



State Transit Transformation Task Force Final Report



SB 125 (Chapter 58, Statutes of 2023) Background

-  SB 125 passed as part of California's fiscal year 2023-24 budget
-  Passed in tandem with:
 -  \$5.1 billion multi-year statewide funding for transit operations and capital improvements comprised of:
 -  \$4 billion allocated through the Transit and Intercity Rail Capital Program via formula
 -  \$1.1 billion for Zero-Emission Transit Capital Program via formula
-  The Orange County Transportation Authority (OCTA) is projected to receive \$380.92 million from SB 125 over five years



Task Force Composition

- SB 125 directed the California State Transportation Agency (CalSTA) to establish the Transit Transformation Task Force (Task Force) to develop policy recommendations to increase ridership and improve the transit customer experience
- CalSTA chaired the 25-member Task Force representing state agencies, transit operators, academia, and stakeholders statewide
- Guided by input from a Technical Working Group (TWG) and Subject Matter Experts (SME)
 - OCTA was not appointed as a formal Task Force member but participated in the TWG and SME



Metro

California Transit Association





Task Force Requirements

-  Develop a coordinated stakeholder engagement process, including urban and rural transit operators
-  Evaluate strategies to grow ridership, improve the customer experience, and strengthen operational and fiscal sustainability
-  Analyze key transit policy issues, including the Transportation Development Act (TDA) reform, transit speed, reliability, safety, workforce, zero-emission transition, and long-term funding sustainability, and developed policy recommendations



Final Report Overview

- CalSTA, in consultation with the Task Force, submitted the Final Report to the Legislature on December 2, 2025
- Convened 13 times (2024-2025)
- Report provides a comprehensive assessment of California's transit system and advances guiding principles, strategies, and recommendations to improve quality and performance
- Intended as a framework for future legislative budget discussion
- Not an implementation plan



SB125 Transit Transformation
Task Force Final Report





Final Report Policy Recommendations

Key Policy Areas

Improve Service and Rider Experience

- Transit priority (bus lane and signal priority)
- Fare and service coordination across agencies
- Safety and cleanliness standards

Strengthen System Performance

- Workforce recruitment and retention
- Reduce capital project costs and timeliness
- Fleet reliability and zero-emission transition

Support Long-Term Funding Sustainability

- Reform the TDA framework
- Funding concepts focused on repurposing existing funds, local sales tax measures and value capture strategies – no new statewide revenue source identified



Next Steps

- OCTA staff will monitor expected legislative proposals forthcoming
- Work with CTA and partner agencies regarding:
 - Future funding conversations
 - Potential TDA and regulatory reform



Thank you