FUNDING, PROGRAMS & LEGISLATION EXECUTIVE COMMITTEE MEETING

SEPTEMBER 14, 2026
2:00 P.M.

TAM CONFERENCE ROOM
900 FIFTH AVENUE, SUITE 100
SAN RAFAEL, CALIFORNIA

This meeting will be held in-person and via Zoom webinar.

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Mary Sackett
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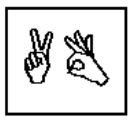
How to provide public comment (limited to 2 minutes or less):

Before the meeting: Please email your comment to info@tam.ca.gov, no later than 5:00 p.m. the day before the meeting, to facilitate timely distribution to Committee members. Please include the agenda item number you are addressing and your name and address. Your comments will be forwarded to the Committee members and will be placed into the public record.

During the meeting: For members of the public participating in-person, the Committee Chair will recognize persons from the audience who wish to address the Committee during public open time or on a particular agenda item at the time that item is considered by the Committee.

If watching this meeting online, click the "raise hand" feature in the webinar controls. This will notify TAM staff that you would like to comment. If participating by phone, "raise hand" by pressing *9 and wait to be called upon by the Chair or the Clerk. You will be asked to unmute your device when it is your turn to speak and your comments will become part of the public record.



Late agenda material can be inspected in TAM's office between the hours of 9:00 a.m. and 5:00 p.m. The TAM Office is located at 900 Fifth Avenue, Suite, 100, San Rafael.

The meeting facilities are accessible to persons with disabilities. Requests for special accommodations (assisted listening device, sign language interpreters, etc.) should be directed to Jennifer Doucette, 415-226-0820 or email: jdoucette@tam.ca.gov no later than 5 days before the meeting date.

AGENDA

1. Chair's Report & Commissioner Comments (Discussion)

2. Executive Director's Report (Discussion)

3. Open time for public expression, up to two minutes per speaker, on items not on the agenda that are within the subject matter of the agency's jurisdiction. (While members of the public are welcome to address the Committee, under the Brown Act, Committee members may not deliberate or take action on items not on the agenda and generally, may only listen.)

4. Approval of Meeting Minutes from May 11, 2026 (Action) – **Attachment**

5. 2026 Federal Legislative Update (Action) – **Attachment**

6. 2026 State Legislative Update (Action) – **Attachment**

7. Funding to Extend the Bikeshare Pilot Program and Amend the FY2026-27 Budget (Action) – **Attachment**

MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
FUNDING, PROGRAMS & LEGISLATION
EXECUTIVE COMMITTEE

MAY 11, 2026
2:00 PM

TAM CONFERENCE ROOM
900 FIFTH AVENUE, SUITE 100, SAN RAFAEL, CALIFORNIA, 94901

MEETING MINUTES

Members Present:	Brian Colbert, County of Marin Board of Supervisors Melissa Blaustein, Sausalito City Council Peter Mark, Belvedere City Council Urban Carmel, Mill Valley City Council
Members Absent:	Mary Sackett, County of Marin Board of Supervisors, Committee Chair
Staff Members Present:	Anne Richman, Executive Director Audrey Veyssiere, Assistant Project Delivery Manager Dan Cherrier, Director of Project Delivery David Chan, Director of Programming and Legislation Derek McGill, Director of Planning Emily Tong, Senior Accountant Grace Zhuang, Accounting and Payroll Specialist Jennifer Doucette, Executive Assistant/Clerk of the Board Melanie Purcell, Director of Finance and Administration Mikaela Hiatt, Senior Transportation Planner Molly Graham, Public Outreach Coordinator Ray Rodriguez, Assistant Project Delivery Manager Scott McDonald, Principal Transportation Planner

In Chair Sackett's absence, Commissioner Colbert served as Committee Chair and called the meeting to order at 2:01 p.m.

Chair Colbert welcomed everyone to the meeting and Executive Assistant/Clerk of the Board Jennifer Doucette conducted roll call to confirm a quorum of the Funding, Programs and Legislation (FP&L) Executive Committee.

1. Chair's Report & Commissioner Comments (Discussion)

None.

2. Executive Director's Report (Discussion)

Executive Director (ED) Anne Richman provided an update on the status of the Measure AA Expenditure Plan Amendments approval by local jurisdictions; and reported on the Marin Commutes May in Motion promotion; National Bike to School Day; SMART's Healdsburg Extension groundbreaking; and the upcoming California Transportation Foundation (CTF) Awards Gala on May 13 and Bike to Wherever Day on May 14.

Chair Colbert asked if any members of the public wished to speak and hearing none, closed this item.

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3. Open Time for Public Expression

Chair Colbert asked if any members of the public wished to speak and hearing none, closed this item.

4. Approval of Meeting Minutes from April 13, 2026 (Action)

Chair Colbert asked if any members of the public wished to speak and hearing none, closed public comment and asked for a motion.

Commissioner Blaustein moved to approve the April 13, 2026 meeting minutes. Commissioner Carmel seconded the motion, which passed unanimously.

5. Adopt Positions on 2026 State Legislative Bills (Action)

Director of Programming and Legislation David Chan and Legislative Consultant Gus Khouri presented this item, which recommends that the FP&L Executive Committee reviews positions on 2026 State and Federal Legislative Bills and refers them to the TAM Board for adoption.

Commissioners and staff discussed the potential funding impacts of changes to cap-and-invest and related transportation funding programs, including Low Carbon Transit Operations Program (LCTOP), Transit and Intercity Rail Capital Program (TIRCP), and Active Transportation Program (ATP). Staff noted that the exact dollar impact on local agencies is not yet known, but these programs provide significant annual funding to transit operators, and reductions could affect existing service levels. The discussion also noted that anticipated surplus revenues and interest from the program may be redirected to other state priorities rather than backfilled for transit and active transportation, creating uncertainty for future funding.

In response to Commissioner Blaustein's inquiry regarding Assembly Bill (AB) 2059, staff noted that the bill does not currently apply because the agency does not meet the applicable threshold. The discussion also addressed the need to ensure that any proposed mitigation limits would not conflict with the Metropolitan Transportation Commission's Sustainable Communities Strategy (SCS) or undermine project delivery and eligibility for competitive transportation funding programs.

Chair Colbert asked if any members of the public wished to speak.

Marin County Bicycle Coalition (MCBC) Policy and Planning Director Warren Wells expressed support for the recommended position on Senate Bill (SB) 1167; and expressed concern regarding AB 1557, stating that while the bill aims to address e-motos, it could negatively affect legal e-bikes by imposing a 250-watt continuous power cap, potentially increasing costs for consumers and limiting access to lower-cost e-bike options.

Brett Thurber, owner of The New Wheel, commented in opposition to AB 1557 unless amended, citing concerns that the proposed 250-watt motor cap would make many affordable Class 1 and Class 2 e-bikes illegal to sell and disrupt the existing three-class e-bike system used in California and many other states. Brett Thurber expressed support for SB 1167 as a better approach to addressing illegal e-motos, and also expressed support for AB 1569, related to K–12 e-bike safety training.

WTB-TAM Director of Planning Matthew Hartzell echoed prior public comments supporting SB 1167 and urged the agency to oppose AB 1557, noting concerns that the bill would unfairly affect law-abiding Class 1 and Class 2 e-bike riders, particularly in hilly areas such as Marin County where additional motor assistance can support active transportation between communities.

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Marin Safe Routes to Schools Program Director Gwen Froh cited campus count data showing that most electric devices observed were e-motos rather than legal e-bikes; noted concerns about the enforceability of a lower 250-watt cap; and expressed support for SB 1167 as an approach focused on manufacturer and retailer compliance.

Commissioner Carmel moved to approve the recommended positions on the 2026 state and federal legislative bills, including the change to a Watch position on AB 1557, and refer them to the TAM Board for adoption, which was seconded by Commissioner Mark. A roll call vote was conducted, and the motion passed unanimously.

6. Acceptance of the Safe Routes to Schools Program Evaluation & Summary Report (Action)

Principal Transportation Planner Scott McDonald, Jen Shriber of Parametrix and Erin Vaca of TYLin presented this item, which recommends that the FP&L Executive Committee reviews and refers the Safe Routes to Schools (SR2S) Program Evaluation and Summary Report to the TAM Board for acceptance.

In response to Commissioner Mark's inquiry regarding funding, staff explained that supplemental funds are generally used for smaller school-based program needs, such as bicycle racks or equipment to support encouragement events. Staff noted that while TAM or its contractors occasionally pursue grants from sources such as the Health Department or Metropolitan Transportation Commission (MTC), the majority of program funding comes from TAM's sales tax measures.

Commissioner Blaustein expressed encouragement regarding the reported green travel rate and suggested that future reporting include a more detailed breakdown of travel modes, such as biking, walking, carpooling, and other options; commented on the value of collecting more targeted data from smaller groups to better understand travel behavior and program outcomes; and encouraged staff to explore creative funding opportunities to help advance engineering-related work more quickly.

Commissioner Carmel expressed support for the program evaluation and recommendations, highlighting the Mill Valley Safe Routes to Schools effort as a potential model for future pilots; and emphasized the importance of community engagement, data collection, engineering support, and pursuing additional funding.

Chair Colbert encouraged staff to explore public-private partnerships as a potential funding opportunity; emphasized the importance of continuing rigorous program evaluation; and expressed interest in strengthening the task force structure, including identifying successful practices and sharing them across communities.

Chair Colbert asked if any members of the public wished to speak and hearing none, closed public comment.

Commissioner Carmel moved to refer this item to the TAM Board for acceptance. Commissioner Blaustein seconded the motion, which passed unanimously.

7. Receive an Update on the TAM Sea Level Rise Climate Resilient Transportation Design Principles (Discussion)

Senior Transportation Planner Mikaela Hiatt-Isono and Meg Ackerman and Rachel Pike with Arup presented this item for discussion.

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Commissioners requested that the Board presentation include practical examples showing how the proposed process would work, including any prerequisites such as adoption of design standards; and suggested considering examples from other jurisdictions, such as Palo Alto's horizontal levee pilot project, when discussing potential practical applications and funding opportunities.

Chair Colbert asked if any members of the public wished to speak.

