



April 16, 2026

To: Legislative Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: State Legislative Status Report

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Overview

The Orange County Transportation Authority provides regular updates to the Legislative Committee on policy issues directly impacting its overall programs, projects, and operations. Staff recommends support positions on six bills that are related to California Environmental Quality Act streamlining, zero-emission transit implementation, wildfire resilience, transportation funding policy, and transit-oriented development. Staff opposes positions on two bills that would significantly alter state transportation funding priorities and reduce regional flexibility. An overview is also provided on legislation related to California Environmental Quality Act vehicle miles traveled mitigation requirements, for which a support position was taken pursuant to Orange County Transportation Authority's 2025–26 State Legislative Platform.

Recommendations

- A. Adopt a SUPPORT position on AB 1855 (Gonzalez, R-Indio), which would expand California Environmental Quality Act exemptions for passenger rail projects.
- B. Adopt a SUPPORT position on AB 1944 (Lee, D-Milpitas), which would establish a phased extension of axle weight allowances for zero-emission transit buses to support fleet transition requirements.
- C. Adopt a SUPPORT position on AB 2513 (Petrie-Norris, D-Irvine), which would expand eligibility for regional wildfire resilience funds.
- D. Adopt an OPPOSE position on AB 2560 (Schultz, D-Burbank), which would codify the Climate Action Plan for Transportation Infrastructure goals and apply them to major state transportation funding programs.

- E. Adopt a SUPPORT position on AB 2576 (Harabedian, D-Pasadena), which would delay implementation timelines associated with SB 79 (Chapter 512, Statutes of 2025).
- F. Adopt a SUPPORT position on SB 935 (Choi, R-Irvine), which would indefinitely extend design-build authority for local agencies.
- G. Adopt a SUPPORT position on SB 1167 (Blakespear, D-Encinitas), which would clarify the definition of electric bicycles and establish enhanced labeling, disclosure, and safety requirements.
- H. Adopt an OPPOSE position on SB 1423 (Stern, D-Sherman Oaks), which would require a minimum allocation of State Transportation Improvement Program funds to “safe streets” projects and modify the Active Transportation Program.

Discussion

AB 1855 (Gonzalez, R-Indio): California Environmental Quality Act (CEQA): exemption: passenger rail service

AB 1855, sponsored by the Riverside County Transportation Commission, would expand an existing statutory exemption under CEQA for certain passenger rail projects. Existing law, until January 1, 2040, exempts qualifying passenger rail projects from CEQA review, including the construction, maintenance, or rehabilitation of stations, terminals, and operations facilities, provided they use zero-emission or Tier 4 rolling stock and are located entirely within an existing rail or highway right-of-way.

AB 1855 would broaden eligibility by removing the rolling stock requirement and modifying the right-of-way requirement to apply only to the mainline rail component of a project. The bill would also expand the exemption to include projects that introduce new daily passenger rail service between termini more than five miles apart where none exists as of January 1, 2027, and operate parallel to a state or interstate highway corridor.

For the Orange County Transportation Authority (OCTA), this expanded exemption may support more efficient delivery of rail projects within established transportation corridors by allowing a broader range of projects to qualify for CEQA exemption. Current criteria can limit eligibility where projects involve mixed rolling stock, evolving propulsion technologies, or elements located outside strict right-of-way boundaries. By expanding eligibility, the bill may help reduce environmental review timelines and administrative complexity, supporting delivery of projects that improve service reliability, enhance safety, and maintain long-term corridor resiliency.

A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Support streamlined environmental review and permitting processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections." A thorough analysis and copy of the text of this legislation is included as Attachment A.

AB 1944 (Lee, D-Milpitas): zero-emission transit buses: axle weight

AB 1944 would extend and phase down axle weight allowances for zero-emission transit buses procured between January 1, 2027 and December 31, 2031. The bill provides additional flexibility by establishing stepped compliance thresholds through 2031, before reverting to the current 22,000-pound single-axle limit beginning January 1, 2032.

Under existing law, the maximum curb weight on any one axle of a zero-emission or articulated transit bus procured on or after January 1, 2022, is limited to 22,000 pounds. AB 1944 would reintroduce a temporary phase-in period, recognizing that current zero-emission bus technologies, including battery-electric and hydrogen fuel cell vehicles, may exceed this limit due to onboard energy storage systems. Specifically, the bill would allow up to 25,000 pounds per axle for buses procured in 2027, 24,000 pounds in 2028 and 2029, and 23,000 pounds in 2030 and 2031.

