

**EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA**

EXECUTIVE ORDER N-7-26

WHEREAS smart transit policy is vital to maintaining California's economic dominance, facilitating new business opportunities, alleviating cost-of-living burdens for working families, and addressing the climate crisis by reducing greenhouse gas emissions and reliance on fossil fuels; and

WHEREAS the Trump Administration's war with Iran is precipitating a global fossil fuel energy crisis that raises costs for consumers and stifles growth, and its anti-climate Federal Fiscal Year 2027 budget proposal includes significant funding cuts for public transit and clean transportation programs; and

WHEREAS public transit plays a critical role in achieving California's climate goals by reducing reliance on single-occupancy vehicles, decreasing traffic congestion, decreasing vehicle miles traveled, and lowering overall emissions; and

WHEREAS California's Climate Action Plan for Transportation Infrastructure (CAPTI) outlines a path for building towards an integrated, statewide rail and transit network as a guiding principle for meeting the state's climate targets and California has invested more than \$11.5 billion in funding to 153 public transit projects through the Transit and Intercity Rail Capital Program (TIRCP); and

WHEREAS intercity rail corridors, their connecting bus services, and other interregional bus services tie dispersed communities to the broader state transit and passenger rail network and provide transformative mobility benefits to historically underserved communities, offering new opportunities for work, school, and housing; and

WHEREAS some of California's busiest rail corridors, such as the Metrolink and Coaster commuter rail, and the Los Angeles-San Diego-San Luis Obispo (LOSSAN) intercity rail corridor, operate in coastal zones where sea-level rise damages infrastructure, creates capacity constraints, and leads to service reliability challenges; and

WHEREAS in recent years, the Legislature has enacted and I have signed legislation to aid the post-pandemic recovery of public transit ridership and operations, and the prioritization of public transit, most notably Senate Bill 125 (Chapter 54, Statutes of 2023) and Senate Bill 960 (Chapter 630, Statutes of 2024); and

WHEREAS the SB 125 Transit Transformation Task Force Final Report identifies revenue, ridership, and project delivery challenges facing California transit systems, and also provides recommendations to improve transit services, including that the California Department of Transportation (Caltrans) be more involved in the design and delivery of public transportation; and

WHEREAS the scale and complexity of California's rail and transit capital portfolio—spanning coastal corridors, inland connections, and urban transit networks—requires statewide coordination that aligns funding, governance, and performance expectations across agencies and project sponsors; and

WHEREAS there is a need for enhanced data standardization to ensure consistent and effective implementation of transit improvements and to support the development of standardized metrics; and

WHEREAS any active state employee is eligible to participate in the Mass Transit Commute Program, which provides mass transit incentives, coordinated through each employee's agency, department, or office; and

WHEREAS a simplified approach to transit and passenger rail fare payments could address barriers to access, encourage transit ridership, and reduce operating costs for transit agencies; and

WHEREAS Caltrans is collaborating with its transit partners and community stakeholders to develop District Transit Plans to identify and enhance transit needs on the State Highway System in each district, with a focus on underserved communities; and

WHEREAS these district-specific plans aim to improve the quality of transit service statewide to meet California's climate, health, economic, and environmental goals, and will also identify areas for improvements to transit service reliability and transit infrastructure, ultimately providing a roadmap to make mobility easier and safer for all Californians; and

WHEREAS because most transit or passenger rail trips begin and end with a walk or a roll, pedestrian, wheelchair and cyclist access to bus and rail stops is part of a complete trip, and therefore strong first and last mile connectivity is critical for equitable access to our transit and passenger rail systems.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, do hereby issue the following Order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1. Within 120 days of this Order, in order to expedite and implement a statewide transit policy, as required by Streets and Highways Code section 149.20 and Caltrans Director's Policy-40, which prioritizes public transit on the State Highway System, Caltrans is directed to:
 - a. In coordination with the relevant local partners, develop a list of transit priority projects statewide that can be updated regularly with location needs and specific projects as identified in District Transit Plans. This list shall identify funding for which the projects are eligible and shall be consistent with the relevant Local or Regional Transportation Plans such as the Short Range Transit Plan and Long Range Transportation plan, along with the Regional Transportation Plan / Sustainable Communities strategies, where applicable.
 - b. Establish Caltrans as a Mobility Manager, as defined by the Federal Transit Administration, to provide tools to coordinate transit trips across grantees and subrecipients, including the provision of shared technologies such as trip planning, scheduling, payment and asset management systems.
 - c. Notify jurisdictions receiving FTA Section 5307 Urbanized Area Formula Program funding that Caltrans is available to serve as the direct recipient if they elect to do so, and shall work with those jurisdictions to ensure more rapid disbursement of funding. Caltrans shall notify FTA of any resulting changes.