In response to Matthew Hartzell's inquiry, staff clarified that a biannual call for projects refers to a call occurring every two years.

The meeting was adjourned at 3:34 p.m.

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Transportation Authority of Marin

DATE: September 14, 2026

TO: Transportation Authority of Marin
Funding, Programs & Legislation Executive Committee

FROM: Anne Richman, Executive Director
David Chan, Director of Programming and Legislation

SUBJECT: 2026 Federal Legislative Update (Action), Agenda Item No. 5

RECOMMENDATION

The Funding, Programs & Legislation (FP&L) Executive Committee reviews the 2026 Federal Legislative Update and refers the item to the TAM Board for acceptance.

BACKGROUND

In March 2025, TAM entered into an agreement with the County of Marin for use of the County's federal legislative consultant, Capri & Clay, Inc, under the County's existing contract.

Since entering into agreement, Capri & Clay has been providing TAM with information regarding Federal legislation, funding opportunities including grants, and administrative matters. Capri & Clay has also been providing advice on strategies for promoting TAM interests and priorities, such as earmark requests, within the congressional and executive branches, as well as agencies within Federal government.

Capri & Clay has also been representing TAM in public and private meetings of Federal officials, committees, and bodies, advancing TAM's interests and positions on legislative and administrative issues through maintaining relationships and direct contact with members of Congress and their staff.

Channon Hanna is a partner with Capri & Clay and TAM's primary contract. Ms. Hanna will be providing the Federal Legislative Update at the September 14th FP&L Executive Committee meeting.

DISCUSSION/ANALYSIS

TAM staff has requested Carpi & Clay to provide updates on the following topics that relate to TAM's interests:

- Office of Management and Budget (OMB) Proposed Grants Rule
- FY 2027 Appropriations/Continuing Resolution
- Surface Transportation Reauthorization

OMB Grants Rule

On May 29, 2026, the OMB published proposed revisions to Title 2 of the Code of Federal Regulations (CFR) as the Uniform Guidance (2 CFR Part 200).

The proposed rule introduces a significant shift to increase federal agency discretion both before and after awards are made. It would overhaul the uniform guidance for federal funds, bringing together various recent Executive Orders and making them binding regulations, changing how those funds are administered and centralizing OMB control of that administration across all federal agencies.

The proposed rule would expand political screening of discretionary grant programs and significantly expand grant termination authority by the federal government with projects that no longer align with "agency priorities" or "national interest" but the terms are not defined in the proposed rule to provide clarity for project sponsors. Under the proposed rule, agencies have no recourse to challenge termination determinations.

The intent of the proposed rule is to align grants with Administration priorities, but it also introduces substantial unpredictability, compliance ambiguity, and financial risk for recipients – particularly for multi-year, capital-intensive infrastructure, research, and workforce projects. OMB received 496,775 comments on the proposal.

OMB has proposed an October 1, 2026, effective date with only a 45-day comment period that ended on July 13, 2026. This tight timeline created immediate operational pressure for federal agencies, prime recipients, and subgrantees to overhaul internal controls, procurement procedures, and legal templates. The expected passage of a Continuing Resolution has extended the effective date as described below but the proposed rule remains looming.

TAM and Marin agencies receive federal funding through the Metropolitan Transportation Commission's (MTC's) One Bay Area Grant (OBAG) Program as well as other competitive grants that will be subject to the proposed rule.

FY 2027 Appropriations/Continuing Resolution

The federal surface transportation and infrastructure funding authorized by the Infrastructure Investment and Jobs Act is set to expire on September 30, 2026. When the federal surface transportation bill expires, federal funding, project planning, and program authorizations face disruption and an immediate halt on reimbursement.

On September 1, 2026, the House passed the short-term Continuing Resolution (CR) by a vote of 370 to 48. The Senate had already passed the stopgap spending bill in a 90-6 vote in July before leaving for its summer recess to keep government funded through December 11, 2026. The CR extends federal funding at current levels and the surface transportation authorization through December 11, 2026, while also preventing OMB from implementing its proposed rule on federal funding before that date. On September 2, 2026, the President signed the CR to avoid a government shutdown.

Surface Transportation Reauthorization

The Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL), was signed into law on November 15, 2021, and established the five-year funding framework of the Surface Transportation Reauthorization, which was due to expire on September 30, 2026. As noted above, a recent approved CR extends the program to December 11, 2026.

On May 17, 2026, the House Transportation and Infrastructure Committee released the bipartisan BUILD America 250 Act, which would reauthorize federal surface transportation programs for fiscal years 2027–2031. The bill provides approximately $590 billion, about $70 billion less than the Infrastructure Investment and Jobs Act.

Key provisions include changes to streamline environmental review and project delivery, new annual fees for electric and plug-in hybrid vehicles (a first at the federal level), expanded eligible uses under the Surface Transportation Block Grant Program, and continued funding for select safety, resilience, bridge, truck parking, and wildlife crossing programs.

The bill would also repeal several existing programs, including the Carbon Reduction Program and PROTECT formula program; continue the 10 percent DBE goal; and would make significant changes to public transportation funding and safety requirements. Further markups are expected as the bill works its way through the legislative process over the coming weeks.

The Senate has not yet released its own comprehensive reauthorization bill.

MTC and Bay Area County Transportation Agencies, including TAM, support a full reauthorization of the federal surface transportation programs to preserve the FY 2026 funding levels enacted for all federal transportation programs, including those funded through the Highway Trust Fund and advance appropriations, as part and in the event of any short-term government funding measure or surface transportation program extension that may become necessary.

RELATIONSHIP TO COUNTYWIDE TRANSPORTATION PLAN (CTP)

The CTP will be taken into consideration in evaluating any Surface Transportation Reauthorization proposals.

FISCAL CONSIDERATION

There are no immediate fiscal impacts to TAM by accepting Carpi & Clay’s report.

NEXT STEPS

Continue to monitor the development of federal issues and provide updates to the TAM Board when applicable.

ATTACHMENTS

None.

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Transportation Authority of Marin

DATE: September 14, 2026

TO: Transportation Authority of Marin
Funding, Programs & Legislation Executive Committee

FROM: Anne Richman, Executive Director
David Chan, Director of Programming and Legislation

SUBJECT: 2026 State Legislative Update (Action), Agenda Item No. 6

RECOMMENDATION

The Funding, Programs & Legislation (FP&L) Executive Committee reviews the 2026 State Legislative Update and refers the item to the TAM Board for acceptance.

BACKGROUND

On January 22, 2026, TAM adopted a Legislative Platform in guiding policy decisions and communicating TAM's goals to the Legislature and other agencies. On March 26, 2026, TAM adopted positions on 27 initial bills, with additional Board direction on certain bills provided in July. Staff and Gus Khouri, TAM's Legislative Consultant, have been monitoring the progress of these bills. The 2026 Legislative Session concluded on August 31, 2026. Notable remaining dates for the 2026 Legislative Session are shown in the table below.

Last day for the Legislature to pass bills	August 31, 2026
Last day for the Governor to sign or veto bills	September 30, 2026
Statutes take effect, except emergency items that take effect upon signing	January 1, 2027

DISCUSSION

The table below contains the remaining set of 31 state bills on TAM's Bill Matrix (Attachment A). Since the initial review in March, bills were added to and removed from the Bill Matrix as the bills moved through the Legislative session. With the conclusion of the Legislation session on August 31, 2026, no further changes will be made to the Bill Matrix.

However, the Governor has until September 30, 2026 to sign or veto bills so staff will report back on the results of these bills that are still pending, particularly bills that had been vetoed. Bills that are not signed or vetoed automatically become laws.

At the FP&L Executive Committee meeting on September 14, 2026, Mr. Khouri will provide an overview of the bills on TAM's Bill Matrix, as well as issues highlighted below that include the Cap and Invest Program; approval of Member-Directed Requests, which TAM is a recipient for the Bikeshare Program; and SB 125 transit funding.

Summary of Monitored Bills					
No.	**Bill**	**Author**	**Subject**	**Adopted Position**	**Status**
1	AB 939	Schultz	The Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026	Watch	Enrolled
2	AB 954	Bennett	Interregional transportation strategic plan: bicycle highways	Watch	Failed Passage
3	AB 1421	Wilson	Vehicles: Road Usage Charge Technical Advisory Committee	Watch	Failed Passage
4	AB 1557	Papan	Electric Bicycles - Classification	Watch	Failed Passage
5	AB 1569	Davies	Electric Bicycle Safety and Training Program	Support	Signed
6	AB 1599	Ahrens	California Transit Stop Registry	Watch	Enrolled
7	AB 1614	Dixon	Class I Bicycle Path Requirement	Watch	Signed
9	AB 1745	Gonzales	Motor Vehicle Fuels Tax Suspension for One Year	Oppose	Failed Passage
10	AB 1783	DeMaio	Prohibition on Imposition of Local Taxes based on Vehicle Miles Travelled (VMT)	Oppose	Failed Passage
11	AB 1855	Gonzales	CEQA Exemption for Certain Passenger Rail Service	Watch	Failed Passage
12	AB 1942	Bauer-Kahan	Class 2 and Class 3 Electric Bicycles Requirement to be Registered with DMV	Watch	Failed Passage
13	AB 1944	Lee	Higher Weight Limitations for Zero-Emission Transit Buses	Watch	Enrolled
14	AB 1976	Wicks	Pedestrian and Bicycle Facilities	Oppose unless amended	Enrolled
15	AB 2002	Solache	Regional Early Action Plan (REAP) Fund	Watch	Failed Passage
16	AB 2051	Wicks	Coastal Resilience Permitting Working Group	Watch	Enrolled
17	AB 2059	Wilson	CEQA – Vehicle Miles Traveled	Watch	Enrolled
18	AB 2168	Wicks	Active Transportation Program (ATP) Guidelines	Watch	Enrolled
19	AB 2184	Wilson	Cap and Invest Program: Nature Based Climate Solutions	Watch	Failed Passage
20	AB 2284	Dixon	Identification of Non-compliant Electric Bicycles and Products	Support	Failed Passage
21	AB 2346	Wilson	Speedometer Requirement for Class 1 and Class 2 Electric Bicycles	Support	Enrolled
22	AB 2560	Schultz	Update CAPTI Goals	Watch	Failed Passage
23	AB 2748	Quirk-Silva	Affordable Housing Developments – Electric Vehicle Charging	Watch	Failed Passage
24	SB 667	Archuleta	Railroad Requirement for Network of Wayside Detector System	Watch	Enrolled
25	SB 677	Wiener	Transit-Oriented Development (TOD): Redefine High-Frequency Commuter Rail	Watch	Enrolled
26	SB 922	Laird	Prohibition on Weight Based Charges from Local Agencies	Watch	Signed
27	SB 1035	Strickland	Low Carbon Fuel Standard Regulations Suspension for One Year	Oppose	Failed Passage
28	SB 1087	Cabaldon	Planning Funding for Sustainable Communities Strategy	Support	Enrolled
29	SB 1159	Cabaldon	Artificial Intelligence – Transparency and Governance	Support	Enrolled
30	SB 1167	Blakespear	Electric Bicycle Regulations on Motors and Disclosure	Support	Enrolled
31	SB 1423	Stern	Regional Planning: Standardized Spatial Planning Datasets	Watch	Enrolled

