

Caltrain State and Federal Legislative Update

CITIZENS ADVISORY COMMITTEE
February 19, 2025
AGENDA ITEM 9



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- **EPA Waiver Requests Withdrawn**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

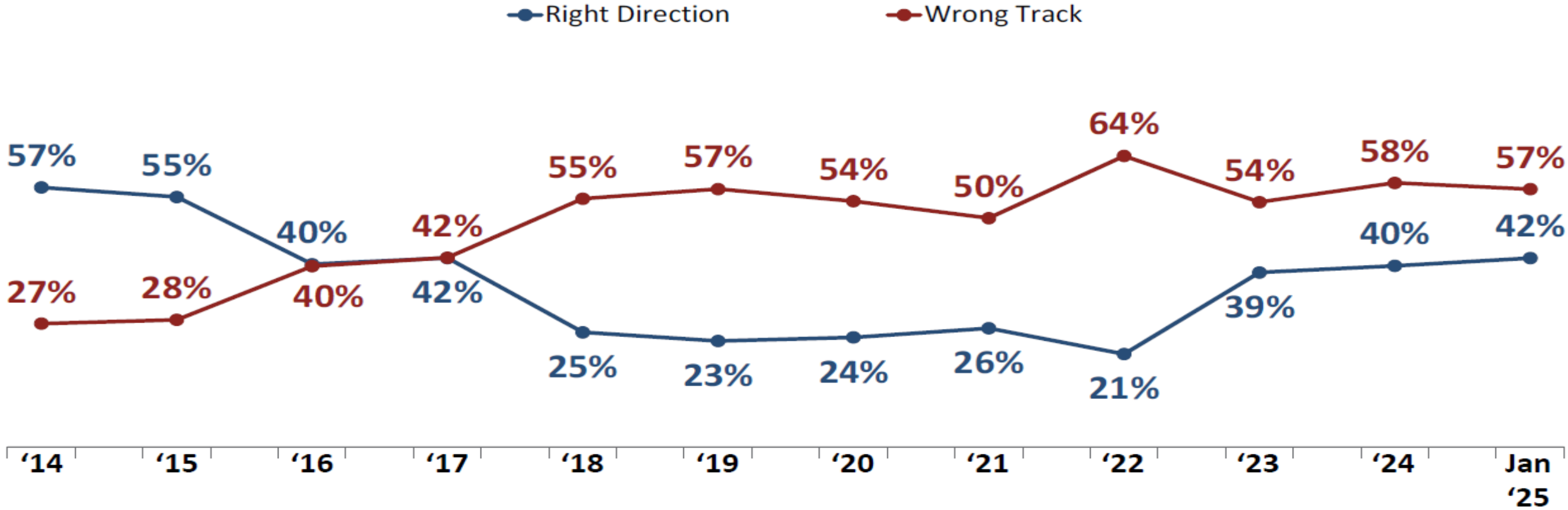
- **SB 63 (Wiener) Intent language released:**
 - "It is the intent of the Legislature to enact legislation authorizing a revenue measure to invest in transportation, including to, at a minimum, sustain and improve public transportation, in the San Francisco Bay area. It is the further intent of the 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 were delivered on Feb 14 at Legislative Committee**
- **Caltrain poll results also expected 2/26 AMP**
- **State Budget Request**
 - Legislators urged to consider State budget request of \$2B over two years to support public transit across the state

MTC Polling

Direction of the Bay Area – 9-County



While over half of Bay Area voters feel pessimistic about how things are going, optimism among has returned to pre-pandemic levels.



