Transportation Subcommittee on Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Resiliency, the intent of which is to highlight the need for a long-term shared vision for the corridor to improve service through capital and operations advancements. All members of the subcommittee are co-authors of this bill, including Senator Allen (D-El Segundo), Senator Limón (D-Santa Barbara), Senator Newman (D-Fullerton), and Senator Umberg (D-Santa Ana). In addition, Assembly Member Davies (R-Oceanside),

Assembly Member Dixon (R-Huntington Beach), and Assembly Member Hart (D-Santa Barbara) are listed as co-authors.

The conversations of the subcommittee were particularly elevated during rail service closures that have occurred in the past several years due to hillside instability in San Clemente. Three informational hearings to discuss different elements of the LOSSAN Rail Corridor Agency's planning and operations have been held. The development of SB 1098 has largely been informed by the discussions held during the subcommittee meetings and a subsequent report that had been developed by the California Senate Office of Research.

To that end, SB 1098 would create several new requirements for the California State Transportation Agency (CalSTA) in an effort to align state and local planning. Specifically, SB 1098 requires the CalSTA Secretary, in consultation with the California Department of Transportation (Caltrans) Director, to submit a report to the Legislature, prioritizing resiliency and capacity improvement projects. This report must be completed by January 1, 2026. Included in this report must also be a description of the administrative actions CalSTA has taken to improve the management of the corridor and recommendations made by Caltrans and the California Transportation Commission, in consultation with the Secretary of the California Environmental Protection Agency, for future improvements to planning, funding, and policy documents. These recommendations would include updates or changes to the state transportation improvement program and the interregional transportation improvement program. Additionally, these recommendations must include a review of how state rail planning documents are implemented, managed, and enforced, including the LOSSAN Rail Corridor Optimization Study.

SB 1098 would also require the CalSTA Secretary to submit a report to the Legislature beginning January 1, 2027, 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.

SB 1098 further stipulates that the CalSTA Secretary must provide strategic guidance, recommendations, and facilitate all necessary coordination, collaboration, and intervention, when necessary, between stakeholders. This would include the oversight and development of plans pertaining to service frequencies, equipment and fleet management, infrastructure improvement and state-of-good-repair projects, and resiliency of the corridor.

The final component of SB 1098 pertains to the role of metropolitan planning organizations (MPO) in long-term planning. Specifically, this legislation requires the Southern California Association of Governments, the San Diego Association of Governments, the Santa Barbara County Association of Governments, and the San Luis Obispo Council of Governments to jointly submit a report to the Legislature by January 1, 2026, after adoption by their respective governing boards. The development of this report must include meaningful public engagement led by the MPOs and developed with the support of a steering committee. This steering committee must be composed of representatives of business, community, transportation, environmental, labor, and civic organizations. The report must include recommendations for all of the following to ensure the long-term viability of comprehensive and coordinated passenger and freight rail services in the LOSSAN Rail Corridor:

- Dedicated and formula funding distributions for passenger rail operations, including intercity and regional rail services along the corridor.
- Strategies to increase rail service coordination and reduce disruptions or delays, including, but not limited to, those caused by climate resiliency, track closures, state of good repair, equipment, and staffing.
- Changes to local or regional governance, management structures, and consolidation for intercity and regional rail services.
- Changes to state statutes or policies relating to intercity and regional rail services.
- Changes to enabling state legislation, policies, rules, or funding.
- Opportunities for rail to accelerate and support equity, safety, sustainability, zero-emissions, equipment, and economic development goals.
- Opportunities for these MPOs to analyze, describe, and report progress in operating, maintaining, and improving the corridor consistent with state and local planning documents in their sustainable communities strategies (SCS) or, if applicable, alternative planning strategies.

- Opportunities for these MPOs to adopt multiregional goals relating to passenger and freight rail service, capital improvement projects related to those services, and resiliency of those services along the corridor to include in their respective SCS or, if applicable, alternative planning strategies.

Overall, SB 1098 requires several reports to be produced beginning on January 1, 2026, and defines a more substantial role for the CalSTA Secretary including not only the identification of potential funding opportunities, but also in the performance and management of the LOSSAN Rail Corridor. While this could present new opportunities for funding and improvements along the corridor, some of these new requirements would be a change from the intent underlying SB 1225 (Chapter 802, Statutes of 2012), which transferred many operational decisions to the LOSSAN Agency to afford more local coordination in services.

SB 1098 also creates new responsibilities for the MPOs located within the corridor, which could be challenging to implement due to the varying nature of each MPO's functions and experience with the funding, planning and implementation of capital improvements for rail service. In addition, because of the continued differences of right-of-way ownership along the corridor, it is unclear how any recommendations from the MPOs would intersect with these dynamics.

Additionally, it should be noted that SB 1098 is not limited to intercity rail. As detailed above, the MPO's report must include recommendations pertaining to regional rail, including funding, management structures, consolidation, and potential changes to their policies. SB 1098 would require the CalSTA Secretary, in their biennial reports, to detail the performance, ridership, usage and quality of regional rail. However, in both instances, this could only apply to regional rail services located within the LOSSAN Rail Corridor. SB 1098 also places similar requirements on freight operations, which offers its own complexities given how private railroad owners and operators interact with passenger and commuter service, and any associated federal statutory requirements or agreements in place.

Staff are prepared to receive feedback from the LOSSAN Agency Board of Directors (Board) and communicate to the Legislature and member agencies potential opportunities to improve SB 1098 as it moves through the legislative process.

Summary

An overview of SB 1098 (Blakespear, D-Encinitas) is provided. This legislation is known as the Southern California Rail Revitalization Act and would create several new reporting requirements regarding the management of the Los Angeles – San Diego – San Luis Obispo Rail Corridor.

Attachment

A. SB 1098 (Blakespear, D – Encinitas) Bill Language

Prepared by:

A handwritten signature in cursive script, appearing to read "Alexis Leicht".

Alexis Leicht
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