Enrolled – denotes that the bill was approved by the legislature and is awaiting signature by the Governor

Cap and Invest Program

During the legislative session, staff and Mr. Khouri have expressed concerns with the low return on auction proceeds from the Cap and Invest Program that has potential repercussions on the categories in Tier 3 Priority, as well as with the California Air Resources Board's (CARB) restructuring of the program. With the CARB action, Public Transportation is now in Tier 3, including the Transit and Intercity Rail Capital Program (TIRCP) and the Low Carbon Transit Operations Program (LCTOP). Marin transit agencies are recipients of TIRCP and LCTOP.

At the end of the session, the Legislature passed SB 193 to supplement the FY26/27 funding investment for the categories in Tier 3. SB 193 largely addresses the short-term funding problems, but the Cap and Invest Program's structural problems remain if proceeds remain low in future auctions. Mr. Khouri's State Legislative Update (Attachment B) provides further details on SB 193.

Member-Directed Requests

Governor Newsom signed California's record $351.7 billion State Budget for the FY26/27 on June 29, 2026. Typically, subsequent budget trailer bills are proposed with further expenditure details and policies that may include Member-Directed Requests (MDRs) (also known as earmarks). On September 1, 2026, AB 113 (Budget Act of 2026) was enrolled for the Governor's consideration.

TAM submitted three MDRs to Senator McGuire and Assemblymember Connolly for consideration:

- Redwood Bikeshare – Extension and Expansion
- Crossing Guard Program – Operations
- US 101 Part-Time Transit Lane Pilot Project – Environmental and Design Phases

Staff is pleased to announce that AB 113 includes $1 million for TAM to extend and expand the Redwood Bikeshare Program in Counties of Marin and Sonoma. The Redwood Bikeshare MDR is a joint request with Sonoma County Transportation and Climate Authorities (SCTCA), who also submitted this request to its delegates (Assemblymember Rogers, Senator Cabaldon, and Senator McGuire).

Governor Newsom has until September 30, 2026 to sign or veto AB 113.

SB 125 Transit Operations and Capital

SB 125, enacted through the Budget Act of 2023, provided a one-time $5.1 billion infusion to public transit agencies across the state for operations and capital improvements. The program provides emergency funding for transit agencies to temporarily avoid a near-term 'fiscal cliff' while they work to address their long-term financial sustainability without the need for severe service cuts. The funds were scheduled to be made available over a five-year period (FY23/24 to FY27/28) based on funding availability. MTC's share of the $5.1 billion is approximately $1.17 billion.

The original budget approved in June did not include sufficient funds to complete the SB 125 funding commitment. However, AB 113 addressed the SB 125 funding commitment by providing $230 million for FY26/27. To date, $4.6 billion of the $5.1 billion has been made available for allocation. The approximate $450 million remaining commitment may be addressed in the FY27/28 State Budget.

RELATIONSHIP TO COUNTYWIDE TRANSPORTATION PLAN (CTP)

The CTP was taken into consideration in the selection of bills and positions recommended.

FISCAL CONSIDERATION

There are no immediate fiscal impacts to TAM by taking positions on these bills.

NEXT STEPS

Continue to monitor enrolled bills and provide status updates of those bills. Also, work with Caltrans to obligate MDR funds for the Redwood Bikeshare Program.

ATTACHMENTS

Attachment A – TAM Bill Matrix – September 2026
Attachment B – Actum September 2026 State Legislative Update