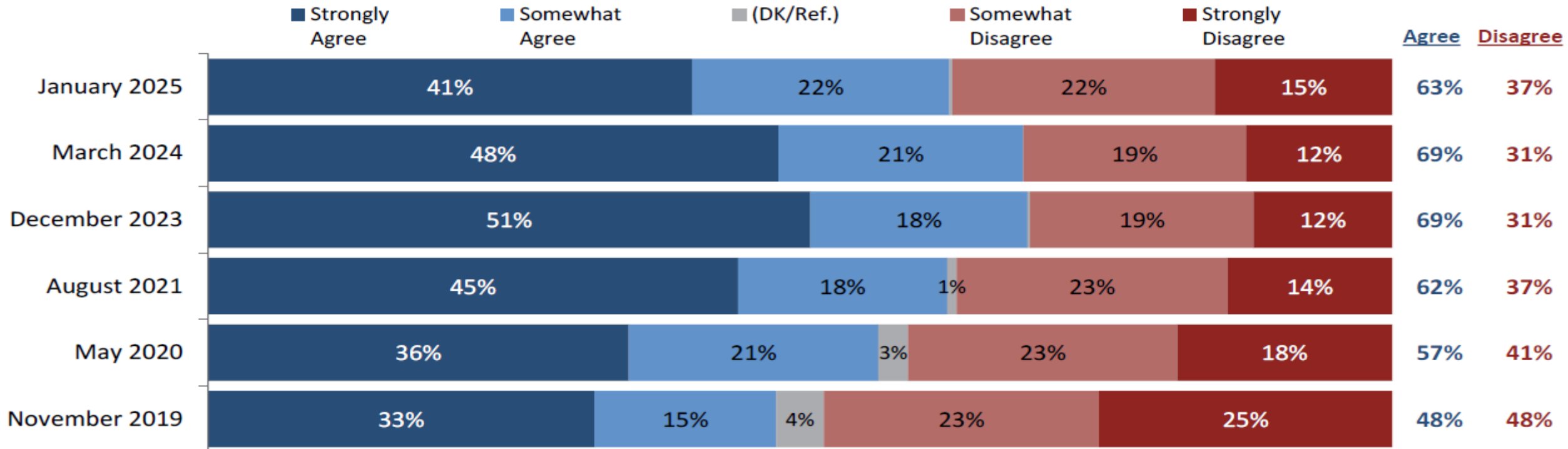
MTC Polling

Tax Sensitivity Over Time – 9-County



Tax aversion has declined somewhat since last year.