For OCTA, this bill is relevant to the implementation of the California Air Resources Board's Innovative Clean Transit regulation, which requires a transition to a fully zero-emission bus fleet by 2040. By extending higher axle weight allowances through a phased approach, the bill may provide additional flexibility to procure zero-emission buses that meet operational needs while manufacturers continue to refine vehicle design. This may help avoid procurement delays, support fleet deployment, and better align regulatory requirements with current technological constraints.

Sponsored by the California Transit Association, with the support of bus manufacturers and several transit agencies, AB 1944 helps address a key technical barrier associated with vehicle weight during the transition to zero-emission transit. A SUPPORT position is consistent with OCTA's 2025–26 State Legislative Platform principle to "Support efforts to mitigate costs associated with the development, testing, purchase, and operation of zero-emission transit buses, including an alternative electricity rate structure, tax incentives, and other forms of financial assistance." A thorough analysis and copy of the text of this legislation is included as Attachment B.

AB 2513 (Petrie-Norris, D-Irvine): Wildfire: Regional Forest and Fire Capacity Program: regional landscape grants

Existing law establishes the Wildfire and Forest Resilience Task Force and requires development and ongoing updates to California's Wildfire and Forest Resilience Action Plan to coordinate statewide wildfire mitigation and forest health efforts. The State also administers the Regional Forest and Fire Capacity Program, which provides block grants to regional entities, including local governments, joint powers authorities, and nonprofit organizations to support planning, coordination, and implementation of wildfire resilience strategies.

AB 2513 would build on this framework by authorizing the Director of the Department of Conservation to directly award regional landscape grants to these entities to implement priority wildfire mitigation and ecosystem management strategies. The bill also requires the development of statewide guidelines to ensure that grant funding aligns with statewide resilience goals.

In addition, the bill expands eligible wildfire prevention activities to include vegetation modification and ignition prevention measures and directs funding for landscape-scale projects that support ecosystem health and regional implementation efforts. For OCTA, wildfire resilience and vegetation management are relevant to transportation infrastructure protection, particularly along rail corridors, highway rights-of-way, and other critical assets located in or near high fire hazard severity zones.

Wildfire resilience is also directly relevant to OCTA-owned open space areas managed through the Preserving Our Legacy Program, which has preserved more than 1,300 acres of open space across Orange County to support habitat conservation and regional ecosystem connectivity. These areas require ongoing vegetation management and habitat restoration to reduce wildfire risk and maintain ecological health.

AB 2513 may improve coordination and expand access to funding for landscape-scale wildfire mitigation efforts. OCTA participates in regional wildfire planning efforts through the County of Orange Area Safety Task Force (COAST), a multi-agency collaborative led in coordination with the Orange County Fire Authority. COAST has requested support from partner agencies for this legislation, and the broader eligibility under AB 2513 may improve the ability of OCTA and its partners to successfully compete for funding to support fuel reduction and ignition prevention efforts.

A SUPPORT position is consistent with OCTA's 2025–26 State Legislative Platform principle to “seek support for adaptation and resiliency efforts related to the environment for critical transportation infrastructure.” A thorough analysis and copy of the text of this legislation is included as Attachment C.

AB 2560 (Schultz, D-Burbank): Climate Action Plan for Transportation Infrastructure: goals

AB 2560 would codify the Climate Action Plan for Transportation Infrastructure (CAPTI) goals in state statute and require that, where feasible and within a “fix-it-first” approach, those goals be applied to projects funded through several major state transportation programs, including the Interregional Transportation Improvement Program (ITIP), State Transportation Improvement Program (STIP), Transit and Intercity Rail Capital Program (TIRCP), Trade Corridor Enhancement Program (TCEP), Active Transportation Program (ATP), and Solutions for Congested Corridors Program.

CAPTI is a statewide policy framework, originally established through the Governor’s Executive Order, that guides how state transportation investments are prioritized to advance climate, equity, and public health goals, including reducing vehicle miles traveled (VMT), supporting transit and active transportation, and focusing development in existing communities. AB 2560 would embed these goals into statute and authorize the California State Transportation Agency to update them administratively through a public process that is not subject to the Administrative Procedure Act.

AB 2560 represents a significant shift in how state transportation funding programs established under SB 1 (Chapter 5, Statutes of 2017) are administered. While CAPTI principles are already being incorporated into California Transportation Commission (CTC) guidelines and program evaluation criteria, codifying these goals in statute may reduce flexibility in program implementation and project selection. This is particularly relevant for core SB 1 programs such as the STIP, TCEP, and ITIP, which are intended to balance statewide mobility, goods movement, and regional transportation priorities.

