

# PLATINUM | ADVISORS

March 30, 2026

TO: Diane Shaw, President, AC Transit Board of Directors  
Members of the AC Transit Board of Directors  
Salvador Llamas, General Manager  
Claudia Burgos, Executive Director of External Affairs & Customer Experience

FR: Steve Wallauch  
Platinum Advisors

**RE: Legislative Update**

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**Fiscal Outlook:** February revenues continue the trend of exceeding the January forecast, but barely. Total revenues beat projections by only \$154 million. While personal income tax receipts fell short of projections by \$395 million, this was offset by overages of \$362 million and \$180 million in corporation and sales taxes, respectively. For the fiscal year to date revenues exceed projections by \$7 billion.

The biting reality of these bright revenue numbers will be the need to backfill the impact of H.R. 1. The loss of federal funds will significantly impact county health systems. The California State Association of Counties (CSAC) is seeking \$6.4 billion over the next two fiscal years to offset this loss. In addition, the current stock market correction in response to the war with Iran will directly impact the state's revenue outlook.

**CARB Shuffle:** With a major vote on revising the Cap & Invest regulations on the horizon, the Governor has made several new appointments to the California Air Resources Board. The Senate finally confirmed last month two appointees made last year, Sonoma County Supervisor Lynda Hopkins and Riverside Mayor Patricia Lock Dawson.

However, the Governor rescinded the appointment of San Luis Obispo County Supervisor Dawn Ortiz-Legg shortly before the confirmation process was completed. Supervisor Ortiz-Legg was replaced by Buellton Mayor David Silva. Mayor Silva is expected to be confirmed next month. The reason behind rescinding the appointment is unclear, but may be related to Supervisor Ortiz-Legg's support for Diablo Canyon Nuclear Power Plant, which is in her district. In addition, Governor Newsom recently appointed Paula Stigler Granados to the board, replacing San Diego Mayor Todd Gloria. When Mayor Gloria was appointed last year, he only committed to serving for one year.

**Transit Advisory:** Caltrans is creating the California Transit Advisory Committee (CTAC) and is currently requesting applications. The CTAC will consist of 20 members that will be selected for 2-year appointments. The CTAC would meet on a quarterly basis. The deadline to apply is April 30<sup>th</sup>.

The purpose of this committee is to provide Caltrans with strategic input and technical guidance on Caltrans' transit efforts. The applications are not limited to representatives from public transit operators, but may also include those with experience in planning, designing, maintaining, evaluating, and delivering public transit programs and facilities for transit users, and first and last-mile travelers.

The creation of this committee was instigated by SB 960 (Wiener) enacted in 2024, which requires Caltrans to incorporate complete street elements into its planning documents. SB 960 also requires Caltrans to develop a transit policy, transit performance measures for the state highway system, and identify specific responsibilities for district offices in supporting the reliable, predictable, and fast movement of transit vehicles on the state highway system.

In addition to the CTAC, Caltrans Director Dina El-Tawansy has created a new position within Caltrans. Applications are currently being accepted for the first Deputy Director of Transit & Mass Transportation. The creation of this position also includes restoring the Division of Mass Transportation. The goal is to create a team focused on providing faster, more reliable, and connected transit service statewide. These actions are outlined in a new report, [The Director's Policy on Transit](#). This report outlines Caltrans' vision of delivering transit priority projects on state highways and enhancing its role in developing transit statewide. It focuses on transit priority facilities such as dedicated bus lanes, signal priority, and other infrastructure to make road-based transit service faster and more reliable on the State Highway System.