



## Monthly Legislative Report – May 2026

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### Advocacy Meetings

**Office of Representative Mike Levin (D-CA)** – We continued discussions with Congressman Levin's staff regarding both our Community Project Funding request for the Pacific Coast Highway (PCH) Bridge Replacement Project and broader Los Angeles–San Diego–San Luis Obispo (LOSSAN) Rail Corridor priorities. In addition, we discussed potential opportunities to advance coastal resiliency priorities through the upcoming Water Resources Development Act (WRDA), including provisions that could support long-term shoreline protection, emergency response authorities, and infrastructure resilience efforts benefiting the LOSSAN Rail Corridor. We also facilitated a meeting between Congressman Levin and the Mobility 21 delegation in Washington, D.C., to discuss key Southern California transportation priorities.

**Office of Representative Julia Brownley (D-CA)** – We continued discussions with Congresswoman Brownley's staff regarding the effort to restore local allocation authority for Surface Transportation Block Grant (STBG) and Congestion Mitigation and Air Quality (CMAQ) funds within the Southern California Association of Governments (SCAG) region through the BUILD America 250 surface transportation reauthorization bill. In addition to broader language restoring the previous funding allocation structure, the office advanced a targeted proposal aimed at prohibiting the Federal Highway Administration (FHWA) from implementing or enforcing the regulatory provision that served as the basis for the agency's 2021 corrective action. This approach would provide an additional pathway to restore local funding flexibility for county transportation commissions.

**Office of Representative Young Kim (R-CA)** – We followed up with Congressman Kim's staff regarding OCTA's Community Project funding request for improvements along State Route (SR-91) and discussed the status of the fiscal year (FY) 27 appropriations process. We also provided an update on the Southern California coalition's effort to restore local allocation authority for Surface Transportation Block Grant (STBG) and Congestion Mitigation and Air Quality (CMAQ) funds through the BUILD America 250 surface transportation reauthorization bill. Discussions focused on legislative options to restore local funding flexibility for county transportation commissions and ongoing efforts to advance both statutory and regulatory solutions as the reauthorization process moves forward.

**Office of Representative Ken Calvert (R-CA)** – We followed up with Congressman Calvert's staff regarding ongoing efforts to address the STBG and CMAQ suballocation issue affecting the Southern California Association of Governments (SCAG) region. Discussions focused on a potential parallel strategy through the FY27 Transportation, Housing and Urban Development (THUD) appropriations bill following Congresswoman Brownley's efforts to raise the issue during the House Transportation and Infrastructure Committee's BUILD America 250 markup.

**Office of Representative David Min (D-CA)** – We continued to follow up with Congressman Min's office regarding the progress of the FY27 THUD appropriations bill and the inclusion of the Irvine Metrolink Rehabilitation Project within the Community Project Funding process. We provided additional project details to assist the office in advocating for the request as the appropriations bill advances through committee consideration. We also updated the office on the Southern California coalition's ongoing effort to restore local allocation authority for STBG and CMAQ funds within the SCAG region through the BUILD America 250 surface transportation reauthorization bill.

**Office of Representative Derek Tran (D-CA)** – We facilitated a meeting between Congressman Tran's office and the Mobility 21 delegation to discuss key Southern California transportation priorities. We also updated the office on the Southern California coalition's ongoing effort to restore local allocation authority for STBG and CMAQ funds. Discussions focused on recent activity surrounding the BUILD America 250 surface transportation reauthorization bill and efforts to advance legislative solutions that would restore local funding flexibility for county transportation commissions.

**Office of Representative Linda Sanchez (D-CA)** – We continued to follow up with Congresswoman Sanchez's office regarding the Orange County Loop Segment A Community Project Funding request and efforts to position the project for inclusion in the FY27 appropriations process, and we provided additional project details and supporting information to assist the office in advocating for the request.

**Office of Representative Lou Correa (D-CA)** – We facilitated a meeting between Congressman Correa's office and the Mobility 21 delegation in Washington. We also updated the office on the ongoing effort to restore local allocation authority for STBG and CMAQ funds. Discussions focused on recent developments surrounding the BUILD America 250 surface transportation reauthorization bill and efforts to advance legislative solutions that would restore local funding flexibility for county transportation commissions and address the Federal Highway Administration's 2021 corrective action.