Additionally, AB 2560 expands the emphasis on active transportation and multimodal investments across programs, including those traditionally focused on freight and goods movement. While these investments are important, this shift may alter program priorities and reduce funding availability for projects that support system reliability and economic competitiveness in Orange County. Although the bill includes language requiring application of CAPTI goals only “where feasible,” the extent to which this provides meaningful flexibility is uncertain, as implementation would largely be determined through future CTC guidelines and administrative interpretation.

An OPPOSE position is consistent with OCTA’s 2025-26 State Legislative Platform principle to “Oppose linking, reprioritizing, or aligning local and state transportation funding with policies that could significantly hinder a local agency’s ability to deliver transportation programs and projects.” A thorough analysis and copy of the text are included as Attachment D.

AB 2576 (Harabedian, D-Pasadena): Local planning: housing element: transit-oriented development

AB 2576 is a clean-up and implementation bill related to SB 79 (Chapter 512, Statutes of 2025), which established statewide requirements to facilitate transit-oriented housing development near major transit stops. The bill makes targeted technical and policy refinements to address implementation challenges and provide additional clarity as local jurisdictions and transit agencies prepare for SB 79's rollout.

Under existing law established by SB 79, qualifying housing development projects near major transit stops must be permitted as an allowed use if they meet specified density, affordability, and development standards. However, several provisions of SB 79 are undefined or ambiguous, including key definitions related to transit applicability, development standards, and implementation timelines. These uncertainties create challenges for local governments and transit agencies in determining how and where the law applies, particularly in regions such as Orange County where applicability is tied to evolving transit service conditions.

AB 2576 addresses some of these issues by delaying key implementation timelines by one year, allowing additional time for local jurisdictions to update zoning and planning frameworks, and refining provisions related to transit-oriented development zones. A delay in implementation timelines was included among OCTA Board-recommended amendments for any SB 79 clean-up legislation, and this bill reflects that approach.

For OCTA, this legislation provides an opportunity to improve the workability of SB 79 before it is fully implemented. Transit-oriented development requirements under SB 79 may affect a range of station areas across Orange County, including Metrolink stations and future OC Streetcar stops, with potential implications for local land-use authority and project delivery. By addressing ambiguities and providing additional implementation time, AB 2576 may help reduce uncertainty, improve coordination between agencies, and support a more predictable and feasible approach to transit-oriented development.

A SUPPORT position is consistent with OCTA's 2025–26 State Legislative Platform principle to "Support legislation to amend the implementation of SB 79 (Chapter 512, Statutes of 2025) by updating definitions and making other changes as needed to ensure continued community support for transit projects." A thorough analysis and copy of the text are included as Attachment E.

SB 935 (Choi, R-Irvine): Local agency design-build projects: authorization

Design-build is a project delivery method that allows a single entity to be responsible for both the design and construction of a public works project. This approach can streamline coordination, reduce project timelines, improve cost

predictability, and allocate risk more effectively. Contracts may be awarded on either a lowest responsible bid or best-value basis, allowing agencies to consider technical expertise, innovation, constructability, and lifecycle factors in addition to price.

Existing law authorizes local agencies, with approval of their governing body, to use the design-build procurement method for public works projects exceeding \$1,000,000; however, this authority is scheduled to sunset on January 1, 2031. SB 935 would repeal the sunset, thereby extending local agency authority to use design-build indefinitely. The bill does not expand or modify existing procurement requirements but preserves the current statutory framework. For OCTA, design-build is particularly valuable for complex and schedule-sensitive capital improvements, including freeway widening projects, express lanes, interchange reconstructions, and transit facility construction. Given the long-range planning horizon associated with Measure M2-funded projects and other multi-year capital grant-funded programs, maintaining uninterrupted authority to use design-build provides predictability for contractors, funding partners, and project stakeholders. Absent SB 935, the current authority would expire on January 1, 2031, creating potential uncertainty for long-term capital planning and procurement strategies. By repealing the sunset, SB 935 ensures continuity in procurement strategy and supports OCTA's ability to deliver voter-approved transportation investments efficiently and cost-effectively. A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Support new and existing alternative project delivery methods, such as design-build, public-private partnership authority, construction manager/general contractor authority, and progressive design build, through expanding mode and funding eligibility while also allowing the appropriate balance of partnership between the State and local agencies." A thorough analysis and copy of the text of this legislation is included as Attachment F.