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 939 (Schultz) **Housing development: density bonuses: affordability of for-sale units**	Enrolled 9/1/2026	As amended on August 21, this bill revises Density Bonus Law (DBL) to allow qualifying nonprofit corporations to purchase for-sale units developed under DBL without waiting 180 days. ~~Existing law, commonly referred to as the Density Bonus Law, requires a city or county to provide a developer that proposes a housing development, as defined, within the city or county with a density bonus, other incentives or concessions, and waivers or reductions of development standards, as specified, if the developer agrees to construct specified units and meets other requirements. This bill would additionally allow the applicant and the city, county, or city and county to comply with the above-described affordability requirements with respect to a for-sale unit by ensuring that the unit is purchased by a nonprofit corporation for properties to be sold to and occupied by extremely low, very low, or lower income families who participate in a below-market interest rate loan program.~~ TAM has a Watch position because local jurisdictions make land use decisions, yet these decisions could impact transportation planning in the county. TAM is monitoring given Governor Newsom's focus on delivering more affordable housing statewide.	**Watch**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 954 (Bennett) **Interregional transportation strategic plan: bicycle highways**	Failed Passage	This bill requires Caltrans to the extent feasible and consistent with the California Transportation Plan, to assess incorporating bicycle highways into strategic interregional corridors within the interregional transportation strategic plan (ITSP). TAM has a Watch position because this bill could have an impact on how other modes are treated within the plan.	**Watch**
AB 1421 (Wilson) **Vehicles: Road Usage Charge Technical Advisory Committee**	Failed Passage	This is a spot bill for a possible gas tax successor source solution. The bill was amended on January 5 to require the California Transportation Commission (CTC), in consultation with the California State Transportation Agency, to consolidate and prepare research and recommendations related to a road user charge or a mileage-based fee system. The bill would require the CTC to submit a report, as specified, on the research and recommendations described above to the appropriate policy and fiscal committees of the Legislature by no later than January 1, 2027. TAM has a Watch position because this bill would have only contend the dialogue but not resulted in a policy change on transportation funding.	**Watch**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 1557 (Papan) **Vehicles: electric bikes**	Failed passage	As amended on April 16, this bill would strengthen the language regarding the maximum power of the motor on an electric bicycle (750 watts) and provides an exception that cargo bikes may be equipped with an electric motor with a maximum continuously rated power of 750 watts. The bill would also reduce the speed at which motors cease providing assistance (from 20 to 16 mph) for an electric bicycle to meet the definition of a class 1 or class 2 electric bicycle. The bill would prohibit a person under 16 years of age from operating an electric bicycle with a motor capable of exceeding 250 watts of continuous power. TAM has a Watch position on this bill because this was one of several e-bike bills and its provisions were included in SB 1167, which has been enrolled to the Governor.	**Watch**
AB 1569 (Davies) **Pupil safety: electric bicycle parking: safety program**	Signed by Governor Chapter 128, Statutes of 2026	As amended on April 13, this bill would require, on or before March 1, 2028, the State Department of Education, in consultation with the Department of the California Highway Patrol, to develop a standardized electric bicycle safety and training program for pupils in grades 7 to 12, inclusive, as provided. In developing the program, the bill would authorize the State Department of Education and the Department of the California Highway Patrol to collaborate with local law enforcement agencies or local governments that have implemented electric bicycle training programs already to ensure the program reflects proven best practices. The bill would encourage local educational agencies and parent organizations to offer training demonstrations to pupils and parents on electric bicycle operations in collaboration with local law enforcement agencies or local governments.	**Support**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 1599 (Ahrens) **California Transit Stop Registry**	Enrolled 8/30/2026	This bill would require Caltrans to create, on or before December 31, 2026, the California Transit Stop Registry as a centralized, statewide dataset of standardized information regarding transit stops that includes, but is not limited to, each transit stop's name, location, available amenities, and unique identifier, as specified. TAM is monitoring to assess whether this bill, if enacted, would result in a better customer experience, or greater funding opportunities, for commuters.	**Watch**
AB 1614 (Dixon) **Vehicles: bicycles**	Signed by Governor Chapter 40, Statutes of 2026	This bill would prohibit a person from operating a bicycle on a Class I bikeway without a permanent seat being affixed. The purpose of the bill is to prevent "piggybacking" on Class I bikeways. TAM has a Watch position because of ambiguity in language on purpose of the bill and whether it applies to bicycles and/or scooters.	**Watch**
AB 1745 (Jeff Gonzalez) **Motor Vehicle Fuel Tax Law: suspension of tax**	Failed Passage	This bill would suspend the imposition of the tax on motor vehicle fuels for one year. The bill would require that all savings realized based on the suspension of the motor vehicle fuels tax by a person other than an end consumer, as defined, be passed on to the end consumer, and would make the violation of this requirement an unfair business practice, in violation of unfair competition laws, as provided.	**Oppose**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 1783 (DeMaio) **Vehicle miles traveled: local tax and state fund prohibition**	Failed Passage	This bill would prohibit a city, county, or any political subdivision thereof from imposing a tax, fee, assessment, or charge, that is calculated, in whole or in part, based on the number of miles traveled by a motor vehicle. It would not prohibit the collection of tolls for the use of specific facilities, as provided. The bill would provide that any existing program, pilot program, regulation, or administrative action inconsistent with this prohibition is void and unenforceable. As amended on March 19, this bill would also prohibit a state agency from expending funds for the study, planning, testing, design, implementation, administration, or evaluation of a tax, fee, assessment, or charge based on vehicle miles traveled.	**Oppose**
AB 1855 (Jeff Gonzalez) **California Environmental Quality Act: exemption: passenger rail service**	Failed Passage	This bill would eliminate the condition for a CEQA exemption that the public project be exclusively used by zero-emission trains or certified Tier 4 or cleaner rolling stock or locomotives, thereby expanding the scope of the exemption. For purposes of the exemption, the bill would require that the mainline rail of the project, instead of the whole project, to be located entirely within an existing right-of-way or existing highway right-of-way. TAM has a Watch position because this bill was not expected to progress but was provided as information.	**Watch**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 1942 (Bauer-Kahan) **Electric bicycles: registration and special license plates**	Failed Passage	This bill would require class 2 and class 3 electric bicycles to be registered with the Department of Motor Vehicles (DMV) and to display a special license plate issued by the department. The bill would require DMV to adopt regulations to implement these requirements and would make a person operating a class 2 or class 3 electric bicycle in violation of these requirements guilty of an infraction punishable by specified fines. By creating a new crime, the bill would impose a state-mandated local program. TAM has a Watch position because this bill was not expected to progress but is being provided as information.	**Watch**
AB 1944 (Lee) **Zero-emission transit buses: axle weight**	Enrolled 8/24/2026	This bill would, until January 1, 2032, establish specified higher weight limitations up to 25,000 pounds for zero-emission transit buses procured through a solicitation process pursuant to which a solicitation was issued at various specified periods between January 1, 2027, and December 31, 2031, inclusive. TAM is monitoring this bill to assess the impacts of providing transit service, given the various state and federal mandates that have made buses heavier.	**Watch**
AB 1976 (Wicks) **Streets and highways: pedestrian and bicycle facilities**	Enrolled 8/31/2026	This bill would prohibit a city or county from holding a community input meeting to gather input on a proposed pedestrian or bicycle safety project after the project is included in a plan that will be implemented as a part of its general plan. The bill would also prohibit a city or county from terminating a pedestrian or bicycle safety project after a contract is awarded or staff directed to begin construction, unless specified findings are made at a public meeting.	**Oppose unless amended**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 2002 (Solache) **Local government assistance: Regional Early Action Planning Fund**	Failed Passage	This bill would establish the Regional Early Action Planning Fund to provide agencies with one-time funding for planning activities for the regional housing needs assessment. Funds would be distributed on a population basis. While establishing a fund, the bill does not include a source of revenue for the fund. This was a priority bill for CALCOG, and TAM was interested to see whether a fund would be established (albeit without money).	**Watch**
AB 2051 (Wicks) **Public resources: Coastal Resilience Permitting Working Group**	Enrolled 8/28/2026	This bill would require the Secretary of the Natural Resources Agency, in consultation with the Secretary for Environmental Protection, to convene a Coastal Resilience Permitting Working Group for the purpose of developing a Coastal Resilience Permitting Roadmap for coastal resilience projects proposed in specified areas. The bill would require the Coastal Resilience Permitting Working Group to consist of representatives from federal, state, and local agencies, including, among others, the California Coastal Commission, the California Environmental Protection Agency, and the Department of Fish and Wildlife. The bill would, on or before January 1, 2028, require the Secretary of the Natural Resources Agency to submit the Coastal Resilience Permitting Roadmap to the Governor and the relevant fiscal and policy committees of the Legislature. TAM has a Watch position because climate resilience is included in Measure AA but it remains to be seen which entities will be selected to serve. The bill is predominantly focused on water boards, but Measure AA makes investments into climate resilience. There may be an opportunity for future coordination/engagement/participation to help with existing projects, if the bill is enacted.	**Watch**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 2059 (Wilson) **California Environmental Quality Act: transportation impacts: vehicle miles traveled: mitigation**	Enrolled 8/31/2026	The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would specify that a transportation project is presumed to have a less than significant transportation impact as determined by the vehicle-miles-traveled metric if at least 80% of the project lies within one or more nonmetropolitan counties, which are those that have a population of less than 200,000 people. TAM has a Watch position because it would not benefit from this bill but it is an attempt to relieve smaller counties from the constraints of VMT metrics for safety and evacuation routes.	**Watch**
AB 2168 (Wicks) **Active Transportation Program: guidelines**	Enrolled 8/27/2026	As amended on June 22, this bill would require the California Transportation Commission to establish penalties for failure to use Active Transportation Program (ATP) funds in a timely manner, clarifies ATP eligibility criteria related to projects that provide access to transit, and expands the goals of ATP to include increasing the proportion of trips accomplished by accessing public transit. TAM originally opposed this bill because it would have imposed ATP guidelines on the State Transportation Improvement Program (STIP) to fund ATP projects. TAM did not support the provision that agencies should be pressed to use STIP funds for ATP projects. Since the STIP imposition language was removed, the recommendation was changed to a Watch position.	**~~Oppose~~Watch**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 2184 (Wilson) **Cap-and-Invest Program: nature-based climate solutions: funding**	Failed Passage	This bill would annually appropriate up to $250,000,000 from the Greenhouse Gas Reduction Fund in the annual Budget Act each fiscal year from the 2027–2028 to the 2045–46 fiscal year, inclusive, to achieve nature-based climate solutions on natural, working, and urban lands, including $150,000,000 to be allocated to the Natural Resources Agency to fund nature-based climate solutions, and the remaining amount to be allocated for nature-based climate solutions at the discretion of the Legislature. The bill would also appropriate $150,000,000 from the Greenhouse Gas Reduction Fund from 2027-28 to 2045-46 to the Department of Food and Agriculture to fund sustainable agricultural practices and nature-based climate solutions. TAM has a watch position on this bill for informational purposes. It was not expected to move given the uncertainty of Cap and Invest revenues.	**Watch**
AB 2284 (Dixon) **Vehicles: electric bikes**	Failed Passage	This bill would require, on or before June 1, 2027, the California Highway Patrol, in partnership with biking nonprofit groups, to compile a list of electric two-wheeled devices that do not comply with the definition of any single class of electric bicycles and that are commonly perceived as electric bicycles. The bill would require the department to make the list available on its internet website and to update the list and internet website, when necessary.	**Support**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 2346 (Wilson) **Vehicles: electric bicycles and speed limits.**	Enrolled 8/21/2026	As amended on June 18, this bill would require all class 2 electric bicycles manufactured, sold, or offered for sale on or after January 1, 2029, to be equipped with a speedometer. The bill would also require all electric bicycles manufactured, sold, or offered for sale on or after January 1, 2029, to be equipped with an integrated or detachable front lamp and a rear lamp, as specified. This bill would authorize a local authority to set a speed limit on a bicycle path of 10, 15, or 20 miles an hour or on a multiuse trail to 10, 15, or 20 miles per hour, as specified, subject to specified signage requirements. The bill would additionally set a prima facie speed limit of 10 miles per hour on a sidewalk and specify that a conviction of a violation of that speed limit shall not result in a violation point count. It also requires sellers and distributors to disclose information at the point of sale the classification and maximum speed of the electric bicycle and a recommendation that persons under 16 years of age should not ride an electric bicycle at a speed greater than 15 miles per hour.	**Support**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 2560 (Schultz) **Climate Action Plan for Transportation Infrastructure: goals**	Failed Passage	As amended on April 15, this bill establishes the Climate Action Plan for Transportation Infrastructure (CAPTI) guiding principles in statute and states that those goals are consistent with state law. Notably, the bill does not include the preface found in CAPTI that, within the state's "fix-it-first" approach and through existing funding frameworks, the state's transportation infrastructure investments should be deployed to achieve the goals, where feasible. The bill amends stated the goals of promoting projects that do not significantly increase passenger vehicle miles traveled (VMT) to recognize that highway expansion projects serve different purposes and, as a result, assessing the impact of each project will vary based on context and project-specific analysis. The purpose of CAPTI is to reduce greenhouse gas emissions (GHGs) and VMT through limiting capacity projects on the state highway system, discouraging the use of single-occupant, gas-powered vehicles, while encouraging mode shift through accelerated investments into public transportation, bicycle and pedestrian programs, and electric vehicle infrastructure. Implementation of this bill could result in denying access to billions of dollars in state funds for projects in rural parts of California. This bill could promote multimodal investments but undermine TAM's ability to be a funding partner on the state highway system.	**Watch**
AB 2748 (Quirk-Silva) **Building standards: affordable housing developments: electric vehicle charging**	Failed Passage	This bill would exempt new or existing affordable housing projects for which a permit application is submitted between January 1, 2025, and December 31, 2035, from specified electric vehicle (EV) charging receptacle installation requirements in the 2025 California Green Building Standards Code, including any subsequent editions, and instead requires the affordable housing project to comply with the EV charging receptacle installation requirements in the 2022 edition of the California Green Building Standards Code. TAM has a Watch position because these permits are subject to local control, but TAM has an interest in legislation that advances EV usage.	**Watch**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
SB 667 (Archuleta) **Railroads: safety: reports**	Enrolled 8/30/2026	As amended on June 3, would require the Public Utilities Commission, on or before July 1, 2029, to review the list of railroad sites and, in the annual report, to include an evaluation of each site on the list and determine whether changes in conditions, operations, or safety data warrant the removal, modification, or addition of any site. ~~This bill requires a railroad to operate a network of wayside detector systems on or adjacent to any track used by a freight train. By mandating comprehensive detection coverage and communication protocols, it attempts to enhance California's ability to detect potential equipment failures before they result in catastrophic incidents. As amended on January 5, the bill would cap train speed based on whether they fit into one of three classes. While this bill is intended to enhance safety, it may have an adverse impact on freight operations and, ultimately, scheduling slots for passenger rail service and ridership if enacted.~~ This bill no longer has an impact on SMART's ability to run service and is no longer relevant to TAM. TAM has a Watch position to monitor the prospective impact on grade crossings for SMART service.	**Watch**

