



Mark Tollefson, CalSTA Undersecretary  
Senate Budget Committee  
February 6, 2025





# SB 125 Fund Overview

- SB 125 guides the distribution of \$5.1 billion in General Fund + GGRF
- Funds can be used flexibly to support transit operations or priority capital improvements
  - Intent was to provide one-time multiyear bridge funding for transit operators to address operational costs until long-term transit sustainability solutions are identified
- \$4 billion through Transit and Intercity Rail Capital Program (TIRCP) available in fiscal years 2023-24, 2024-25, and 2025-26 on a population-based formula to regional transportation planning agencies
- \$1.1 billion through Zero Emission Transit Capital Program (ZETCP) available in fiscal years 2023-24; 2024-25; 2026-27; 2027-28

# COMPETITIVE TIRCP PROJECTS



January 2023



April 2023



July 2023: Grade Separation projects



October 2024



Since 2015:  
Total \$11.5B and  
153 projects awarded

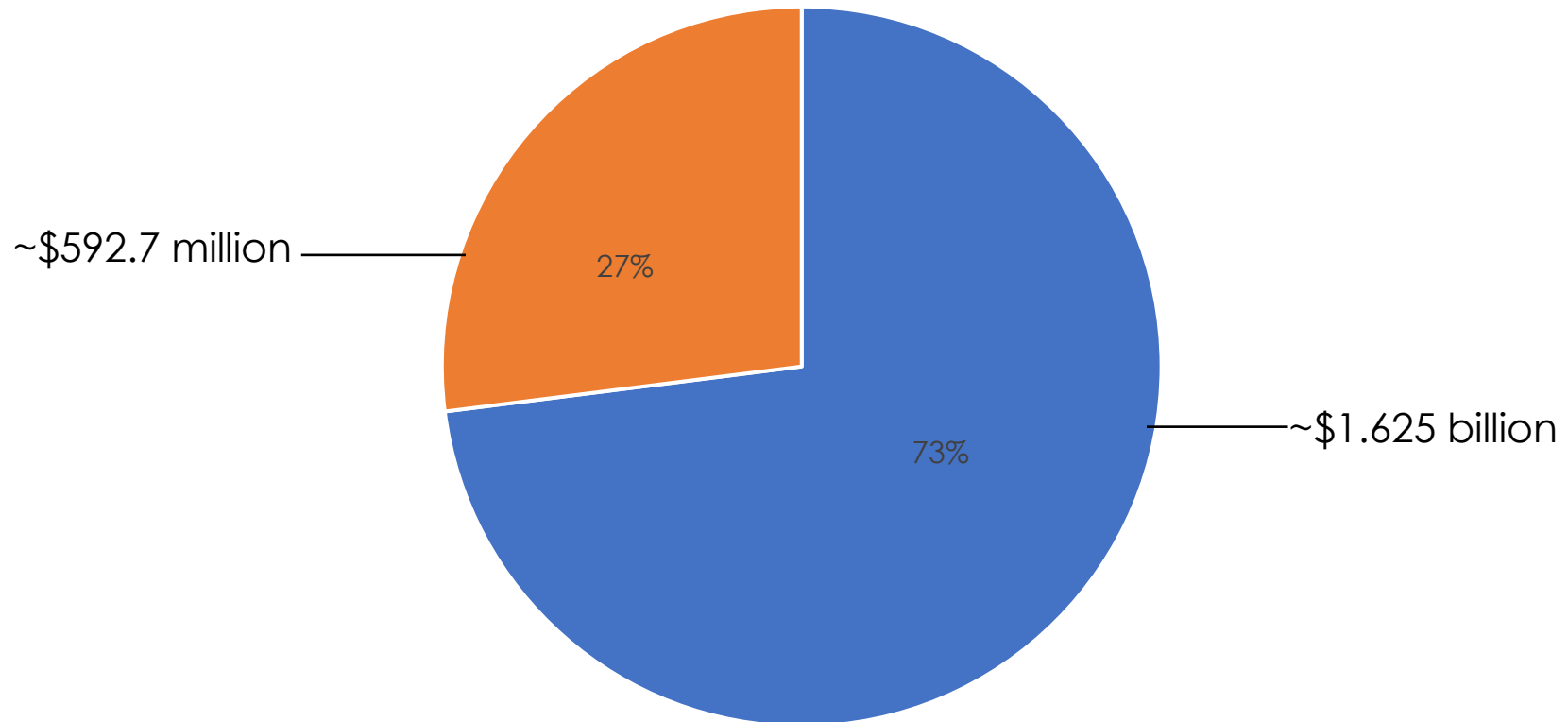




# SB 125 Disbursements to Date

>93% of the first tranche of funding has been approved

Approvals to Date



■ Capital ■ Operations



# Remaining Funding

- 45 out of 49 agencies requested initial allocations
- 40 out of these 45 have received approval. Remaining 5 agencies are expected to receive approval imminently
- Remaining funds represents ~7% of total



