

Senate Budget and Fiscal Review—Scott Wiener, Chair

SUBCOMMITTEE NO. 5

Agenda

Senator Laura Richardson, Chair
Senator María Elena Durazo
Senator Kelly Seyarto
Senator Aisha Wahab



Tuesday, June 10, 2025
State Capitol – Room 112
8:00 a.m.

Consultant: Eunice Roh
Part C - Transportation
Vote-Only Calendar

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Public Comment

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4-0: Issues 1, 3, 4, 7, 8, 10, 12, 15, 18, 20-23, 25-28, 32-35, and 37

3-1: Issues 2, 5, 6, 9, 13, 14, 16, 17, 29-31, 36, 38, and 39

3-0: Issues 11, 19, and 24

Vote-Only Calendar**0521 CALIFORNIA STATE TRANSPORTATION AGENCY****Issue 1-3: Various Proposals**

<u>Issue #</u>	<u>Origin</u>	<u>Subject</u>	<u>Staff Recommendation</u>
1.	January Governor's Budget	California Office of Traffic Safety Federal Fund Authority. The Budget includes an increase of federal authority of \$40 million for the Office of Traffic Safety (OTS) to align with expected available federal funding. In addition, the OTS requests provisional budget bill language to allow traffic safety grant funding to be transferred between items.	Approve as budgeted.
2.	January Governor's Budget	California State Transportation Agency Freight Policy Team. The Budget includes \$603,000 ongoing from the State Highway Account, Motor Vehicle Account, and Public Transportation Account to convert three limited-term positions to permanent for the Freight Policy Team, to manage oversight and coordination of freight policy across the state.	Approve as budgeted.
3.	May Revision	California Office of Traffic Safety Federal Grants Workload. The May Revision includes \$871,000 (\$801,000 in Federal Fund and \$70,000 in various State Funds), three 3-year limited-term positions (without position authority), and three permanent positions for 2025-26 and ongoing for the Office of Traffic Safety at CalSTA. These resources will support the increase in workload related to additional federal grants issued to OTS by the National Highway Traffic Safety Administration.	Approve as budgeted.

2660 CALIFORNIA DEPARTMENT OF TRANSPORTATION

Issues 4-14: Various Proposals

<u>Issue #</u>	<u>Origin</u>	<u>Subject</u>	<u>Staff Recommendation</u>
4.	January Governor's Budget	Enterprise Data Governance Technology Solution. The Budget includes \$9.7 million in 2025-26 from the State Highway Account (SHA) for consulting services, equipment, and software to implement the enterprise data governance technology solution.	Approve as budgeted.
5.	January Governor's Budget	FI\$Cal Onboarding Planning. The Budget includes \$13.5 million one-time in 2025-26 to support the transition and onboarding to the Financial Information System for California (FI\$Cal) System.	Approve as budgeted.

6.	January Governor's Budget	<p>Implementation of Recently Enacted Legislation. The Governor's Budget includes \$5.3 million ongoing from the State Highway Account (SHA) for 20 positions to implement AB 2086, AB 2525, SB 960, and SB 1488. Specifically, it includes the following:</p> <ul style="list-style-type: none"> • AB 2086: \$1 million ongoing for three positions and website maintenance to integrate a financial element into the California Transportation Plan, add additional project-specific performance data on projects to the Rebuilding California Website. • AB 2525: \$190,000 ongoing for one position in Caltrans District 7 to expand the existing airspace lease program to include an emergency shelter or feeding program, a secure vehicle lot program, or any combination of those purposes with the City of Los Angeles. • SB 960: \$4 million ongoing for 15 positions to establish a new transit priority policy, design and operational guidance, and a framework for the development of performance targets and measures for transit priority facilities on the state highway system; establish an inventory program for the development of appropriate performance targets and measures for bike and pedestrian facilities that contributes to complete streets; developing guidance for conducting and documenting equitable engagement on projects with bike and pedestrian facilities; and establish a project intake, evaluation, and review process for bike, pedestrian, and transit priority facilities, sponsored by a local jurisdiction or transit agency. • SB 1488: \$150,000 ongoing for one position to support the increased frequency of sponsorship marketing plan submissions, address potential need for increased field enforcement and resolution of compliance challenges, as well as advocating for these displays with the Federal Highway Administration. 	Approve as budgeted.
7.	January Governor's Budget	<p>Stormwater Asset Management. The Budget includes \$35.2 million in 2025-26 and \$34.9 million in 2026-27 from the State Highway Account to perform inspections, maintenance, and repairs to its Stormwater Treatment Best Management Practices (TBMPs) as well as track their conditions and effectiveness in removing pollutants from highway runoff.</p>	Approve as budgeted.