SB 677 (Wiener) **Housing financing: joint powers agreements: bond approvals: subdivisions: tentative and final maps: appeals~~Housing development: transit-oriented development~~**	Enrolled 8/30/2026	As amended on August 20, this bill prohibits an interested person from appealing a parcel map for a housing development project on an urban infill site, and authorizes the State Treasurer to provide specified approvals for tax-exempt private activity bonds under specified circumstances. ~~Existing law requires that a housing development project, as defined, within a specified distance of a transit-oriented development (TOD) stop, as defined, be an allowed use as a transit-oriented housing development on any site zoned for residential, mixed, or commercial development, if the development complies with certain applicable requirements, such as height limits, density, and residential floor area ratio in accordance with a development's proximity to specified tiers of TOD stops, and labor standards that require that a specified affidavit be signed under penalty of perjury. The term "high-frequency commuter rail" for TOD purposes is defined as commuter rail service operating a total of at least 48 trains per day across both directions, not including temporary service changes of less than one month or unplanned disruptions, and not meeting the standard for very high frequency commuter rail, at any point in the past three years. Existing law also defines the term "Tier 2 transit-oriented development stop" for these purposes to mean a TOD stop within an urban transit county, as defined, excluding a Tier 1 transit-oriented development stop, as defined, served by light rail transit, by high-frequency commuter rail, or by bus service meeting specified standards.~~ This bill is no longer relevant to TAM as these are local control issues, but are worth monitoring for potential transportation impacts. ~~This bill would revise the definition of "high-frequency commuter rail" to mean a public commuter or intercity rail station with a total of at least 48 passenger trains on average per weekday across all directions, not including temporary service changes of less than one month or unplanned disruptions, and not meeting the standard for very high frequency commuter rail, at any point in the past three years.~~ ~~SMART current runs 41 trains a day, but with MASCOTs service changes they will be running 48 trains starting in April, Marin rail stations would be covered by the current language.~~	**Watch**

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
SB 922 (Laird) **Vehicles: local agency charges: use of streets or highways.**	Signed by Governor Chapter 148, Statutes of 2026	Existing law prohibits a local agency from imposing a tax, permit fee, or other charge for the privilege of using its streets or highways, other than a permit fee for an extralegal load unless the local agency had imposed the fee prior to June 1, 1989. This bill would expressly limit this prohibition to charges based on weight. The bill would also explicitly state that a fee, charge, or surcharge imposed by or for a local agency to recover the cost of street maintenance and repair and other costs associated with the use of its streets, roads, or highways to provide public services or public works is not a tax, permit fee, or other charge that is prohibited by the provision above. The bill would provide that nothing in the Vehicle Code prohibits a local agency from imposing or collecting this fee, charge, or surcharge. TAM has a Watch position because this bill allows fees for items such as waste hauling, caused by heavy duty vehicles. It's not a source of funding that would impact TAM's activities but it worth watching because it allows for fee collection for transportation-related impacts.	**Watch**
SB 1035 (Strickland) **Motor vehicle fuel tax: greenhouse gas reduction programs: suspension**	Failed Passage	This bill would suspend the Low Carbon Fuel Standard regulations for one year. The bill would also exempt suppliers of transportation fuels from regulations for the use of market-based compliance mechanisms for one year.	**Oppose**

SB 1087 (Cabaldon) **Transportation planning: sustainable communities strategies: transportation funding programs**	Enrolled 8/31/2026	Metropolitan Planning Organizations (MPOs) must prepare a Sustainable Communities Strategy (SCS) to be eligible for state grant funding. The SCS is a document that details how a region intends to create livable communities by addressing housing needs and reducing miles traveled and greenhouse gas emissions. As amended on August 21, the bill does the following: • Extends the timeline for metropolitan planning organizations to prepare a regional transportation plan, including a sustainable communities strategy, from 4 to 8 years. • Removes the requirement for a separate Alternative Planning Scenario (APS) document. • Maintains the Air Resources Board (ARB) 's responsibility for setting greenhouse gas targets and requires ARB to set targets for 2035 and 2045. • Targets must be based on what is achievable for the region, considering existing conditions, exogenous factors, and financial constraints, including existing resources, the built environment, and access to modes of travel outside of single-occupant passenger vehicles. • Targets must also reflect the combined effect of policies, regulations, and investments by cities, counties, special districts, county transportation agencies, air districts, metropolitan planning organizations, the state, and the federal government to improve fleet efficiency and reduce vehicle miles traveled. • Requires ARB to hold workshops on GHG targets. —Requires all MPOs to prepare an implementation progress report four years after adopting an SCS. Statutory scope is defined and does not require new modeling or primary data collection. MPOs under 1.5 million may include a board adopted resource certification that satisfies the requirement regardless	**Support**

		of omissions due to capacity constraints.~~This bill would revise the sustainable communities strategy (SCS) process by proposing the following:~~ ~~Extends the timeline for metropolitan planning organizations to prepare a regional transportation plan, including a sustainable communities strategy, from 4 to 8 years.~~ ~~Removes the requirement for a separate alternative planning scenario (APS) document.~~ ~~Exempts the preparation of a Regional Transportation Plan (RTP) and SCS from CEQA.~~ ~~Shifts oversight responsibility from the Air Resources Board to the California Transportation Commission to determine whether an MPO's sustainable communities strategy will reduce greenhouse gas emissions.~~ ~~Maintains the Air Resources Board (ARB) 's responsibility for setting greenhouse gas targets, but requires establishing a Regional Target Advisory Committee before setting targets, deviating from the one-size-fits-all approach the ARB has taken in setting statewide targets.~~ ~~Emission targets must be based on what is achievable for the region, considering existing conditions, exogenous factors, and financial constraints, including existing resources, the built environment, and access to modes of travel outside of single-occupant passenger vehicles.~~ ~~Targets must also reflect the combined effect of policies, regulations, and investments by cities, counties, special districts, county transportation agencies, air districts, metropolitan planning organizations, the state, and the federal government to improve fleet efficiency and reduce vehicle miles traveled.~~ ~~For the CTC's Solutions for Congested Corridors Program, this bill would eliminate the requirement for projects to be a part of a comprehensive corridor plan. The bill would also replace the project delivery scoring criterion with a requirement that priority be given to near-term projects in an adopted regional transportation plan that will open before 2035.~~	

TAM Bill Matrix – September 2026			
Measure	**Status**	**Bill Summary**	**Recommended Position**
		~~This is the SB 375 reform bill, sponsored by the Big Four MPOs.~~	
SB 1159 (Cabaldon) **Artificial intelligence: transparency and governance**	Enrolled 8/28/2026	This bill provides that for the purposes of the California Public Records Act, the Bagley-Keene Open Meeting Act, the Ralph M. Brown Act, the California Environmental Quality Act, the Administrative Procedure Act, and the Political Reform Act of 1974, the terms "person," "interested person," "participant," "member of the public," as applicable, and any other similar terms under each act referring to those who may engage with governmental agencies, do not include artificial intelligence (AI) systems, autonomous agents, robots, or other nonhuman entities, whether physical or digital.	**Support**
SB 1167 (Blakespear) **Vehicles: electric bicycles**	Enrolled 8/28/2028	This bill would impose regulations on "high-powered" electric devices marketed as e-bikes, making it illegal to sell or label motor-driven cycles, mopeds, or electric motorcycles (over 750W) as electric bicycles. The bill requires clear labeling and disclosure of registration/license needs for these faster, non-compliant vehicles.	**Support**
SB 1423 (Stern) **Regional planning: standardized spatial planning datasets**	Enrolled 8/30/2026	As amended on June 22, this bill requires the Governor's Office of Land Use and Climate Innovation (LCI) to create a consolidated online platform to make publicly available statewide standardized spatial planning datasets for use in local planning. TAM has a Watch position because it has no impact on TAM and is being provided for informational purposes.	**Watch**

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STRATEGY EXECUTION OUTCOMES

September 2, 2026

TO: Board Members, Transportation Authority of Marin
FROM: Gus Khouri, Partner
Actum II LLC

RE: STATE LEGISLATIVE UPDATE

General Outlook

Due to the 72-hour print rule under Proposition 54 of 2016, the legislature extended the end of the two-year Regular Session from August 31 through September 1, to address items pertaining to outstanding budget items, including Cap and Invest. Governor Newsom has until September 30 to sign or veto legislation.

Temporary Deal Reached on Cap and Invest Funding for Tier 3 Programs

On September 1, the legislature sent SB 193 (Committee on Budget) to Governor Newsom's desk. This bill represents a short-term compromise (FY 2026-27) on maintaining investments through Cap and Invest auction proceeds for programs referred to as Tier 3 priorities such as air quality, affordable housing, public transportation, safe drinking water, and decarbonization of agricultural equipment. SB 193 makes this possible by dedicating new Cap and Invest revenue ($128 million), using $500 million in annual Cap and Invest interest earnings, and pushing back $500 million of the CalFire obligation to FY 27-28.

Under the previous Cap-and-Trade program, which lapsed on June 30, 2026, the Transit and Intercity Rail Capital Program (TIRCP) receives 10%, and the Low Carbon Transit Operations Program (LCTOP) receives 5% of all proceeds. In FY 2025-26, the program generated $4.4 billion, resulting in $440 million for TIRCP and $220 million for LCTOP. The extension and rebranding of Cap and Trade to Cap and Invest has made things challenging, as those programs are the lowest priority. The SB 840 expenditure plan caps TIRCP at $400 million, LCTOP at $200 million, and the Affordable Housing and Sustainable Communities (AHSC) Program at $800 million — a 10% reduction from Cap-and-Trade levels.

However, industry's reluctance to purchase emission credits is preventing the state from realizing those funding levels. Industry has also been importing energy to circumvent California regulations, a practice known as "leakage." The Air Resources Board is fighting to curb this practice to help accelerate achievement of greenhouse gas emissions targets. Projections for Cap and Invest have declined to $2.7 billion for FY 2026-27, a decrease of 37%.

A stagnant credit market, Governor Newsom's plan to accelerate $2 billion in larger utility credit rebates through FY 2030-31 (bringing the total to $8–10 billion), and the California Air Resources Board's (CARB) attempts to placate industry by regulating a lower credit price through the new Manufacturing Decarbonization Incentive (MDI) are together squeezing available auction proceeds and threatening to eliminate funding for Tier 3 programs.

