California Transit Association

October 15, 2025

Legislative Bulletin

2025 Legislative Update
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The Legislature recessed the first year of the two-year 2025-26 Legislative Session on September 13, sending nearly 800 bills to the Governor. The Governor had until October 13 to sign or veto these bills. During this bill signing period, the Governor signed a majority of the bills before him, including two Association-sponsored bills, authorizing legislation for the Bay Area's Regional Measure, and an extension to the State's Cap-and-Trade program (now renamed Cap-and-Invest).

Additionally, in mid-September, Senate President Pro Tempore Mike McGuire (D-North Coast) announced he would step down as leader of the State Senate on an earlier timeline than initially anticipated. Senator McGuire announced that effective November 17, 2025, Senator Monique Limon (D-Santa Barbara) will take over as Senate President Pro Tem. As such, we expect to see some changes in leadership and key committee roles before 2025 is out. The Legislature is in recess until January 5, 2026.

Below we present the outcomes for all the bills the Association tracked or was engaged on this session.

To learn more about the Association's sponsored and high priority bills, please join us for our End-of-Session Legislative Wrap-Up Webinar on October 30 from 2:00 pm - 3:00 pm. Register here.

Sponsored Bills

SB 71 (Wiener) **CEQA Exemptions for Transit Projects (Co-Sponsor)**
This bill extends the current January 1, 2030 sunset date established by SB 922 (Wiener, 2022) for statutorily authorized CEQA exemptions for transit and transportation projects to January 1, 2040, adds additional project-types to the list of exemptions (ferry terminals, transit operational analysis, bus stops, bus shelters), and make substantive procedural changes surrounding board actions (i.e. board process for establishing a project's cost estimate).
Status: Signed by the Governor and will take effect January 1, 2026

SB 752 (Richardson) **Zero-Emission Bus Sales Tax Exemption Sunset Extension (Sponsor)**
This bill would have extended from January 1, 2026, to January 1, 2028, the partial sales and use tax exemption for zero-emission buses (ZEBs) first established in 2019 and subsequently renewed in 2022.
Status: Held in Senate Appropriations Committee; did not move forward in 2025

AB 394 (Wilson) **Enhanced Penalties for Transit Employee Assaults (Co-Sponsor)**
This bill enhances the safety and security of California's public transportation systems by strengthening protections for transit operators, employees, and passengers. The bill accomplishes this goal by expanding existing law (Penal Code Section 243.3) to protect all transit employees against battery. In addition, AB 394 clarifies that transit agencies are in fact employers for purposes of acquiring a temporary restraining order. The bill is co-sponsored by the Amalgamated Transit Union (ATU), the Teamsters, and SMART-TD.
Status: Signed by the Governor and will take effect January 1, 2026

High Priority Legislation and Bills of Interest

SB 30 (Cortese) **Diesel-Powered Train Equipment: Decommissioning Sale Restrictions**
This bill would have originally prohibited a public entity that owns diesel-powered on-track equipment from selling, donating, or otherwise transferring that equipment for continued use after the public entity ceases the service of on-track equipment by replacing it with lower emission on-track equipment. This would have had a significant negative effect on California's rail agencies.

After significant advocacy over a period of several months, Association staff secured favorable amendments to the legislation. SB 30 now permits a public entity to transfer Tier

II, Tier III, and Tier IV locomotives, or a locomotive with the equivalent emissions of a Tier II, III or IV engine, if authorized at a public meeting. This bill prohibits a public entity from transferring a Tier 0 or Tier I diesel-powered locomotive for continued use after the public entity ceases the service of the locomotive.
Status: Signed by the Governor and will take effect January 1, 2026
Association's Position: Oppose unless Amended

SB 63 (Wiener and Arreguin) San Francisco Bay Area Regional Measure Authorizing Legislation
This bill authorizes a citizens' initiative for a sub-regional sales tax in five Bay Area counties - one-half cent in Alameda, Contra Costa, Santa Clara & San Mateo Counties and one cent in San Francisco County - to generate additional revenue to support Bay Area public transit systems. These taxes could be applied for 14 years.

The bill allocates revenues to AC Transit, BART, Caltrain, Muni, County Connection, Tri Delta Transit, LAVTA, Union City Transit, WestCAT and SF Bay Ferry, and those revenues may only be used for transit operations.