**Office of Representative David Rouzer (R-NC)** – We continued to follow up with Congressman Rouzer's staff regarding the timing and legislative path forward for the BUILD America 250 surface transportation reauthorization bill, including anticipated House floor consideration and potential opportunities for additional amendments as the process advances. We also discussed the Southern California coalition's effort to restore local allocation authority for STBG and CMAQ funds within the SCAG region. Discussions focused on both statutory and regulatory approaches to addressing the issue.

**House Appropriations Majority Staff** – We met with House Appropriations Committee staff to follow up on federal funding for transportation and mobility improvements associated with the 2028 Olympic and Paralympic Games, as well as the status of the FY27 THUD appropriations bill. Discussions focused on next steps as the bill advances through the appropriations process, including the potential for amendments ahead of full committee consideration.

**Federal Highway Administration (FHWA) Policy Staff** – We met with Federal Highway Administration (FHWA) staff to discuss the Administration's Freedom to Drive Initiative and potential opportunities for Orange County corridors to participate in future program activities. In addition, we helped facilitate a meeting between senior FHWA leadership and a regional Mobility 21 delegation to discuss broader Southern California transportation priorities

**Federal Railroad Administration (FRA) Senior Policy Staff** – We met with FRA senior policy advisor to continue discussion on issues surrounding the Los Angeles–San Diego–San Luis Obispo rail corridor (LOSSAN), and upcoming implementation considerations tied to major region events, to include LA28 transit readiness.

### **Surface Transportation Reauthorization Update**

One of the most significant developments in Washington during May was the advancement of the BUILD America 250 Act (H.R. 8870), the House Transportation and Infrastructure Committee's bipartisan surface transportation reauthorization bill. Following an extensive 14-hour markup on May 21-22, the Committee approved the legislation with bipartisan support. The bill, led by Chairman Sam Graves (R-MO), Highways and Transit Subcommittee Chairman David Rouzer (R-NC), Railroads Subcommittee Chairman Daniel Webster (R-FL), and Committee Democrats to include primarily Ranking Member Rick Larsen (D-WA), would provide a predictable five-year federal investment in surface transportation infrastructure and serves as Congress' primary vehicle for reauthorizing federal highway, transit, rail, and safety programs.

Key provisions include record investment in bridge infrastructure, strengthened highway and transit formula programs, passenger rail improvements, enhanced rail safety provisions, project delivery streamlining reforms, expanded freight mobility initiatives, and the creation of the nation's first federal framework for autonomous commercial motor vehicles. The bill also includes a new revenue source for the Highway Trust Fund, a federal electric vehicle registration fee. This electric vehicle registration fee represents the first significant trust fund revenue enhancement in more than three decades.

Throughout the month, we continued working closely with numerous Southern California congressional offices and House Transportation and Infrastructure Committee staff regarding the region's priority request to restore local STBG and CMAQ suballocation authority to county transportation commissions within large metropolitan planning organizations, which was ultimately not included in the base bill. During the committee markup, Congresswoman Julia Brownley (D-CA) raised the issue directly through two amendments. Consistent with the strategy discussed with Committee leadership, both amendments were offered and subsequently withdrawn to allow additional negotiations with Committee staff and members prior to floor consideration. Importantly, the discussion established a formal record of the issue during committee proceedings and positioned the proposal for potential inclusion in a future amendment.

At present, House leadership has not yet scheduled floor consideration of the BUILD America 250 Act. Committee leadership continues to express a desire to bring the bill to the

House floor before the July 4 recess, although timing remains dependent upon several factors, including completion of the tax title being developed by the House Ways and Means Committee. The Ways and Means Committee is expected to consider its portion of the legislation during June. We anticipate June will be a particularly active month for the reauthorization effort as Committee leadership works to finalize outstanding issues, develop potential manager's amendments, and prepare the bill for floor action. We will continue engaging Southern California delegation offices, Committee leadership, and key staff to advance OCTA's priorities and seek opportunities to address the STBG/CMAQ suballocation issue as well as other opportunities as the legislative process moves forward.