SB 1167 (Blakespear, D-Encinitas): Vehicles: electric bicycles

Electric bicycles (e-bikes) are a growing mode of active transportation that operate under a three-class system based on speed and motor assistance. Existing law defines e-bikes and restricts the types of vehicles that may be marketed or sold as e-bikes. However, emerging products such as high-powered electric motorcycles, mopeds, and "e-motos" are increasingly being marketed as e-bikes despite not meeting statutory definitions. SB 1167 would strengthen these provisions by expanding the types of vehicles that are prohibited from being advertised, sold, or labeled as e-bikes to include vehicles capable of speeds over 20 miles per hour on motor power alone, a vehicle without operable pedals, mopeds, and other higher-powered electric devices. The bill also establishes that violations of these provisions constitute misleading advertising under state unfair competition and false advertising laws.

As amended, SB 1167 expands beyond mislabeling to establish a more comprehensive regulatory framework for electric mobility devices. The bill requires permanent labeling for e-bikes, mopeds, and motor-driven cycles, including clear visibility and durability standards, and requires retailers to verify proper classification before installing e-bike labels. It also expands disclosure requirements to apply broadly across advertising platforms, including online and social media. The bill further includes new safety and enforcement provisions, including restrictions on the operation of certain high-speed electric devices on public roadways unless they meet defined vehicle classifications, enhanced certification requirements for electric vehicles used in fire-prone areas, and additional reporting requirements for incidents involving e-bikes and similar devices.

SB 1167 is intended to address increasing safety concerns associated with higher-powered electric devices that are improperly marketed as e-bikes, particularly among youth riders. Many of these devices do not meet statutory definitions and are more appropriately classified as motor vehicles. Some exceed the 750-watt limit and can operate at significantly higher speeds than the 20 to 28 miles per hour thresholds established for e-bikes, creating safety risks when used in environments intended for lower-speed active transportation.

For OCTA, this legislation aligns with ongoing efforts to improve active transportation safety and ensure the safe integration of e-bikes into the transportation system. Misclassification and misleading marketing of higher-speed or higher-powered devices such as e-bikes may create safety risks for riders and other roadway users, particularly in environments such as school campuses, bikeways, and transit access corridors. By clarifying definitions, strengthening labeling and disclosure requirements, and expanding enforcement tools, SB 1167 may support safer operation of e-bikes, improve compliance with traffic laws, and reduce conflicts between users of different mobility devices.

Additionally, enhanced labeling and incident reporting provisions may improve data collection and understanding of safety trends, supporting more targeted policies and investments to promote safe e-bike use across Orange County. A SUPPORT position is consistent with OCTA's 2025–26 State Legislative Platform principles to "Seek funding and support policies that enhance safety requirements related to the utilization of electric bicycles". A thorough analysis and copy of the text of this legislation is included as Attachment G.

SB 1423 (Stern, D-Sherman Oaks): Transportation funding: State Transportation Improvement Program: Active Transportation Program

SB 1423 would make significant changes to state transportation funding and programming by requiring that at least 50 percent of funds programmed in both the ITIP and the Regional Transportation Improvement Program be dedicated to "safe streets" projects, defined primarily as pedestrian, bicycle, and traffic

calming improvements. The bill further prioritizes these investments within transit-oriented development (TOD) zones, as defined in state law.

The bill also renames the ATP as the “Safe Streets Program” and modifies project selection criteria to emphasize safety, greenhouse gas reduction, and benefits to TOD areas and disadvantaged communities. Additionally, SB 1423 establishes a two-step application process.

For OCTA, SB 1423 raises concerns regarding reduced regional flexibility in programming STIP funds. The STIP is a formula-based program that allocates funding to regional agencies over a five-year period, and OCTA has already programmed approximately \$151 million in its 2026 STIP across a balanced set of projects. These include freeway improvements such as Interstate 5 improvements, goods movement, and operational enhancements such as the State Route 57 Truck Climbing Lane, rail infrastructure such as the Pacific Coast Highway Coastal Rail Bridge, and active transportation investments such as segments of the OC Loop.

To meet the requirements of SB 1423, OCTA may need to reprogram funding from these and other previously approved projects, as many may not qualify under the bill’s definition of safe streets projects, even when they include multimodal elements. This could impact projects that address congestion relief, goods movement, and interregional connectivity. Additionally, because ITIP funding is intended for projects of interregional significance, it is unclear whether safe streets projects would meet the statutory purpose of that program.