# Upcoming Milestones

- Final guidelines governing the funding for FY 2024-25 released 1/10/2025
- Updated allocation summaries and first annual report due by 2/28/2025
- FY 2024-25 funding will be approved no later than 4/30/2025
- Next iteration of the guidelines is due by 9/30/2025
- Updated guidelines may include a template, or other technical assistance, outlining the requirements for the required long-term financial plan



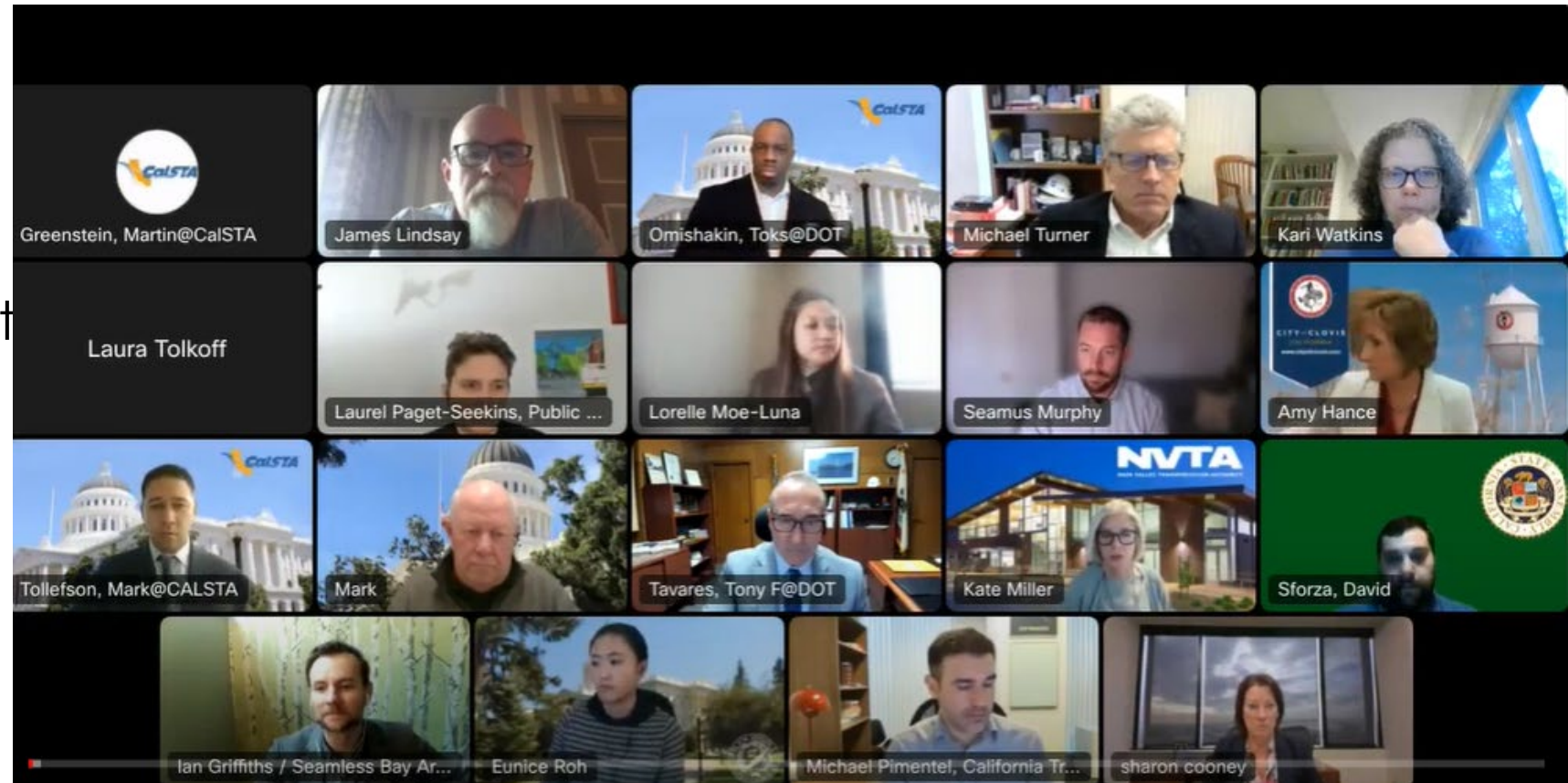
# Long-Term Financial Plan Requirement

- Long-term plans are due by 6/30/2026
- Plans must address the strategy to sustain each region's transit operations absent additional funding
- Plans must demonstrate ridership retention and recovery strategies
- Plans must include a five-year forecast of operating funding requirements with detail on all sources of funding for proposed operations



# SB125 Accountability – Transit Transformation Task Force

- Sec. Omishakin appointed 25 members
- Transit Agencies
- State Government
- Local Agencies
- Advocates
- Academia
- Labor