8.	January Governor's Budget	Transportation System Network Replacement. The Budget includes \$2.2 million in 2025-26 and \$2.5 million in 2026-27 and ongoing to maintain and operate the Transportation System Network Replacement (TSNR). The Transportation System Network (TSN) is a safety data system that collects collision data, highway inventory, traffic volumes, and other roadway data. Currently, the Caltrans TSN only includes data from the State Highway System (SHS). However, the federal government requires states to collect roadway inventory information for all public roads, and not just on the SHS. As a result, Caltrans has begun developing and planning a replacement for the TSN, beginning in 2021-22. This request includes five positions as well as ongoing maintenance and operations costs.	Approve as budgeted.
9.	January Governor's Budget	Clean California Community Cleanup and Employment Pathways Grant Program. The Governor proposes \$25 million from the General Fund on a one time basis in 2025 26 to establish a new Clean California Community Cleanup and Employment Pathways Grant Program. The program would offer competitive grants to local governments and federally recognized tribal governments for litter abatement efforts. As opposed to the previous Clean California Local Grant Program, this new program would focus exclusively on local litter abatement and would not support infrastructure related beautification projects. The program would prioritize funding for (1) projects that create employment pathways, such as those involving partnerships with workforce development organizations, and (2) communities that are designated as Clean California Communities or are actively working toward this designation.	Approve as budgeted.
10.	January Governor's Budget	Capital Outlay Support Transfer Authority Trailer Bill Language. The department's proposed trailer bill language seeks to remove the existing uncertainty by adding language that DOF can "increase or decrease funding appropriated to [Caltrans'] capital outlay support program using items from both the annual Budget Act and any other appropriation provided the combined adjustments total \$0." The proposal also would maintain the requirement to notify JLBC of any adjustments DOF authorizes. The administration indicates this proposal is intended as technical "cleanup" to clarify authority for its longstanding practice and is not intending to request new or expanded abilities.	Approve amended trailer bill language that specifies adjustments can only be made in the COS program.

11.	May Revision	Intercity Passenger Rail Program Equipment Maintenance and Overhaul. The May Revision includes \$27.7 million from the Public Transportation Account in 2025-26 for the maintenance and overhaul of passenger rail equipment. This request funds projects to address normal wear-and-tear, ensure passenger safety, meet federal safety standards, and maintain equipment in good repair to extend its useful life.	Approve as budgeted.
12.	May Revision	<p>Technical Adjustments. The May Revision includes the following technical adjustments:</p> <ul style="list-style-type: none"> • Decrease Item 2660-001-0042 by \$100,711,000 ongoing. This reduction is necessary to achieve a net-zero fund shift of expenditures from the State Highway Account (with a corresponding increase to a non-budget act item from the Road Maintenance and Rehabilitation Account) to help maintain a minimum fund balance reserve in the State Highway Account. • Increase reimbursements to Item 2660-001-0042 by \$867,000 in 2025-26 and 2026-27 to accommodate the Motor Carrier Safety Assistance Program federal grant, which promotes safe commercial motor vehicle enforcement. The grant was awarded to the California Highway Patrol, which is coordinating with Caltrans, which will perform the workload associated with this grant. • Increase Item 2660-001-0890 by \$42,957,000 in 2025-26, \$30,645,000 in 2026-27, \$12,802,000 in 2027-28, \$9.04 million in 2028-29, and \$9 million in 2029-30 and ongoing to accommodate various federal grants awarded to Caltrans. • Add Item 2660-490 to reappropriate up to \$6 million from Item 2660-001-0042, Budget Act of 2024, for FI\$Cal Onboarding costs. 	Approve as budgeted.