- d. Take the necessary steps to ensure that future iterations of the State Transit Plan shall adopt a service-led planning approach that aligns with the California State Rail Plan.
 - e. Begin the process of developing design guidance for transit infrastructure on the state highway system, as well as standard plans and standard specifications, policy, and procedures to permit transit infrastructure on the state highway system. These materials shall be completed and included in relevant program guidance, permitting manuals, and other department documentation within one year.
 - f. Report to CalSTA how recent changes to the California Environmental Quality Act (CEQA) , including but not limited to, Senate Bill 71 (Chapter 742, Statutes of 2025), will be used to expedite transit projects in consultation with local partners
 - g. Establish a Statewide Active Transportation Delivery Support Team to support local and regional agencies in the timely implementation of Active Transportation Program (ATP) projects funded with state resources. The team shall provide technical assistance and project delivery support, including assistance with project development and construction delivery, help coordinate related projects, and, where feasible, partner with local and regional agencies to provide additional project delivery capacity.
2. In order to provide transparency and equitable access to State transit and passenger rail funding, Caltrans is directed to create real time dashboards that track the status of all available funding programs, including but not limited to, number of applications per cycle, number of awards per cycle, application totals versus available funds per grant type, time to process contracts following award, time to process invoices for reimbursement, and additional relevant performance measures as grant funding is consolidated into a system of record.
 3. Caltrans is directed to implement recommendations documented in the 2025 Transit Transformation Task Force Report to formalize the California Integrated Mobility Program through the following actions:
 - a. Explore opportunities to support regions that reprogram Federal Highway Administration (FHWA) formula funds for transit uses as allowable by law, including by matching state share dollars where available and appropriate.
 - b. Take steps to automate Transportation Development Act and National Transit Database reporting for rural and small agencies.
 - c. Identify and implement measures to reduce the timelines for distribution of funds wherever feasible, and, where practicable, lift limits imposed on use of funds, such as allowing use for both operating and capital expenses, and providing pre-award authority for federal funds where allowed.
 - d. Begin the process of obtaining a National Environmental Protection Act (NEPA) assignment from the U.S. Department of Transportation and Federal Transit Administration (FTA), in order to

expedite the delivery of transit and commuter rail projects, subject to applicable federal law.

- e. Provide technical assistance to local agencies, where feasible, with the implementation of Bus Rapid Transit (BRT) / Bus Only lanes and associated infrastructure on the state highway system and assist with the planning, engineering and implementation where possible via the cooperative agreement process.
 - f. In coordination with the Department of General Services, create an implementation plan for the creation of a centralized, digital real property asset management system and fully digitize its real estate holdings, inventory buildings and their state of repair.
 - g. Identify updates to its existing exception policy around the use of Caltrans airspace to authorize transit and passenger rail operators to store zero-emission vehicles and develop refueling and charging infrastructure on operator-controlled land located beneath or adjacent to Caltrans facilities where vehicles are already being stored, where consistent with state policy and safety and operational requirements.
 - h. In consultation with the California Transportation Commission (CTC), provide guidance to toll operators on how to prioritize excess toll revenues for unmet transit operational and capital needs, including future managed lane facilities, in accordance with state and federal law. For managed lane facilities planned by Caltrans, Caltrans shall consider ways to prioritize excess revenue to support transit within the corridor where feasible.
 - i. Initiate an update to the state Manual of Uniform Traffic Control Devices (MUTCD) to address transit infrastructure, including but not limited to, transit signal priority and bus lanes. Caltrans shall also seek any necessary approvals for such updates from relevant federal agencies.
 - j. In consultation with the Department of Housing and Community Development and CTC, develop funding criteria that prioritize funding to, and award processing for, transit projects located in a jurisdiction with a Pro-Housing Designation.
4. CalSTA shall identify and implement opportunities to leverage CHSRA's Federal Railroad Administration (FRA) NEPA Delegation. The Agency shall work with the Caltrans Division of Rail to identify which projects could leverage said delegation from the project list within the State Rail Plan, and where possible, undertake programmatic environmental review to eliminate barriers to project delivery and funding caused by lack of, or delays to, NEPA clearance.
5. CalSTA, in coordination with Caltrans and the CTC, shall update state funding program guidelines to incentivize the delivery of transit priority infrastructure and first- and last-mile connectivity including, but not limited to, Solutions for Congested Corridor Program (SCCP), the Active Transportation Program (ATP), Local Partnership Program (LPP), and Transit and Intercity Rail Capital Program (TIRCP). Caltrans shall also identify

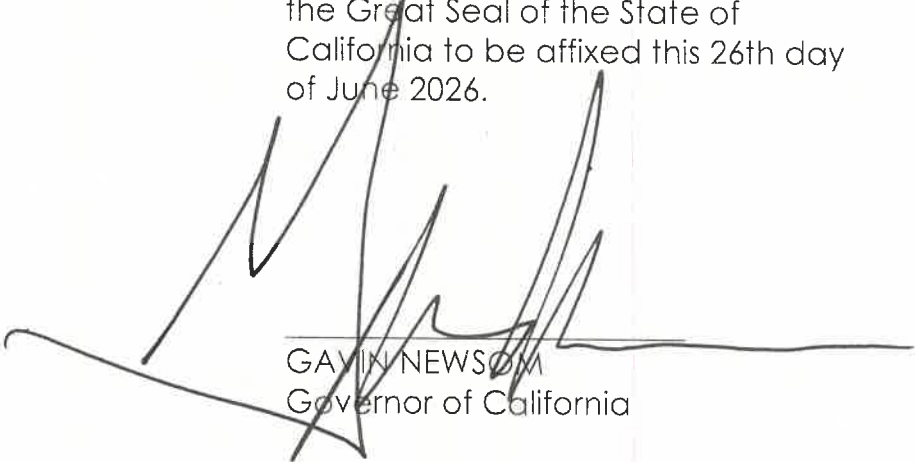
federal funding programs that will support transit priority and first and last-mile connectivity efforts.

6. Caltrans, through the California Integrated Travel Project (Cal-ITP), is directed to publish guidelines for consistent transit and passenger rail data availability, implementing standards that allow for efficient integration between systems and ensuring that consistent information is available to the public. To that end, Caltrans, via the California Integrated Mobility Program, in partnership with Caltrans IT, is directed to implement a Customer Relationship Management system to manage grant availability, grant application, grant management and information campaigns so that grantees receive streamlined, coordinated communications from a single source.

I FURTHER DIRECT that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have
hereunto set my hand and caused
the Great Seal of the State of
California to be affixed this 26th day
of June 2026.



GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY N. WEBER, PH. D
Secretary of State