Taxes in the Bay Area are high enough, I will vote against any tax increase



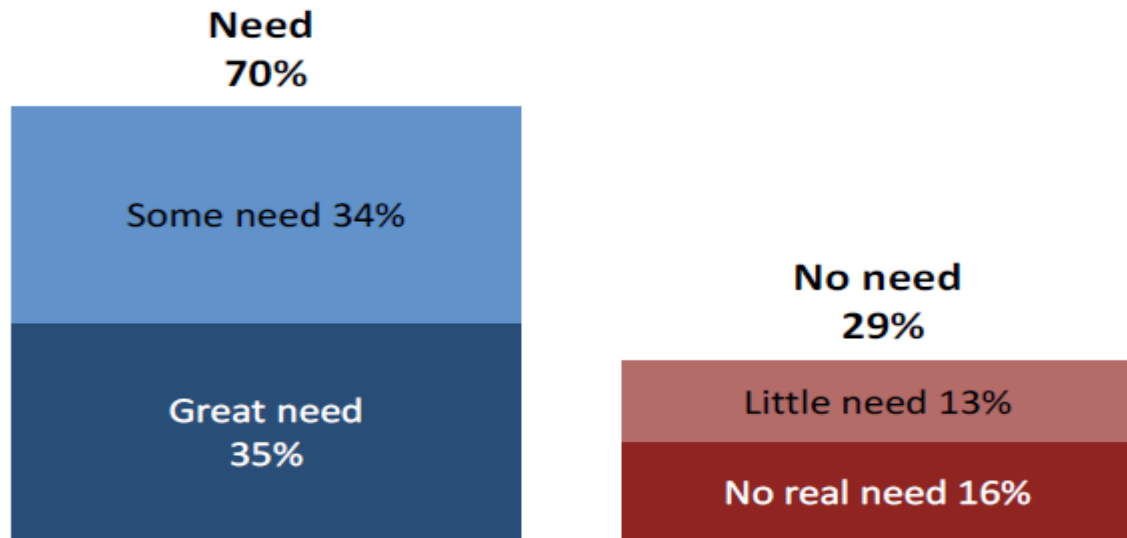
MTC Polling

Need for Transit Funding

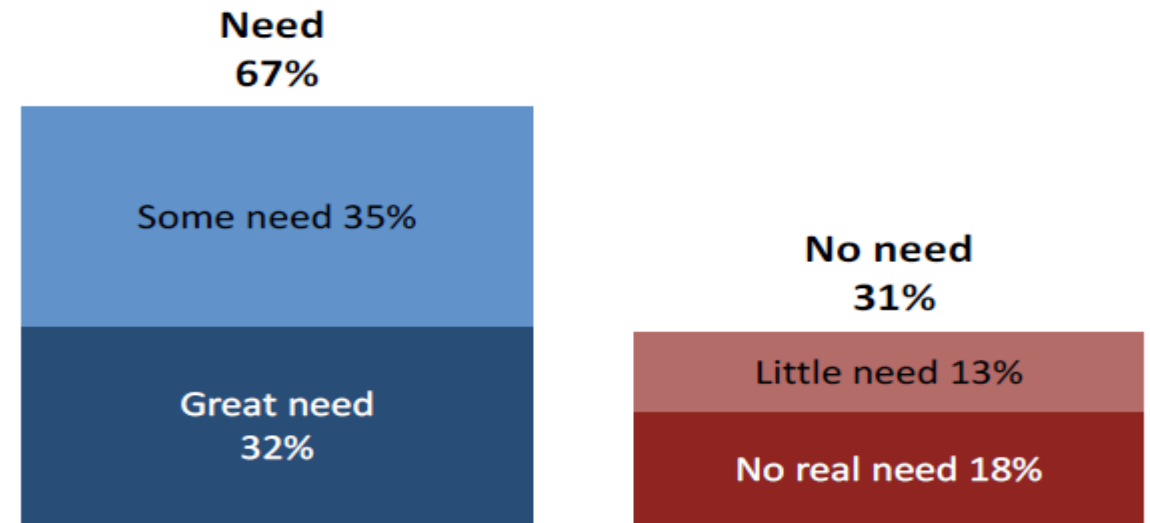
Awareness of funding needs is high, although not intense.

Would you say that public transit in the Bay Area has a great need for more money, some need for more money, little need for more money, or no real need for more money?

4-County



9-County



MoE ranges from ±2.4 to ±2.7 Q7.

MTC Polling

Likely November 2026 voters, conducted January 14-30, 2025

Multimodal: live telephone interviewing and email/text invitations to an online survey

Three-way split-sample methodology

Available in English, Spanish, and Chinese

1A: 1/2 Cent Sales Tax - 4-County

(n=850, MoE ±3.4)

*To prevent increased traffic congestion; avoid major cuts to BART, Caltrain, AC Transit, Muni and other transit services; preserve transportation services for seniors/ persons with disabilities; address transit safety/ cleanliness; advance climate protection; reduce air pollution; prevent station closures; and maintain public transportation service for those who need it; shall the measure enacting a **½ cent sales tax for 10 years generating at least \$560,000,000 annually**, with required public audits and accountability/ transparency provisions, be adopted?*

Hybrid: 1/2 Cent + Parcel Taxes - 9-County

(n=1,350, MoE ±2.7)

*To prevent increased traffic congestion; maintain BART, Caltrain, AC Transit, Muni, and other transit services; preserve transportation services for seniors/ persons with disabilities; address transit safety/ cleanliness; advance climate protection; reduce air pollution; repair potholes/ sidewalks; upgrade highways; and enhance bike access; shall the measure enacting a **½ cent sales tax and \$0.09 per building square-foot parcel tax for 30 years generating at least \$1,300,000,000 annually**, with required public audits and accountability/ transparency provisions, be adopted?*

