



Regional Transportation Planning Agency - Local Transportation Commission
Monterey County Service Authority for Freeways and Expressways
Monterey County Regional Development Impact Fee Joint Powers Agency
Email: info@tamcmonterey.org

Executive Committee

Members are: Wendy Askew, Chair; Chaps Poduri, 1st Vice Chair; Luis Alejo, 2nd Vice Chair; Chris Lopez, Past Chair; Glenn Church, County Representative; Jose Rios, City Representative

Wednesday, January 7, 2026

****9:00 AM****

MEETING LOCATION

Voting members must attend a physical meeting location to count towards quorum

*55B Plaza Circle, Salinas, California 93901
Transportation Agency Conference Room*

Alternate Locations with Zoom Connection Open to the Public

*2616 1st Avenue, Marina, California 93933
Supervisor Askew's office*

*168 West Alisal Street, 2nd Floor, Salinas, California 93901
Supervisor Alejo's office*

*1011 Broadway St, Suite C, King City, California 93930
Supervisor Chris Lopez's office*

*147 Fourth Street, Gonzales, California 93926
Mayor Jose Rios's office*

Members of the public & non-voting members may join meeting online at:
<https://us02web.zoom.us/j/83973622750?pwd=esaxn0K5Z4Rx2ppjC8D98QR6koK1Ae.1>

OR

**Via teleconference at +1 669 900 6833
Meeting ID: 839 7362 2750 Passcode: 890011**

If you join the meeting by phone and would like to make a public comment on an item, please dial *9 to raise your hand.

**Pursuant to Government Code Section 54952.7:
Please find Chapter 9, also known as the Ralph M. Brown Act:
https://leginfo.ca.gov/faces/codes_displayText.xhtml?division=2.&chapter=9.&part=1.&lawCode=GOV&title=5**

Please note: If all committee members are present in person, public participation by Zoom is for convenience only and is not required by law. If the Zoom feed is lost for any reason, the meeting

may be paused while a fix is attempted, but the meeting may continue at the discretion of the Chairperson.

Please see all the special meeting instructions at the end of this agenda

Complete agenda packets are on display at the Transportation Agency for Monterey County office and at these public libraries: Carmel, Monterey, Salinas Steinbeck Branch, Seaside, Prunedale, and King City. Any person who has a question concerning an item on this agenda may call the Agency Secretary to make an inquiry concerning the nature of the item described on the agenda. Please recycle this agenda.

1. QUORUM CHECK - CALL TO ORDER

Call to order and self-introductions. If you are unable to attend, please contact Elouise Rodriguez, Senior Administrative Assistant. Your courtesy to the other members to assure a quorum is appreciated.

2. PUBLIC COMMENTS

Any member of the public may address the Committee on any item not on the agenda but within the jurisdiction of the Committee. Under this item, each member of the public is allowed two minutes to address concerns. Comments in items on this agenda may be given when that agenda item is discussed. Persons who wish to address the Committee for public comment or on an item on the agenda are encouraged to submit comments in writing to Maria at maria@tamcmonterey.org by 5:00 pm the Monday before the meeting, and such comments will be distributed to the Board before the meeting.

Alternative Agenda Format and Auxiliary Aids: If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals requesting a disability-related modification or accommodation, including auxiliary aids or services, may contact Transportation Agency staff at 831-775-0903. Auxiliary aids or services include wheelchair-accessible facilities, sign language interpreters, Spanish language interpreters, and printed materials in large print, Braille or on disk. These requests may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting and should be made at least 72 hours before the meeting. All reasonable efforts will be made to accommodate the request.

COMENTARIOS DEL PÚBLICO:

Cualquier miembro del público podrá dirigirse a la Comité sobre cualquier punto no incluido en la agenda, pero que sea de su competencia. En este punto, cada miembro del público tendrá dos minutos para plantear sus inquietudes. Se podrán formular comentarios sobre los puntos de este agenda cuando se discuta dicho punto. Se anima a quienes deseen dirigirse a la Comité para recibir comentarios del público o sobre un punto de la agenda que envíen sus comentarios por escrito a Maria en maria@tamcmonterey.org antes de las 5:00 pm del lunes anterior a la reunión. Dichos comentarios se distribuirán a la Comité antes de la reunión.

Formato alternativo de la agenda y recursos auxiliares: Si se solicita, la agenda se pondrá a disposición de las personas con discapacidad en formatos alternativos apropiados, según lo exige la Sección 202 de la Ley de Estadounidenses con Discapacidades de 1990 (42 USC Sec. 12132) y las normas y reglamentos federales adoptados en su aplicación. Las personas que soliciten una modificación o adaptación por discapacidad, incluyendo ayudas o servicios auxiliares, pueden comunicarse con el personal de la Agencia de Transporte al 831-775-0903.