The bill’s prioritization of investments within TOD zones, through a cross-reference to definitions established under SB 79, may also result in uneven applicability across regions, as SB 79 applies only in certain “urban transit counties.” This creates uncertainty regarding how funding requirements would be implemented and whether regions would be required to concentrate investments near qualifying transit stops, potentially further constraining regional programming and limiting the ability to address broader transportation needs.

An OPPOSE position is consistent with OCTA’s 2025–26 State Legislative Platform principles to “Oppose policies that change existing formula funding structures to redistribute funds in a way that would inhibit a local agency from delivering critical transportation projects and programs.” A thorough analysis and copy of the text of this legislation is included as Attachment H.

AB 2059 (Wilson, D-Suisun City): California Environmental Quality Act: transportation impacts: vehicle miles traveled: mitigation

AB 2059 would establish a cap on the cost of mitigation measures required to address transportation impacts under the CEQA related to VMT. The bill is intended to provide greater clarity and cost certainty in the application of VMT-based mitigation requirements following the statewide transition from level

of service to VMT as the primary metric for evaluating transportation impacts under SB 743 (Chapter 386, Statutes of 2013).

Since the implementation of SB 743, transportation projects have faced increasing challenges in identifying feasible and proportionate mitigation measures. In many cases, mitigation strategies can be difficult to implement or may result in costs that are disproportionate to the project's overall scope and benefits. AB 2059 seeks to address this issue by establishing a reasonable cost threshold for VMT mitigation and recognizing that excessively high mitigation costs may be considered economically infeasible under CEQA.

For OCTA, this issue is particularly relevant to the delivery of transportation capital projects that improve mobility, safety, and system reliability. OCTA has encountered instances where required VMT mitigation measures significantly increase total project costs, in some cases approaching or exceeding the cost of the underlying transportation improvement. This is especially challenging for projects that inherently provide air quality and greenhouse gas reduction benefits but are still subject to additional mitigation requirements.

By providing a clearer framework for determining when mitigation costs are economically infeasible, AB 2059 may help reduce uncertainty in the project development process, support more consistent CEQA determinations across jurisdictions, and facilitate the timely delivery of critical transportation infrastructure. This is particularly important for projects that address safety needs, reduce congestion, and expand multimodal travel options.

However, as currently drafted, the bill's provisions are limited to projects located in rural counties, which restricts its applicability to more urbanized regions such as Orange County. Expanding the applicability of the mitigation cost cap would help ensure that transportation agencies statewide can benefit from greater cost certainty and flexibility in meeting CEQA requirements.

A SUPPORT IF AMENDED position is consistent with OCTA's 2025–26 State Legislative Platform principles to "Support streamlined environmental review processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections," and to "Support efforts to ensure local flexibility in meeting the State's greenhouse gas emission reduction goals, including project mitigation requirements." OCTA's support if amended letter for AB 2059 and the text of this bill have been included as Attachment I.

Summary

Support positions are recommended on legislation related to CEQA exemptions, zero-emission transit, wildfire resilience, transit-oriented development, design-build authority, and e-bike safety. Oppose positions are recommended on legislation that would alter state transportation funding priorities and reduce regional flexibility. An overview is also provided on legislation related to CEQA, which a position was taken pursuant to the OCTA 2025–26 State Legislative Platform.

Attachments

- A. AB 1855 (Gonzalez, R-Indio) Bill Analysis with Bill Language
- B. AB 1944 (Lee, D-Milpitas) Bill Analysis with Bill Language
- C. AB 2513 (Petrie-Norris, D-Irvine) Bill Analysis with Bill Language
- D. AB 2560 (Schultz, D-Burbank) Bill Analysis with Bill Language
- E. AB 2576 (Harabedian, D-Pasadena) Bill Analysis with Bill Language
- F. SB 935 (Choi, R-Irvine) Bill Analysis with Bill Language
- G. SB 1167 (Blakespear, D-Encinitas) Bill Analysis with Bill Language
- H. SB 1423 (Stern, D-Sherman Oaks) Bill Analysis with Bill Language
- I. Letter from Jamey M. Federico, Chair, Orange County Transportation Authority, to the Honorable Lori Wilson, California State Assembly, dated April 1, 2026, re: AB 2059 (Wilson) – Support if Amended
- J. Orange County Transportation Authority Legislative Matrix

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