While the House Transportation and Infrastructure Committee has moved aggressively to advance the BUILD America 250 Act, there has been relatively little public activity in the Senate regarding development of a comprehensive surface transportation reauthorization proposal. To date, neither the Senate Environment and Public Works (EPW) Committee, which has jurisdiction over highways, nor the Senate Commerce Committee, which oversees rail and safety programs, has released legislative text or advanced a detailed reauthorization framework. Likewise, the Senate Banking Committee, which has jurisdiction over public transportation programs, has shown limited activity on transit reauthorization and has yet to develop a meaningful transit title or funding proposal.

Senate committee staff continue to conduct stakeholder outreach and discussions regarding priorities for the next authorization bill, but there is little indication that a comprehensive Senate package is imminent. Much of the Senate's legislative bandwidth during the first half of 2026 has been consumed by reconciliation efforts, appropriations, nominations, and other major legislative priorities, including the National Defense Authorization Act (NDAA), WRDA, and immigration-related legislation.

For now, the House continues to drive the policy conversation on surface transportation reauthorization. The BUILD America 250 Act remains the most developed legislative proposal under consideration and will likely serve as the foundation for future negotiations. Many stakeholders expect the Senate committees to become more engaged once the House completes floor consideration of the bill and leadership begins evaluating how and when to assemble a Senate counterpart. However, absent a more active role from the Senate Committees, significant questions remain regarding the future direction of federal transit policy and whether public transportation priorities will receive the attention necessary to advance a comprehensive bipartisan reauthorization package.

### **FY27 Appropriations Update**

The House Appropriations Committee spent much of May focused on advancing FY 2027 appropriations legislation before departing for the Memorial Day recess. The most significant development for transportation stakeholders was the release of the House Transportation, Housing and Urban Development (THUD) Appropriations Subcommittee draft bill, which was advanced in the Subcommittee on May 21. The legislation provides approximately \$111.6 billion in total budgetary resources for the U.S. Department of Transportation and

reflects a continued emphasis on transportation safety, infrastructure investment, freight mobility, and modernization of the national transportation system.

The draft bill includes strong funding levels for core transportation programs, including \$64.5 billion for the Federal Highway Administration, \$16.5 billion for the Federal Transit Administration (FTA), and more than \$3 billion for the Federal Railroad Administration. Notably, the bill provides \$550 million for the BUILD Grant program, \$523 million for the Consolidated Rail Infrastructure and Safety Improvements program, \$973 million for Transit Infrastructure Grants, and \$875 million dedicated to public transportation assistance associated with the 2028 Olympic and Paralympic Games. These investments align closely with Southern California's ongoing priorities related to regional mobility, freight movement, passenger rail improvements, and preparations for upcoming international events.

The House Appropriations Committee has now advanced the majority of its FY27 spending bills, positioning the House to begin floor consideration later this summer. Meanwhile, the Senate continues to hold appropriations hearings and is expected to begin markup activity in June. Congressional leaders continue to express a goal of completing appropriations work prior to the August recess, although historical precedent suggests that at least one continuing resolution may still be necessary before the September 30 FY deadline.

As mentioned earlier, the Senate is expected to begin a more active phase of the FY 2027 appropriations process during June, with Senate Appropriations Committee leadership planning a series of markups despite the absence of a bipartisan topline spending agreement. The Committee is scheduled to begin consideration of several appropriations bills, including Agriculture, Commerce-Justice-Science, Legislative Branch, Interior-Environment, and Military Construction-Veterans Affairs, signaling an effort by Senate leadership to maintain momentum on annual spending legislation even as broader budget negotiations remain unresolved.

A key issue for transportation stakeholders is the growing debate over how to address the expiration of advance appropriations provided by the Infrastructure Investment and Jobs Act (IIJA). Senate democrats have raised concerns that the loss of approximately \$36.8 billion in advance transportation funding will create significant funding pressure on the FY27 THUD appropriations bill and are advocating for higher discretionary transportation spending levels to offset at least a portion of that reduction. This issue is expected to become a central point of negotiation as Congress begins work on the Senate THUD bill later this summer.

The appropriations process continues to face broader political challenges as disagreements persist regarding overall defense and non-defense spending levels. In addition, ongoing disputes surrounding reconciliation legislation and several controversial funding proposals have further complicated the Senate's legislative calendar. Nevertheless, Senate leadership appears committed to moving appropriations bills through committee in June, with the goal of positioning the Senate for negotiations with the House later this year.