13.	May Revision	Los Angeles Olympics Transportation Network. The May Revision includes \$17.6 million from the State Highway Account in 2025-26 to plan and design a transportation network that supports the Los Angeles 2028 Olympics and Paralympics Games. During the Games, athletes, coaches, officials, and other key Games stakeholders will be moved to venues through a dedicated transport system. These stakeholders will use the Games Route Network (GRN), which is a network of dedicated lanes on relevant freeways and surface streets that connect sports competition venues to the Olympic and Paralympic Village, International Broadcast Center, and training facilities. Caltrans requests 92 positions and \$7.2 million in operational expenses to plan, design, implement, operate and maintain this type of transportation network in preparation for the Olympic Games.	Approve as budgeted.
14.	May Revision	LA 2028 Olympics Streamlining Trailer Bill Language. The Administration proposes three trailer bills to “streamline” projects related to the LA 2028 Olympics. It proposes to provide Caltrans and local entities the authority to repurpose certain highway lanes for the Games Route Network.	Approve placeholder trailer bill language.

2665 HIGH-SPEED RAIL AUTHORITY

Issues 15-17: Various Proposals

<u>Issue #</u>	<u>Origin</u>	<u>Subject</u>	<u>Staff Recommendation</u>
15.	January Governor's Budget	California High-Speed Rail Authority Office of Inspector General Reimbursement Authority. The Budget includes \$113,000 from the High-Speed Passenger Train Bond Fund reimbursement authority in 2025-26 and ongoing for High Speed Rail Authority's costs associated with administrative services on behalf of the independent Office of Inspector General, California High-Speed Rail (HSR-OIG). Given the size of HSR-OIG, certain administrative services are more cost-effective to be handled by the Authority. These types of services include business services and mail services; human resources technical support; budgeting technical support; accounting services; and information technology services. This reimbursement authority will allow the Authority to provide ongoing support for the HSR-OIG administrative functions. These services will be reimbursed at an hourly rate when services are rendered, which will be significantly more cost effective than if the HSR-OIG were to obtain the staffing required for all the administrative services required for the operations of the HSR-OIG.	Approve as budgeted.
16.	January Governor's Budget	National Environmental Policy Act (NEPA) Assignment Support. The Budget includes \$2.5 million ongoing from the High-Speed Passenger Train Bond Funds (Proposition 1A) and associated reimbursement authority for 13 positions and costs associated with the renewed National Environmental Policy Act (NEPA) Assignment Memorandum of Understanding (MOU) executed with the Federal Railroad Administration (FRA) on July 22, 2024.	Approve as budgeted.

17.	January Governor's Budget	Operational Technology and Data Integration. The Budget includes \$1.2 million in 2025-26 and \$1.8 million in 2026-27 and ongoing from the High-Speed Passenger Train Bond Funds for eight positions to design the frameworks and identify the standards essential for the implementation, integration, and security of the technology required to establish train operations in the Central Valley between 2030 and 2033.	Approve as budgeted.
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2667 HIGH-SPEED RAIL AUTHORITY, OFFICE OF INSPECTOR GENERAL

Issues 18-19: Various Proposals

<u>Issue #</u>	<u>Origin</u>	<u>Subject</u>	<u>Staff Recommendation</u>
18.	January Governor's Budget	Continuing Establishment of the Office of Inspector General, High Speed Rail. The Budget includes \$1.3 million in 2025-26 and \$338,000 in 2026-27 and ongoing from the Public Transportation Account to continue the establishment of the Office of Inspector General, High Speed Rail (OIG-HSR).	Approve as budgeted.
19.	Legislative Proposal	Classification Authority Trailer Bill Language. The Legislature proposes trailer bill language that adds Section 187024(b) to the Public Utilities Code to allow OIG-HSR to match classifications and compensation of other state agencies performing similar work.	Approve trailer bill language.