SB 193 provides a one-year fix to maintain program funding as demonstrated below:

Program/ Purpose	Tier 2 Funds	Tier 3 Funds	Other Funds	Total:	Notes/Details
SB 125 transit funding	230	0		230	Consistent with SB 125 funding plan for FY 2026-27
Low Carbon Transit Operations Program (LCTOP)	160	48		208	Consistent with SB 840 amount
SB 901 Forest Health & Vegetation Management	150	38		188	Close to the SB 840 amount of $200 million
Affordable Housing and Sustainable Communities	125	57		182	Specify $70 million for Sustainable Agricultural Land Conservation (SALC)
Safe & Affordable Drinking Water (SAFER) Program	55	31	100	186	Includes at least $100 million Prop 4, totaling $180 million for drinking water
AB 617 Community Air Protection Program	20	48	150	218	Plus $150 million General Fund appropriated in June, approx. 87% of the SB 840 amount. Of this total, specify $20 million to communities implementing Community Emission Reduction Plans (CERPs)
Funding Agricultural Replacement Measures for Emission Reduction (FARMER)	10	0		10	New augmentation for this program that a previously funded through General Fund
AHSC Affordable Housing Allocation		133		133	Additional funding may be available from the November housing bond
Transit and Intercity Rail Capital Program (TIRCP)		95		95	A reduction of $305M from GGRF, but SB 1 provides a $250M annual contribution.
Totals: (In Millions)	**$750**	**$450**	**$250**	**$1,450**	

SB 125 Funding Secured For FY 26-27

SB 125 of 2023 provides $5.1 billion for transit capital and operations. AB 113 (Committee on Budget), the junior budget bill, includes $230 million for FY 26-27, meaning that $4.64 billion of the $5.1 billion is available for allocation. MTC's total share under the program is $1.17 billion. MTC will be eligible to draw down $1,004754,963. The remaining $167,933,118 is subject to a legislative appropriation of the remaining $460 million for FY 27-28.

Funding Secured for Redwood Bikeshare Program

TAM has secured a $1 million appropriation through AB 113 to continue the operation of the Redwood Bikeshare program for three -years, which provides first and last mile service to SMART stations. There have been 28,474 trips on Redwood Bikeshare since it launched in October 2024, of which roughly 60% started or ended at a SMART Station. This funding will help Redwood Bikeshare expand to every SMART station and add more connections to SMART. The current two-year pilot has shown a 75% year over year growth, and the trend should continue as SMART expands service.

Bills of Interest

1. **AB 2168 (Wicks),** as amended on July 2, this bill requires the California Transportation Commission (CTC) to establish penalties for failure to use Active Transportation Program (ATP) funds in a timely manner, clarifies ATP eligibility criteria related to projects that provide access to transit, and expands the goals of ATP to include increasing the proportion of trips accomplished by accessing public transit.

   Recommendation: Watch **Status:** Governor's Desk

2. **SB 741 (Blakespear),** as amended on July 1, this bill would repeal the requirements for transit agencies to demonstrate that the expenditure of funds received under the Low Carbon Transit Operations Program (LCTOP). This bill places less strings on using LCTOP funds.

   Recommendation: Support **Status:** Governor's Desk

3. **SB 1087 (Cabaldon),** as amended on August 21, this bill would modernize the preparation of sustainable communities strategies documentation, which is required to be prepared by a metropolitan planning organization (MPO), such as MTC, for eligibility to apply for state grant funding. Failure to have an adopt plan impedes TAM's ability to apply as well. These plans must demonstrate how an MPO plans to reduce greenhouse gas emissions and vehicle miles traveled by investing into housing and multimodal transportation options, in addition to traditional highways projects. This bill would require the California Air Resources Board (CARB) to approve an SCS within 60 days and pushes the requirement to complete one from 4 to every 8 years. If an MPO has changes to its Federal Transportation Improvement Plan, it must amend its SCS and send it to CARB. Greenhouse gas emissions must be based on air conformity models and assumptions rather ambitious one-size fits-all statewide targets. The bill also places performance metrics on the California Transportation Plan for Caltrans to follow.

   Recommendation: Support **Status**: Governor's Desk

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Transportation Authority of Marin

DATE: September 14, 2026

TO: Transportation Authority of Marin
Funding, Programs & Legislation Executive Committee

FROM: Anne Richman, Executive Director
Scott McDonald, Principal Transportation Planner

SUBJECT: Funding to Extend the Bikeshare Pilot Program and Amend the FY2026-27 Budget (Action), Agenda Item No. 7

RECOMMENDATION

The Funding, Programs & Legislation (FP&L) Executive Committee refers to the TAM Board the recommended approval of $412,500 in Measure AA Category 4.6 funds to be contributed by TAM toward eligible operating costs for the three-year extension of the Redwood Bikeshare Program in Marin County and authorizes the Executive Director or designee to enter into a cooperative funding agreement with Sonoma County Transportation and Climate Authorities (SCTCA).

Of the $412,500, $137,500 is recommended to be included in the FY2026-27 Budget; the remaining funding would be considered under subsequent TAM annual budgets to cover program costs.

BACKGROUND

In 2018, TAM and the SCTCA signed a cooperative agreement for the implementation of a bike share pilot program after receiving an $826,000 grant from the Metropolitan Transportation Commission (MTC). The funding for the initial pilot covered a two-year operating period for a program connecting bike share with the Sonoma-Marin Area Rail Transit (SMART) corridor in Sonoma and Marin counties with SCTCA being the lead fiscal and contract agent. In 2023, SCTCA and TAM selected the contractor Drop Mobility to operate the bike share program and SCTCA approved a contract for the 2-year pilot program using $820,000 out of the $826,000 grant from MTC, with the remaining $6,000 of the MTC grant amount retained for SCTCA administrative costs associated with the program. The program was later branded as Redwood Bikeshare.

This program has been developed and implemented in close coordination with partners where bikeshare hubs are located, including the Cities of Santa Rosa, Rohnert Park, Cotati, Petaluma, Novato, San Rafael, and Larkspur; the Golden Gate Bridge Highway and Transportation District, (GGBHTD) and SMART. The pilot program includes 300 shared pedal assist e-bicycles (Class 1 e-bikes), which are required to be picked up and dropped off at specific locations across approximately 60 parking hubs and 120 drop zones. Drop Mobility operates the system by swapping out batteries and redistributing bicycles as needed. During the first year of the pilot, ridership grew steadily as the network expanded and communities became more familiar with the system. With the pilot now in its second year, the March through June ridership has increased nearly two-fold over the first year. SCTCA and TAM, along with Drop Mobility and partner agencies, have continued to review system performance, implement new promotions, and support the program.

DISCUSSION

When Measure AA was approved in 2018, Category 4.6 was established to expand access to ferries and regional transit. In the recent past, these funds have been used to support operations of Golden Gate Transit shuttles such as “The Wave” service to the Larkspur ferry terminal (which ceased operations in 2020 during the pandemic) and as a contribution toward the pilot shuttle operating between the ferry terminal and the SMART station in Larkspur.

As part of the 2026 six-year review of the Measure AA Expenditure Plan, Category 4.6 was amended to broaden both the eligible recipients and the eligible uses of the funds. The amended language specifically provides for the expansion and maintenance of shared mobility services and new transit connections that address first and last mile access to rail and ferry stations. It also identifies TAM, Marin Transit, and GGBHTD as eligible sponsors and expressly identifies bikeshare systems as an eligible shared mobility service at major transit stops. Redwood Bikeshare therefore is suitable for funding under Measure AA Category 4.6.

The current two-year Redwood Bikeshare pilot contract is set to expire in October 2026. With growing usage of bikeshare in the two counties, TAM, SCTCA, and MTC staffs have been exploring an extension that would allow continued operation of the existing system. A three-year extension would preserve an existing first and last mile transportation service rather than require development of a new program. The current fleet, hubs, operating platform, customer base, and partnerships with SMART, Golden Gate Ferry, and local jurisdictions are already in place. Continuing the service with Measure AA funds to leverage existing investments will avoid any service interruption just as ridership is growing. Using Category 4.6 funds for operating costs is particularly consistent with the amended Measure AA Expenditure Plan's direction to expand and maintain shared mobility services. A bikeshare system provides a reliable transit connection when bicycles are available, charged, and located where riders need them. The proposed operating investment would fund activities that make that service reliable, including bicycle rebalancing, battery swapping, maintenance and repairs, software and connectivity, customer support, administration, and marketing and outreach.

Continued operating support will also allow TAM and SCTCA to evaluate the program over a longer five-year period with an established system, rather than a short start up window over just the initial two-year period. During the extension, staff will continue to monitor ridership, membership, hub activity, customer-service performance, and connections to major transit stops and use those results to guide future funding and operations.

Redwood Bikeshare Earmark Pending

In partnership with SCTCA, TAM submitted a $2.8 million Member-Directed Request (commonly referred to as a state earmark) for the FY 2026/27 State Budget to support a three-year extension and expansion of Redwood Bikeshare. The request included $1.8 million to continue operating the existing regional system for three additional years and $1 million for expansion split between Marin and Sonoma Counties. The funding would allow the program to maintain the existing 300 e-bikes and regional network and expand service into additional areas. TAM documented the request in its March 26, 2026 Executive Director's Report.

TAM submitted the request to Senator McGuire and Assemblymember Connolly, while SCTCA submitted the joint request to its state legislative delegation. On August 31, TAM staff confirmed that the request resulted in a $1 million state earmark provided by Senator McGuire within Assembly Bill 113, available to TAM to extend and expand the Redwood Bikeshare pilot program in the Counties of Sonoma and Marin. While this has been exciting news for the program, the details are still being considered along with the potential timing which may require an administrative process to access the funds. Note that Assembly Bill 113 is still pending the Governor’s signature at the time of this staff report.

For these reasons staff still recommends the funding arrangement described in the next section of this report and this state earmark funding may be used to augment the proposed funding below.

RELATIONSHIP TO COUNTYWIDE TRANSPORTATION PLAN (CTP)

The Redwood Bikeshare Pilot Program has consistency with the CTP and supports core principles of safe, equitable, and sustainable transportation while supporting Marin's active transportation network. Bikeshare provides an active transportation service that can replace vehicle trips and lead to a reduction in both vehicle miles traveled and greenhouse gas emissions.