Variable: 1/2-7/8 Cent Sales Tax - 4-County

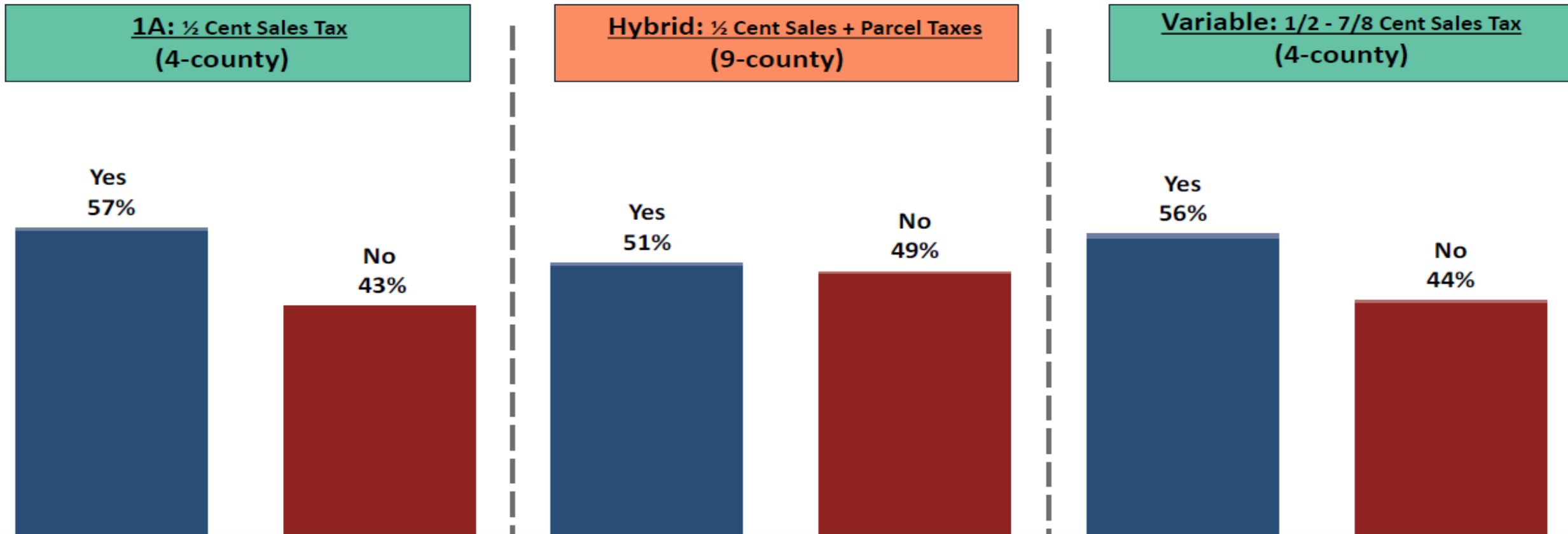
(n=850, MoE ±3.4)

*To prevent increased traffic congestion; maintain BART, Caltrain, AC Transit, Muni, and other transit services; preserve transportation services for seniors/ persons with disabilities; address transit safety and cleanliness; advance climate protection; reduce air pollution; and prevent station closures shall the measure enacting a **⅞ cent (San Francisco) and a ½ cent (Alameda, Contra Costa, San Mateo counties) sales tax for 11 years generating at least \$640,000,000 annually**, with required public audits and accountability/ transparency provisions, be adopted?*

MTC Polling

Initial Vote

The measures start above a majority, but the 9-county two-tax Hybrid is weaker.



MTC Polling



Initial Support by County

Table shows percent "Yes"	1A: $\frac{1}{2}$ Cent Sales Tax 57% Yes 4-County	Hybrid: $\frac{1}{2}$ Cent Sales + Parcel Taxes 51% Yes 9-County	Variable: $\frac{1}{2}$ - $\frac{7}{8}$ Cent Sales Tax 56% Yes 4-County
Alameda <i>MoE ± 6.2 p.p. for each model</i>	61%	55%	59%
Contra Costa <i>MoE ± 6.9 p.p. for each model</i>	53%	51%	54%
San Francisco <i>MoE ± 6.9 p.p. for each model</i>	55%	54%	58%
San Mateo <i>MoE ± 6.9 p.p. for each model</i>	59%	53%	52%
Santa Clara <i>MoE ± 5.7 p.p.</i>		50%	
North Bay (Napa, Marin, Solano, Sonoma) <i>MoE ± 6.9 p.p.</i>		44%	

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...”
 - Various delays in implementation.
- **Federal reductions in Force** – Thousands of federal employees laid off. We're hearing at least 85 FTA employees impacted.
- **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

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FOR MORE INFORMATION

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