

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 12/10/2025

Staff Report No. 25-537

TO: AC Transit Board of Directors
FROM: Salvador Llamas, General Manager/Chief Executive Officer
SUBJECT: Monthly Legislative Report

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider receiving the Monthly Legislative Report.

Staff Contact:
Claudia Burgos, Executive Director of External Affairs and Customer Experience

STRATEGIC IMPORTANCE:

Goal - Strong Public and Policymaker Support
Initiative - Financial Efficiency and Revenue Maximization

The Monthly Legislative Report tracks state, regional, and federal legislation to ensure alignment with the District's Strategic Plan and its goal of maintaining strong public and policymaker support. Policy decisions at all levels can impact District operations and revenues, making ongoing monitoring and engagement essential.

BUDGETARY/FISCAL IMPACT:

There is no budgetary or fiscal impact associated with this report.

BACKGROUND/RATIONALE:

Federal Update

The federal government shutdown ended on November 12, with workers returning to work the following day. The current agreement keeps the government open only until January 30, 2026.

In the meantime, the Department of Transportation submitted two proposals to reduce federal funding for transit. The first proposal would eliminate the Mass Transit Account in the Highway Trust Fund and divert that funding to construct highways. The second proposal would stop the Federal Highway Administration (FHWA) from funding transit projects and block states from using highway formula funds for transit. These proposals were sent to the White House for possible inclusion in the upcoming surface transportation bill.

Rep. Simon introduced the "Rapid Intervention and Deterrence for Enhanced Rider Safety Act" - the RIDERS

Act. This bill was previously called the “Transit Ambassador and Public Safety Enhancement Act,” which the Board voted to support at its July meeting. The substance of the bill has not changed - it would allow federal capital grant funding to be used for operating costs for transit ambassadors. Congressmen Garamendi and DeSaulnier, both of whom sit on the influential House Transportation & Infrastructure Committee, are co-sponsors.

State Update

District representatives met with State Senator Dr. Aisha Wahab on November 13 to discuss workforce development, apprenticeship expansion, and regional transit coordination. The District sincerely appreciates the Senator’s stated commitments to supporting the further development of our workforce development program, local hiring efforts, and grant submissions.

In Sacramento, Senator Monique Limón (D-Santa Barbara) became the 50th *President Pro Tempore* of the California State Senate. The Senate will hold a formal swearing-in ceremony on January 5, 2026. Senator Limón succeeds Senator Mike McGuire (D-North Coast) in the role.

The State Legislative Analyst’s Office (LAO) released its annual *Fiscal Outlook* in anticipation of the upcoming budget season. The LAO forecasts an \$18 billion budget shortfall for fiscal year 2026-27 - larger than previously projected by about \$5 billion. Longer-term, the state faces growing structural deficits of around \$35 billion annually starting in 2027-28, as spending growth outpaces revenue growth. The District and our transit partners will actively engage with state policymakers to safeguard transit funding.

Negotiations regarding the \$750 million state loan continue. The deadline to strike a deal is January 10, 2026.

Regional Update

Recent polling by the Metropolitan Transportation Commission shows 56% of likely voters in the five affected Bay Area counties support a proposed November 2026 sales tax measure to fund public transit. As a citizen-initiated ballot measure, approximately 186,000 signatures from across Santa Clara, San Mateo, San Francisco, Alameda and Contra Costa counties will need to be gathered and submitted to the Secretary of State by June 3, 2026, to qualify for the November ballot. The measure needs a simple majority to pass and, if it does, will raise about \$980 million annually for 14 years.

ADVANTAGES/DISADVANTAGES:

Monthly updates keep the Board informed of pending legislation and its potential impact on the District. The adoption of favorable legislation by policymakers helps further the District’s goal of having strong public and policymaker support.

ALTERNATIVES ANALYSIS:

No alternatives were considered as this report provides an update of monthly legislative activities.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report No. 24-534a: Adopted 2025 Federal and State Advocacy Programs.

Staff Report No. 25-411a: Adopted 2026 Federal and State Advocacy Programs.

ATTACHMENTS:

1. Federal Update
2. State Update
3. Matrix of State Legislation
4. 2025 Federal Advocacy Program
5. 2025 State Advocacy Program
6. 2026 Federal Advocacy Program
7. 2026 State Advocacy Program

Prepared by:

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Approved/Reviewed by:

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