# Transit Transformation Task Force Content

## Senate Bill 125 requirement

**1.f.1a:** Service and fare coordination or integration between transit agencies

Content  
discussion

TTTF #4

**1.f.1b:** Coordinated scheduling, mapping, and wayfinding between transit agencies

TTTF #4

**1.f.1c:** Providing a safe and clean ride for passengers and operators

TTTF #4

**1.f.1d:** Increasing the frequency and reliability through strategies such as the sharing of real-time transit information, service alert data and transit prioritization on roads

TTTF #4

**1.f.1e:** Strategies to provide first- and last-mile access to transit

TTTF #6

**1.f.1f:** Strategies to achieve fleet and asset management goals and needs including funding approaches

TTTF #7

**1.f.2:** Changes to land use, housing, and pricing policies that could improve public transit use

TTTF #6

**1.f.3:** Strategies to address workforce recruitment, retention, and development challenges

TTTF #5

**1.f.4:** Reforming the Transportation Development Act such as replacing the fare box recovery ratios and efficiency criteria with performance metrics that better measure transit operations

TTTF #5

**1.f.5:** Identification of the appropriate state department or agency to be responsible for transit system oversight and reporting

TTTF #7

**1.f.6:** New options for revenue sources to fund transit operations and capital projects to meet necessary future growth of transit systems for the next 10 years

TTTF #7

**1.f.7:** The potential of transit-oriented development and value capture of property around transit stations as a source of sustainable revenue for transit operations

TTTF #6

**Additional:** Capital construction costs

TTTF #8

**Additional:** Accessible transportation, including Paratransit, Dial-a-ride, and transit needs of seniors/ persons with disabilities

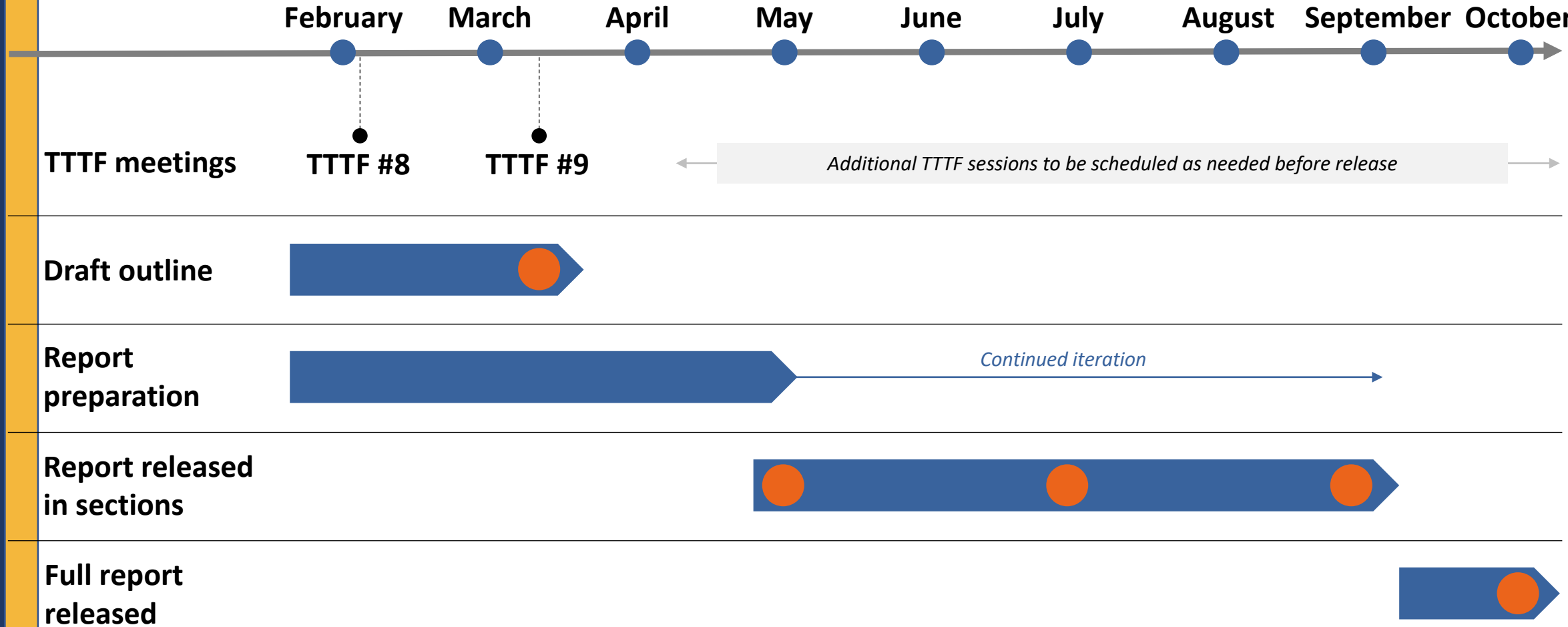
TTTF #9





# 2025 Workplan & Timelines

▶ Preparation    ● Indicative report milestones



A photograph of a bus stop with two buses and people waiting. The text is overlaid on the image.

# Report of Findings and Policy Recommendations due to the Legislature October 31, 2025