SB 63 also requires financial audits of the major transit systems facing fiscal cliffs (AC Transit, BART, Caltrain, SF Muni), as well as provisions for stronger regional network management.
Status: Signed by the Governor and will take effect January 1, 2026
Association's Position: Watch

SB 79 (Wiener) Transit-Oriented Development
This bill requires that a residential development proposed within one-half or one-quarter mile of a transit-oriented development stop be an allowed use on any site zoned for residential, mixed, commercial, and further requires that the development be eligible for streamlined, ministerial approval, while establishing allowable densities on these properties. The bill now applies only to projects located near existing or currently planned Tier 1 or Tier 2 transit-oriented development stops in the 8 most transit-rich counties of the state, unless a local jurisdiction chooses to designate a station as a Tier 3 transit-oriented stop; removing ferries and low-frequency commuter rail from the service types that may define a Tier 3 transit-oriented stop; and creating exemptions from its streamlining provisions to protect historical resources and limit greater density in very high fire severity zones and in local jurisdictions that have already upzoned station areas. Additionally, SB 79 advances new housing affordability and anti-demolition and displacement provisions and limit transit agencies' land use authority.
Status: Signed by the Governor and will take effect January 1, 2026
Association's Position: Watch

SB 239 (Arreguin) Brown Act Teleconferencing Advisory Bodies
This bill would authorize, through January 1, 2030, a subsidiary body to use alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation. The bill would require the subsidiary body to post the agenda at the primary physical meeting location. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform and would require the subsidiary body to list a member of the subsidiary body who participates in a teleconference meeting from a remote location in the minutes of the meeting. The bill would require the legislative body that established the subsidiary body electing to use teleconferencing pursuant to these provisions to establish the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter. The bill would require the subsidiary body to approve the use of teleconference by two-thirds vote before using teleconferencing.
Note: Much of SB 239's proposed policy was incorporated into SB 707, which is detailed further below.
Status: Senate Inactive File
Association's Position: Support

SB 359 (Niello) Diesel Fuel Tax Law: Exempt Bus Operation
Current law provides a diesel fuel tax exemption for transit districts and cities that own and operate a transit system. This bill extends this exemption to include a county that owns and operates a local transit system.
Status: Signed by the Governor and will take effect January 1, 2026
Association's Position: Support

SB 419 (Caballero) Hydrogen Fuel Sales Tax Exemption
This bill would have implemented a Sales and Use Tax exemption for the sale and consumption of hydrogen.
Status: Vetoed by Governor Newsom; see veto message here
Association's Position: Watch

SB 512 (Perez) District Elections: Initiatives
This bill would have clarified how jurisdictions may, by initiative, impose transactions and use taxes (TUTs) for transportation purposes.
Status: Vetoed by Governor Newsom; see veto message here
Association's Position: Watch

SB 667 (Archuleta) Railroad Wayside Detectors
This bill would have required a railroad, including passenger and commuter rail agencies, to install and operate a network of wayside detector systems on or adjacent to its tracks. This bill would also prohibit certain trains with a total length of 7,500 feet from operating on any part of a main line or branch line and would also require a train, rolling stock, or other on-track equipment that is stopped and blocking an at-grade railroad crossing to be moved to clear the railroad crossing upon the approach of an emergency vehicle.

Freight companies and a broader group of goods movement stakeholders are opposed to the bill, and the Association's rail agency members also expressed their concerns with the bill's impacts on passenger rail scheduling. In short, they're concerned that the bill will increase freight rail traffic on shared corridors and create scheduling and reliability issues for their services. Association staff voiced these concerns to the Author, the Senate Energy, Utilities and Communications Committee, and the Senate Transportation Committee. On April 28, the bill was turned into a two-year bill; the Author and Sponsors

have engaged the Association to pursue potential amendments to this bill. We will continue to discuss these amendments with the Association's rail agency members.
Status: Two-year bill
Association's Position: Watch

SB 707 (Durazo) Brown Act Reform
This bill makes a number of changes to the Brown Act, including re-authorizing remote participation authority for just cause as constituted by AB 2449 (Rubio). This bill also creates a process for subsidiary bodies to meet remotely, similar to SB 239, which the Association supported.