Separately, Senate Republican leadership postponed plans in May to advance a reconciliation package that would provide multi-year funding for immigration enforcement

agencies. The delay stemmed from internal disagreements over several provisions and consumed valuable floor time that had been expected to be used for broader legislative priorities. The setback further complicates an already compressed congressional calendar that includes FY 2027 appropriations, the National Defense Authorization Act (NDAA), reauthorization of the Foreign Intelligence Surveillance Act, WRDA, and surface transportation reauthorization legislation.

Looking ahead, June is expected to be an exceptionally active month on Capitol Hill. In addition to appropriations markups, Senate leadership is expected to revisit reconciliation negotiations while House Transportation and Infrastructure Committee leaders continue work on the BUILD America 250 surface transportation reauthorization bill and potential amendments.

### **Medium Transit Intensive Cities Legislation Introduced**

Representative Salud Carbajal (D-CA), a Member of the House T&I Committee and Representative Blake Moore (R-UT), a member of the House Ways and Means Committee, in May introduced the bipartisan Medium Transit Intensive Cities (MTIC) Authorization Act, legislation designed to provide additional federal transit funding opportunities for medium-sized urbanized areas. The proposal would establish a new category within the FTA's Section 5307 Urbanized Area Formula Program, modeled after the existing Small Transit Intensive Cities program.

Under current law, many medium-sized transit agencies must compete directly against much larger metropolitan systems for performance-based funding, often placing them at a structural disadvantage despite strong ridership and service performance. The MTIC proposal would dedicate 1.5 percent of Section 5307 funding to transit systems serving urbanized areas with populations between 200,000 and 999,999 that meet specified performance criteria, including ridership, service frequency, and service provided per capita.

While the proposal would not directly affect the region's formula funding, it reflects growing congressional interest in refining federal transit formulas to better recognize system performance and local service characteristics. The legislation also highlights continued bipartisan engagement by members of the House Transportation and Infrastructure Committee and House Ways and Means Committee on transit funding issues as Congress continues work on the broader BUILD America 250 surface transportation reauthorization legislation. The bill remains in the early stages of the legislative process, but it will be worth monitoring as Congress considers potential transit policy reforms and formula funding adjustments during the upcoming surface transportation reauthorization debate.

### **House Energy & Commerce Committee Examines GPS Backup Technologies**

The House Energy & Commerce Committee's Communications and Technology Subcommittee will hold a hearing on June 4 titled *"Where Are We? Examining Positioning, Navigation, and Timing Capabilities in the United States."* The hearing will focus on the nation's Positioning, Navigation, and Timing (PNT) infrastructure, including GPS resiliency,

backup technologies, and proposals to supplement GPS capabilities. The hearing is expected to serve as a key venue for congressional consideration of NextNav's proposal to repurpose portions of the lower 900 MHz spectrum band to support a terrestrial PNT network. The hearing is particularly relevant to tolling operators nationwide because the lower 900 MHz spectrum is currently used extensively for electronic toll collection systems, including FasTrak and other interoperable tolling technologies.

### **Federal Transit Administration Announces \$166 Million for Passenger Rail Modernization**

On May 27, the Federal Transit Administration (FTA) announced approximately \$166 million in federal funding to support passenger rail modernization projects across the country. Applications are due July 6<sup>th</sup>. The investment is intended to improve reliability, safety, and customer experience by replacing aging rail equipment and upgrading critical rail infrastructure. According to FTA, nearly one-third of the nation's subway and passenger rail vehicles are more than 25 years old, contributing to service delays, increased maintenance costs, and declining system performance.

The funding will support the replacement and rehabilitation of railcars, signals, power systems, maintenance facilities, and other state-of-good-repair improvements designed to extend the useful life of passenger rail systems while enhancing operational efficiency. The announcement aligns with the Administration's broader emphasis on modernizing existing transportation assets and improving system reliability for passengers. For Southern California, the announcement underscores the continued federal focus on rail infrastructure investment and the importance of maintaining a strong pipeline of state-of-good-repair and fleet replacement projects. As agencies prepare for significant increases in ridership associated with the 2026 World Cup, 2028 Olympic and Paralympic Games, and continued regional growth, federal investments aimed at improving rail reliability and performance remain an important funding opportunity to support long-term mobility objectives.