FISCAL CONSIDERATION

The original MTC bikeshare grant provided $826,000 to SCTCA and TAM to establish and operate the two-year pilot program, with SCTCA serving as the fiscal agent and TAM and SCTCA sharing program implementation and management. As the grant-funded pilot concludes, continued service will require a new funding structure for the three-year extension.

Drop Mobility's extension proposal for an extended three-year service includes ongoing operating costs for the 300-bike system at $300,000 per year, or $900,000 over three years. Drop Mobility's extension also identifies a remaining $432,000 lease balance for the 300 bicycles as a separate capital obligation, with approximately $65,000 for additional batteries and signage. SCTCA, TAM, MTC, and SMART have been working to assemble a funding plan to support the three-year extension. Under the plan, the capital costs will be covered by MTC through a supplemental contribution. SCTCA and SMART have also preliminarily agreed to provide supporting funds for the next three years; actions/board approvals to secure the funds are being sought this month. The funding contributions and costs are outlined below:

Party	Program Support	Contribution
MTC	Capital	$498,250
TAM	Operating	$412,500
SCTCA	Operating	$412,500
SMART	Operating	$75,000
		Total $1,398,250

If approved by the Board, TAM would enter into an agreement with SCTCA to provide funding; SCTCA would continue to hold the contract with Drop Mobility. The TAM funds are expected to be spread over at least three fiscal years and will be used to support program operations in Marin County. The TAM annual budget will be amended following Board approval of this commitment. Any budget or contract actions related to the pending earmark would be brought back to the Board as needed.

NEXT STEPS

Following TAM Board approval, TAM and SCTCA staff will finalize the cooperative funding agreement and work with Drop Mobility on the three-year extension of Redwood Bikeshare operations. The agreement will identify eligible operating expenses, the allocation of costs attributable to Marin service, invoicing and reimbursement procedures. Staff will continue to coordinate with Marin jurisdictions, SMART, Golden Gate Ferry, and other partners regarding hub locations and system operations and will provide periodic updates to the TAM Board on ridership, first and last mile connections, operating performance, and use of Measure AA Category 4.6 funds. Staff will also monitor the next steps required to access potential state earmark funding to augment the funding recommended at this time.

ATTACHMENTS

Attachment A – PPT Presentation

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Redwood Bikeshare Pilot Program Funding and Extension

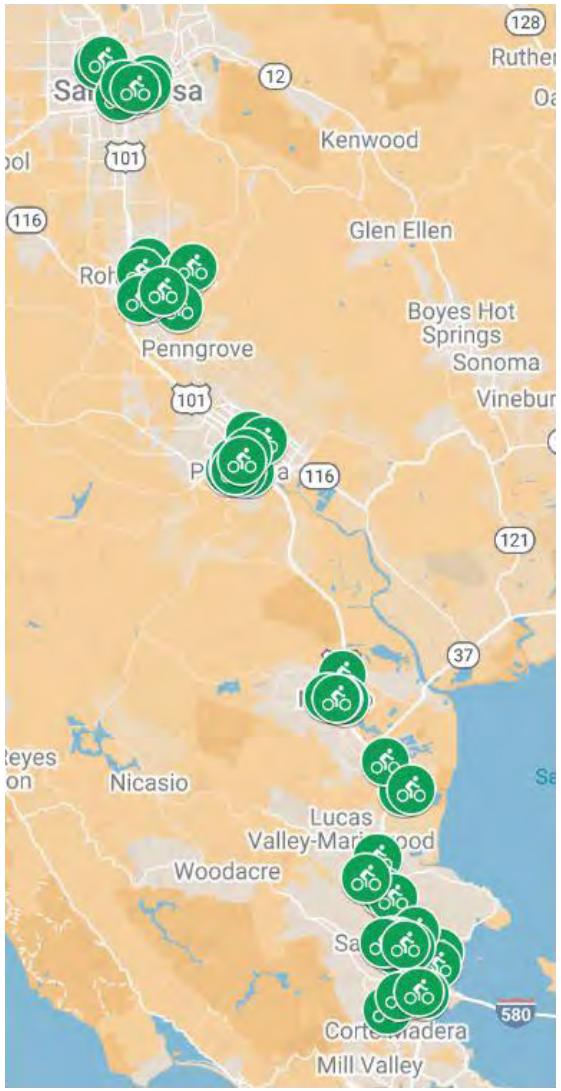
Transportation Authority of Marin

Funding, Programs & Legislation Executive Committee

September 14, 2026

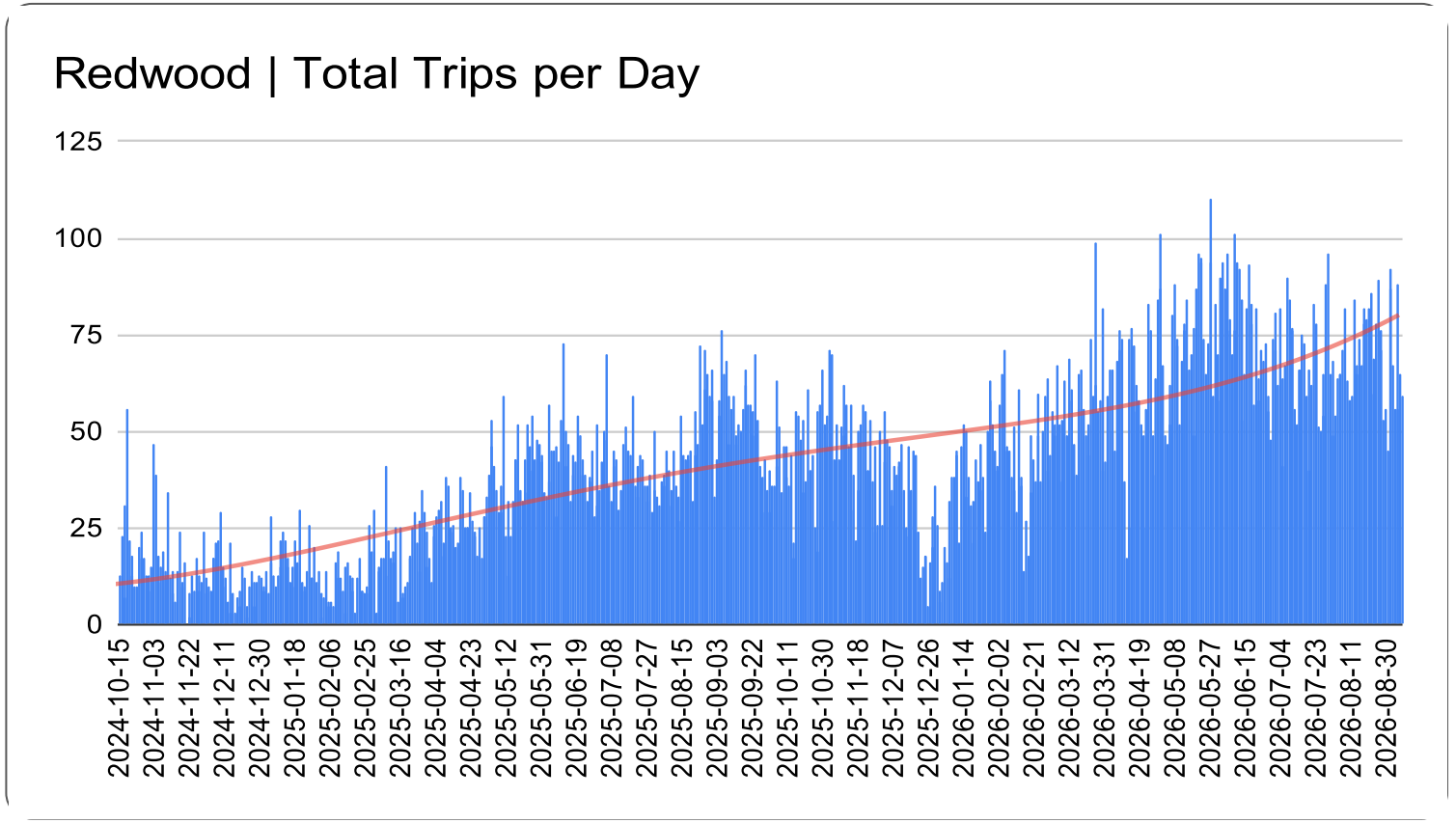
Program Background

- Partnership between the Transportation Authority of Marin (TAM) and the Sonoma County Transportation and Climate Authorities (SCTCA)
- Initial funding for two-year pilot through Metropolitan Transportation Commission (MTC) grant
- Contract with Drop Mobility for two-year pilot program with 300 e-bikes in 7 cities along the SMART Corridor
- Launched in October 2024 across 5 cities; remaining cities operational by March 2025
- Includes 56 hubs with consistent fleet of e-bikes and 124 public bike racks added to increase system density and promote usage

