

Caltrain State and Federal Legislative Update

JPB Board Meeting
February 6, 2025



State

- **Executive Director Sacramento Trip Feb 4**
 - Met with members of the Caltrain State Delegation to discuss issues and priorities relevant to the agency
 - Met with relevant Committee Leadership to discuss transit issues in the Bay Area and the state as well as Caltrain priorities
 - Met with CalSTA Undersecretary to discuss Caltrain updates, issues and priorities



State

- **Legislative Update**

- Legislature reconvened for the continuation of the 2025-26 Regular Legislative Session on Jan 6
- Continuing to work with partners on Caltrain's regenerative braking issue
- Tracking SB 71 (Wiener) and SB 79 (Wiener)

- **Budget Update**

- On Jan 10, the full budget was released
- Improved fiscal outlook: \$322.3B proposed investment with modest surplus: \$363M; reserves: \$16.9B
- Status quo funding for formula-based programs such as TIRCP and ZETCP

- **EPA Waiver Requests Withdrawn**

- California withdrew the requests for waivers for the In-Use Locomotive Regulation and the Advanced Clean Fleet Regulation
- Further guidance is expected from CARB in the near future

State and Local Funding

- **SB 63 (Wiener) Intent language released:**
 - "It is the intent of the Legislature to enact legislation authorizing a revenue measure to invest in transportation, including to, at a minimum, sustain and improve public transportation, in the San Francisco Bay area. It is the further intent of the Legislature that the details of this authorizing legislation, including the specific geography of the measure, be based on continued stakeholder engagement and consensus building, building off of a robust regional engagement process led by the Metropolitan Transportation Commission in 2024."
- **MTC Polling results expected on Feb 14 at Legislative Committee**
- **Caltrain poll results also expected mid February**
- **State Budget Request**
 - Legislators urged to consider State budget request of \$2B over two years to support public transit across the state

Federal

- **New Administration in Office Jan 20**
 - President Trump has issued at least 45 Executive Orders.
- **Federal Government Funding Pause OMB Memo**
 - On Jan 27, OMB issued a memo implementing a pause on “all activities related to obligation or disbursement of all Federal financial assistance...”
 - On Jan 28, a federal judge halted the freeze, but the order would expire Feb. 3 at 5 pm
 - On Jan 29, the Administration rescinded the OMB memo but claimed EO's on federal funding remain in full force and effect
 - On Jan 31, a judge issued a temporary restraining order on implementation of funding freezes until further order of the court
- **Federal Workers Offered Payouts to Resign**
 - On Jan 28, the Administration offered ~2 million federal workers the option to resign but be paid through the end of Sept. with a deadline to decide by Feb. 6.

Federal

- **US DOT Memo**

- On Jan 29, US DOT issued a memo detailing that to the extent permitted by law, DOT supported/assisted programs & activities, including grants, loans, contracts, and State contracts, shall prioritize projects and goals that:
 - utilize user-pay models and direct funding to local opportunity zones;
 - mitigate impacts of DOT programs/policies/activities on families
 - give preference to communities with marriage and birth rates higher than the national average
 - prohibit recipients of DOT support or assistance from imposing vaccine and mask mandates;
 - and require local compliance or cooperation with Federal immigration enforcement and with other goals and objectives specified by the President or the Secretary.

- **Appropriations and Appointments**

- Continuing Resolution through March 14, 2025.
- Sean Duffy confirmed as Secretary of Transportation.
- Former Representative Marcus Molinaro nominated as FTA Administrator.

Federal

- **Caltrain Federal Funding**

- Caltrain currently has \$60.6M in federal funds that are allocated but not yet received. All of these funds concern capital projects.
- Caltrain is also depending on federal formula funds to fund the order of four EMUs that were purchased in August 2023 as options on the Stadler contract. Most of FY23 and FY24 funds have been expensed but Congress needs to approve budgets for future years including FY25 before funds are accessible.

Caltrain EMU TCP Funding (*\$ millions*)

UZA	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	TOTAL
SF-O			18.1	78.3	20.8	117.3
SJO	12.8	17.6	13.9	14.5		58.7
TOTAL	12.8	17.6	32.0	92.8	20.8	176.0

Federal-Related Documents

Jan 20 Executive Order 3418 –
Unleashing American Energy

Jan 27 OMB Memo M-25-13 –
Temporary Pause of Agency Grant, Loan, and Other Financial Assistance Programs

Jan 29 OMB Memo M-25-13 Rescission –
Rescission of M-25-13

Jan 29 DOT Memo –
Implementation of Executive Orders Addressing Energy, Climate Change, Diversity, and Gender

Jan 29 DOT Memo –
Ensuring Reliance upon Sound Economic Analysis in DOT Policies, Programs, and Activities

Jan 31 Court Order Restraining Funding Freeze –
State of New York et al. v Trump

Feb 3 DOJ Response to Court Order –
Defendants Notice of Compliance with Court's Temporary Restraining Order

Federal Advocates (Holland & Knight)

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