This bill also creates a new category of legislative bodies for purposes of the Brown Act. Called an "*eligible legislative body*" - these include:

- A city council of a city of 30,000 or more people
- A county board of supervisors with a population of 30,000 or more
- A city council located in a county of 600,000 or more people
- Board of directors of a special district whose:
    - Boundaries which are *co-terminus* with a county of 600,000 or more people, *and* the district has over 200 full-time employees; OR
    - The special district has over 1,000 full-time employees; OR
    - The special district has annual revenues in excess of $400,000,000 *and* the district has over 200 full-time employees

SB 707 requires the above eligible legislative bodies to provide two-way teleconference opportunities for the public, to provide language translations of their agenda, and to *reasonably* assist members of the public with translation services. Bodies which are *not* covered by the above, and who meet in person, would not have to offer a two-way platform. Amendments taken on September 2 also delay the implementation of this portion of the law to July 1, 2026.
Status: Signed by the Governor and will take effect January 1, 2026, except for the above-referenced portion of the bill which is delayed until July 1, 2026.
Association's Position: Watch

SB 769 (Caballero) Golden State Infrastructure Fund
This bill would establish the Golden State Infrastructure Corporation within the State Treasurer's Office as a non-profit corporation for the purpose of financing infrastructure projects. The bill is sponsored by California State Treasurer Fiona Ma. The Corporation would be governed by a board of directors and serve as a mechanism for public/private investment by making both debt and equity financing available for in-state infrastructure projects. The Corporation would be permitted to make loans, borrow money, and issue bonds.
Status: Assembly Inactive File
Association's Position: Support

SB 840 (Limon) Greenhouse Gas Reduction Fund
This bill recasts the Cap-and-Trade expenditure plan funded by the Greenhouse Gas Reduction Fund.

SB 840 maintains the continuous appropriations for the Transit and Intercity Rail Capital Program (TIRCP) and Low Carbon Transit Operations Program (LCTOP) but convert the current percentage-based annual appropriation to these programs to a fixed dollar annual appropriation. Under current law, TIRCP and LCTOP receive 10% and 5%, respectively, of total annual GGRF revenue, representing on average $301.1 million and $144.6 million, respectively, to these programs. Under SB 840, these programs would receive $400 million and $200 million, respectively - with a major caveat.

SB 840 effectively establishes priority tiers for the GGRF appropriations outlined in the Cap-and-Trade Expenditure Plan. Off the top, the legislation appropriates GGRF revenue to a variety of backfills and administrative expenses - "Tier 1." The legislation then appropriates $1 billion in GGRF revenue for high-speed rail and $1 billion in GGRF revenue for the Legislature's discretionary priorities - "Tier 2." Note that, for Fiscal Year 2026-27, the Legislature's discretionary priorities include $125,000,000 for "Transit Passes." Then, the legislation appropriates nearly $2 billion for the historic continuous appropriations, including TIRCP and LCTOP - "Tier 3."

Importantly, if Cap-and-Trade doesn't raise enough GGRF to fund Tier 1 and Tier 2 programs at the levels prescribed, the funds for "Tier 3" programs will be decreased proportionally. In explicit terms, if Cap-and-Trade fails to bring in $4.2 billion in proceeds, we can expect to receive less than $400 and $200 million for TIRCP and LCTOP, respectively.

Association members and staff spent much of 2025 advocating for a Cap-and-Trade re-authorization plan that honored transit priorities.

Status: Signed by the Governor on September 19. Contains an urgency clause, meaning it goes into effect immediately.
Association's Position: Support

AB 35 (Alvarez) CEQA Review for Clean Hydrogen Transportation Projects
This bill would require applications for a discretionary permit or authorization for a clean hydrogen transportation project to be reviewed through a clean hydrogen environmental assessment. The bill would also require the lead agency to determine whether the assessment is approved and, if it is approved, issue the discretionary permit or authorization no later than 270 days after the completion of the project application.
Status: Two-year bill
Association's Position: Support