2670 BOARD OF PILOT COMMISSIONERS FOR THE BAYS OF SAN FRANCISCO, SAN PABLO, AND SUISUN**Issues 20: Various Proposals**

<u>Issue #</u>	<u>Origin</u>	<u>Subject</u>	<u>Staff Recommendation</u>
20.	May Revision	Board of Pilot Commissioners' Business Modernization. The May Revision includes \$2.1 million in 2025-26, \$229,448 in 2026-27, and \$117,000 2027-28 and ongoing from the Board of Pilot Commissioners Special Fund. Of this amount, \$201,000 will be available to the BPC to continue the planning phase of a project that will automate many of the Board's manual processes to enhance operational efficiency, streamline business processes, and improve data accessibility and security. It is also requested that provisional language be added to make \$1.9 million of amount will be contingent upon all four stages of the California Department of Technology (CDT)'s Project Approval Lifecycle (PAL) process being completed.	Approve as budgeted.

2720 CALIFORNIA HIGHWAY PATROL**Issues 21-28: Various Proposals**

<u>Issue #</u>	<u>Origin</u>	<u>Subject</u>	<u>Staff Recommendation</u>
21.	January Governor's Budget	Cannabis Tax Fund Program Staffing. The Budget includes position authority for one Associate Government Program Analyst (AGPA) position to provide administrative support to the Cannabis Tax Fund Program at the CHP.	Approve as budgeted.
22.	January Governor's Budget	Security at State Capitol Swing Space, Annex, and Visitor Center. The Budget includes \$8 million from the Motor Vehicle Account for overtime work in the Capitol Protection Section to provide protection and security at the State Capitol Swing Space and the new State Capitol Annex and Visitor Center. The CHP is required to provide 24-hour safety and security for the State Capitol, New Capitol Annex, the State Capitol Swing Space, the Legislature, Executive Branch, staff, and visitors of the State Capitol. Due to the expansion of the State Capitol Complex, it has become necessary to use overtime for staffing mandatory security posts. The CHP has incurred \$7.2 million in overtime costs in 2023-24.	Approve as budgeted.

23.	January Governor's Budget	<p>Capital Outlay Projects. The Governor's Budget includes the following capital outlay proposals:</p> <ul style="list-style-type: none"> • Reappropriate Acquisition for Five California Highway Patrol Area Office Replacement Projects. CHP requests to reappropriate \$9.1 million General Fund for the acquisition phase of five area office replacement projects in the following locations: Redding, Los Banos, Porterville, Antelope Valley, and Barstow. Additional time is needed due to the challenging nature of acquiring appropriate parcels for CHP area offices. Specifically, CHP requires approximately five acre parcels of land that have appropriate freeway access, unhindered by rail crossings, have sufficient telecommunications connectivity, and have adequate site safety. • Statewide: Advanced Planning and Site Identification. CHP requests \$1 million Motor Vehicle Account to identify suitable parcels for replacing up to three additional area offices and to develop studies for those sites. CHP has aging infrastructure that is often space deficient and rates poorly for seismic safety. However, replacing and/or reconstructing area offices is frequently a time-intensive endeavor, given the specific needs of the CHP for their area offices. As such, this initial funding will allow the department to streamline the facility replacement program to continue updating CHP offices to modern day needs. 	Approve the reappropriation and reject the statewide advanced planning and site identification.
24.	January Governor's Budget	<p>Child Sexual Abuse Investigations. The Governor's Budget includes \$5 million ongoing from the General Fund for twelve positions in the Computer Crimes Investigation Unit to assist in combatting child sexual abuse material and human trafficking in the state. Specifically, CHP requests twelve positions: one sergeant, nine officers, one Information Technology Specialist I, and one Information Technology Specialist II.</p>	Approve \$3 million ongoing for CHP, shift \$2 million ongoing for OES' Internet Crimes Against Children (ICAC), and amend budget bill language.