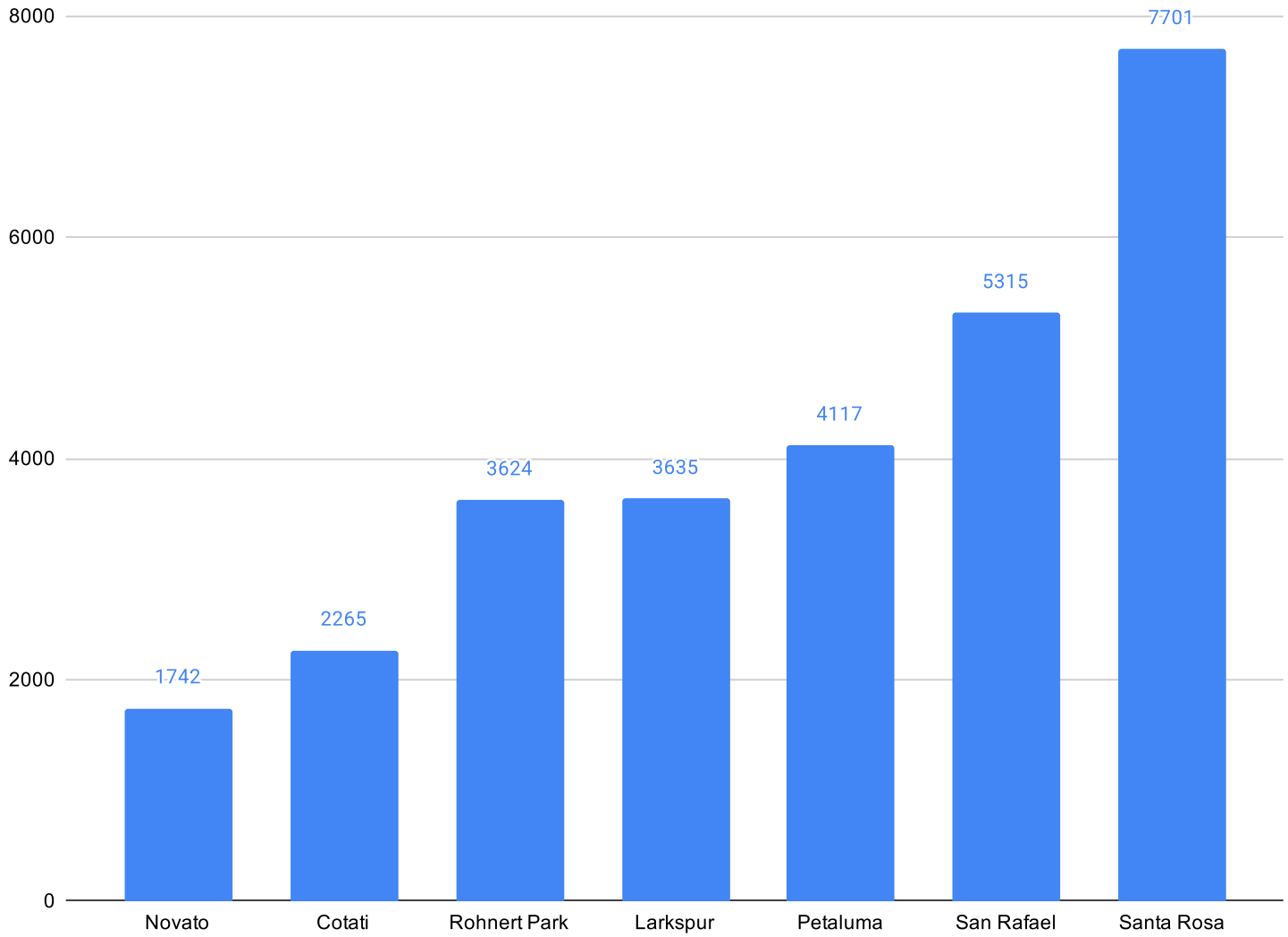


Ridership Highlights through August 2026

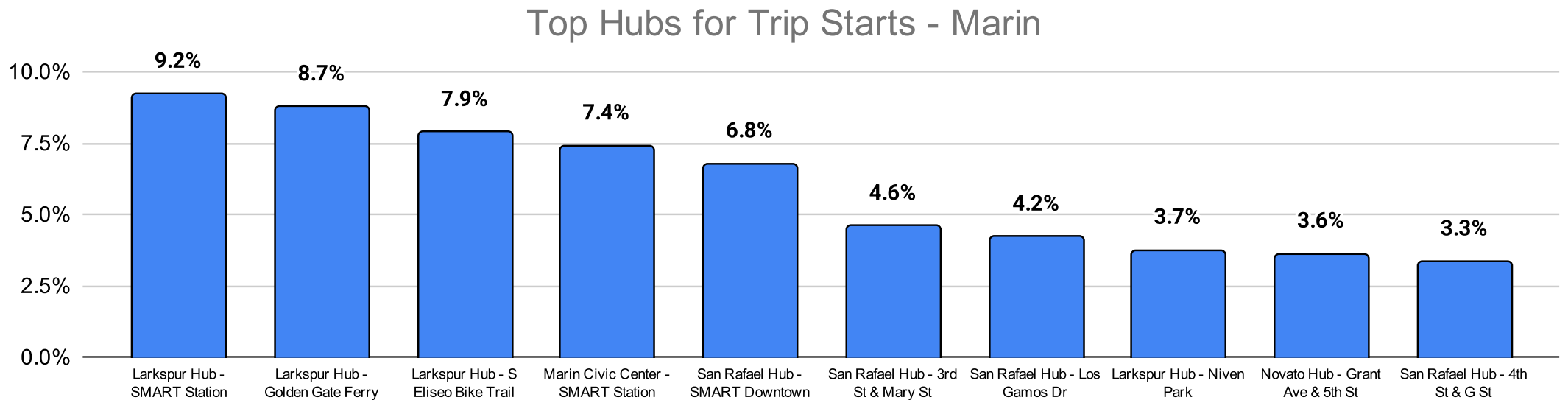
- More than 28,000 Total Trips
- 4900 Total Unique Users
- 12-minute median trip duration
- 1.75 mile average trip length
- Fleet utilization
  - 2024 - .09
  - 2025 - .13
  - 2026 - .24 (YTD)

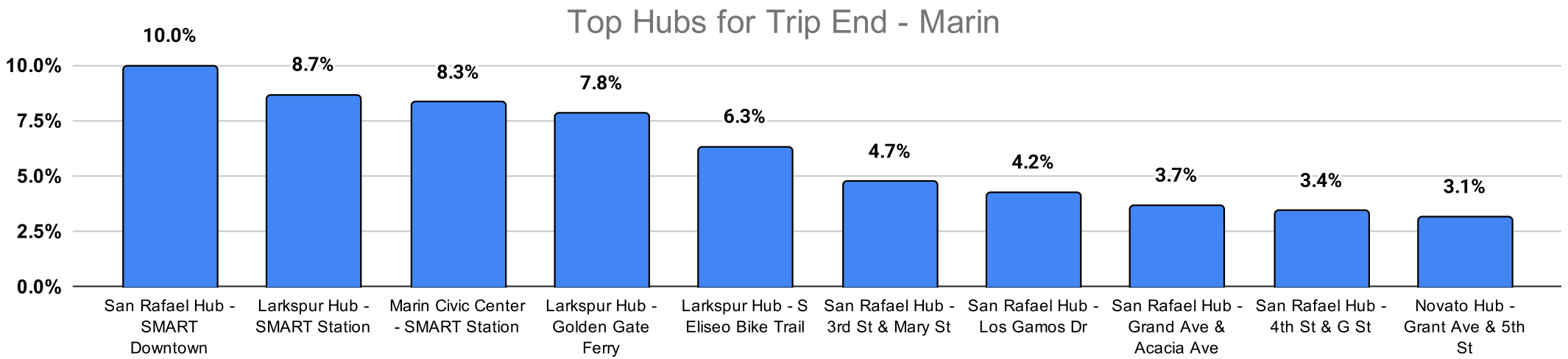


Total Trips by City – Launch thru 8/31/26



User Patterns





Strategies for System Growth – 2026

April 2026 – Doubled daily minutes allowed for all members

260% increase in both memberships and rides - YoY, April – July

Summer & Fall 2026 – Nuestra Canal, Nuestras Bicicletas

Partnering with Canal Alliance & MCE

Workgroups focusing on education & feedback

2 – Bikeshare 101 Classes and Rides led by Redwood Bikeshare

Funded by $20,000 “Better Bikeshare” Grant

Distribution of 60 1-year Equity memberships sponsored by MCE

Bulk memberships for public & private entities

Expected to double our number of monthly members by end of year

Strategies for System Growth – Going Forward

Outreach to targeted demographics:

- Student & equity populations
- Transit riders

Increased messaging focused on strategic partnerships:

- Transit agencies
- Tourism boards & hospitality industry
- Community groups

Targeted partnerships to help grow fleet and network:

- Local advocate groups
- Housing developers
- Large employers

Three-Year Extension Investment

- Current contract expires in October 2026. Three-year extension proposed.
- Operating costs: $300,000 per year, or $900,000 over three years; to be covered by TAM, SCTCA, and SMART
- Capital costs: remaining bicycle lease balance, additional batteries and signage; to be covered by MTC through a supplemental capital contribution.

Agency	Program Support	Contribution
MTC	Capital	$498,250
TAM	Operating	$412,500
SCTCA	Operating	$412,500
SMART	Operating	$75,000
Total		$1,398,250

Pending agency/Board approvals, expected in Sept.

Measure AA Category 4.6

- Measure AA Category 4.6 was established in 2018 for ferry and regional transit access and has funded “The Wave” shuttle to the Larkspur Ferry Terminal and the pilot shuttle between the ferry and SMART station. Approx. $150,000 per year available.
- 2026 amendment expanded eligibility to include shared mobility services, specifically bikeshare at major transit stops.
- TAM is proposing $412,500 in Category 4.6 funds for Marin operating costs over the three-year extension, about $137,500 annually.
- TAM funding would leverage SCTCA, SMART, and MTC contributions to continue the existing 300-bike regional system.

What the Extension Funds

- Rebalancing to redistribute bicycles to meet demand
- Battery swapping
- Maintenance & repairs
- Software including the Redwood Bikeshare app and system
- Customer support and rider assistance
- Promotions and events
- Program management, marketing and public information
- Remaining bicycle lease balance plus additional batteries and signage

State Earmark Pending

- TAM submitted Member-Directed Requests (commonly referred to as State Earmarks) for Redwood Bikeshare (joint request with SCTCA), Crossing Guards, Part Time Transit Lanes
- Senator McGuire secured $1M for Redwood Bikeshare in Assembly Bill 113
- Legislation pending Governor's signature, with funding agreement and access to funds to follow
- Discussion of use of funds will come once there is more certainty about timing, etc.

Recommendation

Funding

- Approval of $412,500 in Measure AA Category 4.6 funds for eligible Marin County operating costs during a three-year Redwood Bikeshare extension.
- TAM FY2026-27 Budget Amendment with $137,500 of Category 4.6 funds, remaining funding under subsequent TAM annual budgets to cover program costs.

Agreement

- Authorize Executive Director or designee to enter into a cooperative funding agreement with SCTCA. (SCTCA will continue to hold the agreement with vendor Drop Mobility)

Redwood BIKESHARE

Questions?