AB 259 (Blanca Rubio) Brown Act Remote Participation
Existing law authorizes local agencies to use teleconferencing for board/council members under certain circumstances (illness, caring for others, travel, etc.) as long as a quorum of the members participate in person from the same location identified on the agenda and that the location is open to the public and within the local agency's jurisdiction. Existing law also establishes limits on the number of meetings members may participate in via teleconference to two meetings per year if the legislative body regularly meets once per

month or less. These provisions sunset on January 1, 2026. This bill would remove the sunset date and extend the alternative teleconferencing procedures indefinitely.
Status: Two-year bill
Association's Position: Watch

AB 339 (Ortega) Public Employee Association Notice Requirements
This bill requires the governing body of a public agency, board, or commission to provide written notice to an employee organization no less than 120 days prior to issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization.
Status: Signed by the Governor and will take effect January 1, 2026
Association's Position: Oppose

AB 476 (M. Gonzalez) Metal Theft
This bill seeks to combat the theft of copper wire - an increasing problem affecting infrastructure, construction, and transit projects. The bill requires junk dealers and recyclers to collect more detailed transaction records and provide access to these records to law enforcement. The bill also increases the fine for junk dealers or recyclers who fail to follow the law.
Status: Signed by the Governor and will take effect January 1, 2026
Association's Position: Support

AB 810 (Irwin) Internet Website Requirements
This bill would expand on existing law to require special districts, joint powers authorities, or other political subdivisions to maintain an internet website with a ".gov" or ".ca.gov" domain by January 1, 2031. The domain itself is free for eligible government agencies; however, it will require affected agencies to reconfigure and update their website and other relevant third-party systems.
Status: Two-year bill
Association's Position: Oppose

AB 1070 (Ward) Transit District Governing Boards
This bill would prohibit a transit district from compensating a member of the governing board unless the member demonstrates personal use of the transit system for at least one hour or for four trips per month.The bill would also require the governing board of a transit district to include 2 nonvoting members and 4 alternate nonvoting members. These members would be required to include users of the service, and representatives of the labor organization representing transit employees. After advocacy by Association staff, the Author pulled the bill from its planned hearing and made it a two-year bill.
Status: Two-year bill
Association's Position: Oppose

AB 1207 (Irwin) Cap-and-Trade Reauthorization
This bill reauthorizes California's Cap-and-Trade program for an additional 15 years, to January 1, 2046. The bill would largely leave the existing program mechanics intact, but would advance some changes to the mechanism to, among other things, limit the program's cost impact on Californians. Association members and staff spent much of 2025 advocating for a Cap-and-Trade re-authorization plan that honored transit priorities.
Status: Signed by the Governor on September 19. Contains an urgency clause, meaning it goes into effect immediately.
Association's Position: Support

AB 1237 (McKinnor) Events: Transit Tickets
This bill would require a ticket seller or a person who resells a ticket to a sporting, musical, theatre, or any other entertainment event located at a venue with a capacity of more than 1,000 persons to also, at the time that a ticket is purchased, give the consumer the option to purchase an all-day ticket from a transit provider that offers service to the venue during the time of the event.
Status: Two-year bill
Association's Position: Watch

AB 1250 (Papan) Paratransit Operators: Recertification of Eligibility
This bill requires transit operators, by June 1, 2027, to establish and use a streamlined recertification process for persons with permanent disabilities who were previously determined to be eligible for paratransit service. Previously, the bill would have prohibited transit operators from requiring a person who receives, or is eligible to receive, paratransit services based on a disability or medical condition, and whose condition cannot reasonably be expected to improve, to recertify their eligibility for the services. After significant engagement by Association staff and members, the author accepted amendments to satisfy our concerns with a blanket prohibition and instead created a streamlined recertification process with our input.
Status: Signed by the Governor and will take effect January 1, 2026
Association's Position: Support

AB 1331 (Elhawary) Workplace Surveillance
This bill would prohibit an employer from using workplace surveillance to monitor workers in off-duty areas, including their personal residence and vehicle. AB 1331 additionally provides for a civil penalty for each violation. Although the bill has been amended to permit surveillance in certain locations for safety purposes, concerns remain and the bill continues to be opposed by many business and public employer organizations. Association staff worked with a coalition of organizations in opposition; this successfully forced the Author to move the bill to the inactive file.
Status: Senate Inactive File
Association's Position: Oppose

Here is a full list of the bills the Association is tracking. If you have any questions, please contact **Brendan Repicky** at brendan@caltransit.org.

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