25.	May Revision	California Crash Data System Modernization Program. The May Revision includes \$3.5 million from the Federal Trust Fund in 2025-26, one-time, to begin the planning phase of the CalCrash IT project that will automatically capture statewide crash data and send it to the National Highway Traffic Safety Administration and replace the manual data entry process currently conducted by CHP. It is also requested that provisional language be added to allow the Department of Finance to augment the item up to \$9.9 million, contingent upon all four stages of the CDT's PAL process being completed in 2025-26.	Approve as budgeted.
26.	May Revision	Increase in Federal Spending Authority. The May Revision includes \$13.4 million from the Federal Trust Fund in 2025-26 and 2026-27 for Motor Carrier Safety Administration Grants to provide additional federal resources for commercial vehicle traffic enforcement, including inspections and hazardous materials oversight.	Approve as budgeted.
27.	May Revision	Highway Violence Task Force. The May Revision includes \$4.9 million from the Motor Vehicle Account in 2025-26, one-time, for a one-year extension of the Highway Violence Task Force. Funding is used for investigative and enforcement equipment, training, investigative technology needs, and operational expenses that focus on violent crimes occurring on freeways.	Approve as budgeted.
28.	May Revision	<p>Capital Outlay Projects. The May Revision includes the following proposals regarding various CHP projects:</p> <ul style="list-style-type: none"> • Lease Revenue Debt Service Adjustments. The May Revision shifts \$7 million in lease revenue debt service payments on the Hayward Area Office Replacement and the El Centro Area Office Replacement projects from the Motor Vehicle Account to the General Fund. • Revert and Fund New, Performance Criteria. The May Revision reverts \$11 million in prior appropriations from the Public Building Construction Fund and proposes new funding of \$13.3 million from the Public Building Construction Fund, for a net increase of \$2.3 million to fund the performance criteria phase of the Area Office Replacement projects in Redding, Los Banos, Antelope Valley, Barstow, and Porterville. 	Approve as budgeted.

		<ul style="list-style-type: none">• Supplemental Appropriation, Acquisition. The May Revision includes \$4.4 million from the General Fund for the acquisition phase of the Humboldt Area Office Replacement (\$3.1 million) and Los Banos Area Office Replacement (\$1.3 million) projects.• Enhanced Radio System: Replace Towers and Vaults (Leviathan Peak). The May Revision includes \$9.3 million one-time General Fund, reversion of \$5.8 million General Fund of existing authority, resulting in a net increase of \$3.4 million General Fund for the construction phase of this project.	
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2740 DEPARTMENT OF MOTOR VEHICLES**Issues 29-38: Various Proposals**

<u>Issue #</u>	<u>Origin</u>	<u>Subject</u>	<u>Staff Recommendation</u>
29.	January Governor's Budget	Delay of Implementation of AB 3 (2021) Trailer Bill Language. The Budget includes trailer bill language that would delay the implementation of AB 3 until July 1, 2029.	Approve placeholder trailer bill language.
30.	May Revision	Chapter 298, Statutes of 2019 (SB 210) – Heavy-Duty Vehicle Inspection & Maintenance Program. The May Revision includes \$4.9 million and 19.4 positions in fiscal year 2025-26 and \$3.5 million and 19.4 positions in 2026-27 and ongoing from the Truck Emission Check Fund to continue an existing IT project that will allow DMV to withhold registration from heavy-duty vehicles that fail to establish emission compliance.	Approve as budgeted.
31.	May Revision	Chapter 314, Statutes of 2021 (AB 796) – Voter Registration: California New Motor Voter Program. The May Revision includes \$2 million ongoing from the General Fund to continue the maintenance and operation of an Information Technology (IT) project that will capture voter registration information from incomplete DMV transactions and transmit it to the Secretary of State as required by AB 796.	Approve as budgeted.
32.	May Revision	Digital eXperience Platform (DXP) Project. The May Revision includes \$53.1 million one-time from the Motor Vehicle Account in 2025-26 to complete the vehicle registration phase of the DXP project, an IT effort that will replace DMV's software and hardware for vehicle registration functions. It is also requested that provisional language be added to make the \$53,107,000 available to complete the vehicle registration phase of the project, but contingent upon approval of the appropriate project documents by the California Department of Technology.	Approve as budgeted.

