



ITEM ID: 2026-103-0

TRANSMITTAL DATE: January 16, 2026

MEETING DATE: January 23, 2026

TO: Board of Directors

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: January Legislative Update

Issue

Staff provides a regular monthly update on current legislative affairs.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Connecting and Leveraging Partnerships:** We will forge new and enhanced relationships with our public and private partners to integrate and coordinate connecting services, providing residents throughout Southern California with better, seamless, sustainable alternatives to driving. This commitment is met by sharing news, information and the Authority’s legislative priorities with elected officials.
- **Advancing Key Regional Goals:** We will grow the role of regional rail in addressing climate change, air quality, and other pressing issues by advancing toward zero emissions, making rail a compelling alternative to single-occupant automobiles and advancing equity-focused opportunities for all communities throughout Southern California. This commitment is met by encouraging federal, state and local support for Authority priorities.

Background

Staff continues to engage with community, local, state, and federal stakeholders concerning Metrolink service and relevant policy initiatives.

Discussion

State

Transit Transportation Task Force Releases Final Report

Senate Bill 125, the Fiscal Year 2023–24 budget bill, required the California State Transportation Agency (CalSTA) to establish and convene the Transit Transformation Task Force (TTTF) to develop a structured, coordinated process for engaging transit agencies and stakeholders and to advance policy recommendations to grow ridership and strengthen public transit statewide. The 25-member task force, composed of representatives from CalSTA, local agencies, academic institutions, nongovernmental organizations, and other transportation stakeholders, met 13 times between December 2023 and September 2025, to examine key policy and funding challenges, including statutorily required analysis of potential reforms to the Transportation Development Act (TDA).

On October 29, 2025, Metrolink submitted a letter to CalSTA Secretary Toks Omishakin responding to the draft report and emphasizing the need for dedicated, sustainable revenue solutions to ensure the long-term viability of California’s transit systems. The final TTTF report, released in December 2025, outlines a vision for transforming public transit into a reliable, accessible, and dignified alternative to driving and provides strategic direction. However, the report does not recommend finalized funding or TDA policy proposals but rather a starting point for future conversation.

Second Year of Legislative Session Begins

The legislature reconvened on January 5, 2026 for the second year of the 2025-26 session. Some bills that were introduced in 2025, but did not move forward beyond certain deadlines, may be brought up for a vote this month. In 2026, bills must be approved no later than August 31, and the Governor must sign or veto bills by the end of September.

Each year, the state’s Legislative Analyst’s Office (LAO) publishes a fiscal outlook in anticipation of the upcoming budget season. The report is an independent assessment of revenues and spending with the goal of preparing lawmakers with an analysis of the state’s General Fund budget condition. The LAO is projecting the state will face a \$18 billion budget deficit due to higher spending and federal cuts, even though the state has seen overall revenue growth. Governor Newsom will release the proposed budget for the upcoming fiscal year 2026-27 by January 10, 2026.

Federal

FY26 Funding Update

When Congress voted to reopen the federal government in November, it passed a Continuing Resolution (CR) to fund operations through January 30, allowing time to negotiate FY26 funding levels. In the weeks that followed, Senate agreement on several appropriations bills—including Transportation–HUD—appeared within reach. However, negotiations were derailed by unrelated disputes, including issues surrounding presidential pardon authority. Congress

recessed for the holidays on December 19 and will return on January 5, leaving just four weeks to reach agreement before the CR expires.

As a reminder, the Senate FY26 Transportation, Housing, and Urban Development (THUD) bill includes \$68 million in capital and operating assistance for public transportation systems supporting Olympic Games–related mobility needs. While the House bill does not include funding for Olympic mobility, it does provide \$750,000 in Community Project Funding (earmarks) for Metrolink projects.

Metrolink Supports Cargo Theft Prevention Bill

Metrolink expressed support for S. 1404 / H.R. 2853, the Combating Organized Retail Crime Act (CORCA) of 2025. The bipartisan legislation, introduced by Sens. Chuck Grassley (R-IA) and Catherine Cortez Masto (D-NV) in the Senate and Reps. David Joyce (R-OH) and Susie Lee (D-NV) in the House, aims to reduce freight rail theft, thereby improving on-time reliability for all rail operators. Specifically, the bill expands criminal forfeiture, money laundering authorities, and the ability to aggregate thefts across supply chains. It also establishes a dedicated coordination center within the Department of Homeland Security to align law enforcement and industry efforts. The bicameral, bipartisan proposal is supported by the Association of American Railroads (AAR) and the Intermodal Association of North America (IANA), among others.

Prepared by: Jeffrey Dunn, Director, Government and Community Relations
Anna Denecke, Senior Manager, Government Relations
Julie Nieto, Management Analyst II

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

[Appendix A - January 2026 Bill Matrix](#)
[Presentation - January Legislative Update](#)