33.	May Revision	<p>State-to-State Verification System (S2S) Project. The May Revision includes \$10 million one-time from the Motor Vehicle Account in 2025-26 to begin the planning phase of the S2S project, which allows DMV to upload its driver license and identification card data to the American Association of Motor Vehicle Administrators electronic verification and history exchange. This is required to prevent identification fraud and maintain REAL ID compliance with the federal Department of Homeland Security. Without it, the Department of Homeland Security might not allow California's REAL IDs to be used to board domestic flights or enter specified federal facilities. It is also requested that provisional language be added to make \$8.9 million of this amount available to begin the IT project, but contingent upon all four stages of the California Department of Technology's Project Approval Lifecycle process being completed in 2025-26.</p> <p>In addition, the administration has indicated there is an associated trailer bill proposal. However, neither the budget change proposal nor the trailer bill language proposal is publicly available at the time of writing.</p>	Reject without prejudice, given the budget change proposal and trailer bill language is not available at the time of voting.
34.	May Revision	<p>El Centro: Field Office Replacement – Reappropriation. The May Revision reappropriates \$2.7 million General Fund for the acquisition phase and \$2.5 million from the Public Buildings Construction Fund for the performance criteria phase of this project. While one site for the new office was selected in 2024, there is now an alternate site under consideration. The reappropriation is necessary to provide additional time to determine which of the two potential sites will better meet the needs of the department.</p>	Approve as budgeted.
35.	May Revision	<p>Statewide Ignition Interlock Device Pilot Program Extension Trailer Bill Language. The May Revision includes trailer bill language that extends the sunset date for the Statewide Ignition Interlock Device Pilot Program from January 1, 2026 to January 1, 2033. Chapter 783, Statutes of 2016 (SB 1046, Hill) created the current Statewide IID Pilot Program to evaluate the efficacy of IIDs as a post-licensing sanction for injury-involved DUI offenders and multiple DUI offenders. Non-injury alcohol-involved 1st offenders may have a court-ordered IID or, in the absence of a court order, an optional IID. The pilot began January 1, 2019, and will sunset on January 1, 2026.</p>	Defer to the legislative policy process.

36.	May Revision	Chapter 610, Statutes of 2021 (SB 287) Trailer Bill Language. The May Revision includes trailer bill language that delays implementation of SB 287 (Grove, Chapter 610, Statutes of 2022) from January 1, 2027, to January 1, 2029. Commencing January 1, 2027, SB 287 authorizes a driver to tow a 10,000 to 15,000-pound gooseneck trailer with a noncommercial Class C license for recreational purposes, provided they had successfully completed a knowledge exam.	Approve placeholder trailer bill language.
37.	May Revision	Chapter 952, Statutes of 2022 (AB 1800) Trailer Bill Language. The May Revision includes trailer bill language that eliminates the existing January 1, 2027, delayed operative date of AB 1800 (Low, Chapter 952, Statutes of 2022), and instead authorizes DMV and the National Marrow Donor Registry to establish an implementation timeline as part of the required memorandum of understanding.	Approve placeholder trailer bill language.
38.	May Revision	Digital Experience Platform Project Trailer Bill Language. The May Revision includes trailer bill language that reestablishes the \$1 Business Partner Automation (BPA) system improvement fee which ended on December 31, 2023, to January 1, 2029, when the DMV director determines that sufficient funds have been received. This fee is intended to collect the business partners' proportionate share of the department-wide system improvements.	Approve placeholder trailer bill language.

VARIOUS DEPARTMENTS**Issues 39: Transit Agencies Loan**

<u>Issue #</u>	<u>Origin</u>	<u>Subject</u>	<u>Staff Recommendation</u>
39.	Legislative Proposal	Transit Agencies Loan. The Legislature proposes to make available General Fund loans that total no more than \$750 million loan to local entities for operating expenditures to maintain transit services.	Conform to actions taken in Subcommittee #4.