Las ayudas o servicios auxiliares incluyen instalaciones accesibles para sillas de ruedas, intérpretes de lengua de señas, intérpretes de español y materiales impresos en letra grande, braille o en disco. Estas solicitudes pueden ser presentadas por una persona con discapacidad que requiera una modificación o adaptación para participar en la reunión pública y deben hacerse al menos 72 horas antes de la reunión. Se hará todo lo posible para atender la solicitud.

3. **CONSENT AGENDA**

Approve the staff recommendations for items listed below by majority vote with one motion. Any member may pull an item off the Consent Agenda to be moved to the end of the **CONSENT AGENDA** for discussion and action.

3.1. **APPROVE** Executive Committee draft minutes of November 5, 2025.

- Elouise Rodriguez

4. **RECEIVE** update on state and federal legislative issues, and **RECOMMEND** the Board adopt the 2026 Legislative Program.

- Christina Watson, Ariadne Sambrano

Staff and consultants will provide an update on state and federal legislative issues.

5. **PROVIDE** direction and guidance to staff on assumptions for the three-year budget for fiscal years 26/27, 27/28, 28/29.

- Jefferson Kise

The TAMC annual budget development is an iterative process encompassing input from staff, the Executive Committee, and the Board of Directors. The budget reflects the financial impact of ongoing and committed projects and programs, as well as staff recommendations for operating expenditures. In addition to meeting the planning and programming commitments of the agency, staff seeks to insure the agency has the operating capacity to meet its needs for the future. These goals are pursued while balancing direct and operating revenue with their associated expenses, and planning for any strategic use of reserves.

6. **RECEIVE** update on changes to Brown Act as per Senate Bill (SB) 707.

- Christina Watson, Shane Strong

Senate Bill (SB) 707, signed into law on October 3, 2025, makes significant changes to the Ralph M. Brown Act, which governs open meetings for local government agencies in California.

7. **RECEIVE** report on draft agenda for January 28, 2026, TAMC Board meeting.

- Todd Muck

8. ANNOUNCEMENTS and/or COMMENTS

9. CLOSED SESSION:

Public Employee Performance Evaluation pursuant to Government Code Section §54957 – Position: Executive Director and Agency Counsel.
Reconvene in open session and report any actions taken.

Enclosures provided only to Executive Committee members.

- Jefferson Kise

10. ADJOURN

ANNOUNCEMENTS

Next Executive Committee meeting:

Wednesday, February 4, 2026, at 9:00 a.m.

**Transportation Agency for Monterey County
Conference Room**

55-B Plaza Circle, Salinas CA 93901

A quorum of voting members is required to be present to hold this meeting.

There will be a zoom link for hybrid participation by members of the public.

If you have any items for the next agenda, please submit them to:
Elouise Rodriguez, Clerk of the Board & Senior Administrative Assistant
Elouise@tamcmonterey.org

Important Meeting Information

Agenda Packet and Documents: Any person who has a question concerning an item on this agenda may call or email the Agency office to make inquiry concerning the nature of the item described on the agenda. Complete agenda packets are on display online at the Transportation Agency for Monterey County website. Documents relating to an item on the open session that are distributed to the Committee less than 72 hours prior to the meeting shall be available for public review at the Agency website. Agency contact information is as follows:

Transportation Agency for Monterey County

www.tamcmonterey.org

55B Plaza Circle, Salinas, CA 93901

TEL: 831-775-0903

EMAIL: info@tamcmonterey.org

Agenda Items: The agenda will be prepared by Agency staff and will close at noon five (5) working days before the regular meeting. Any member of the Board may request in writing an item to appear on the agenda. The request shall be made by the agenda deadline and any support papers must be furnished by that time or be readily available.

Memorandum

To: Executive Committee
From: Elouise Rodriguez, Senior Administrative Assistant & Clerk of the Board
Meeting Date: January 7, 2026
Subject: Executive Committee Draft Minutes

RECOMMENDED ACTION:

APPROVE Executive Committee draft minutes of November 5, 2025.

SUMMARY:

FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENTS:

1. Exec draft minutes November 5-2025

WEB ATTACHMENTS:

DRAFT MINUTES

TRANSPORTATION AGENCY FOR MONTEREY COUNTY
 SERVICE AUTHORITY FOR FREEWAYS EMERGENCIES AND MONTEREY COUNTY
 REGIONAL DEVELOPMENT IMPACT FEE JOINT POWERS AGENCY

EXECUTIVE COMMITTEE MEETING

*Members: Wendy Root Askew (Chair), Chaps Poduri (1st Vice Chair),
 Luis Alejo (2nd Vice Chair), Chris Lopez (Past Chair),
 Glenn Church (County representative), Jose Rios (City representative)*

Wednesday, November 5, 2025

*** 9:00 a.m. ***

Transportation Agency Conference Room, 55-B Plaza Circle, Salinas CA

Alternate locations:

2616 1st Avenue, Marina, California 93933

1011 Broadway Street, Suite C, King City, California 93930

168 West Alisal Street, 2nd Floor, Salinas, California 93901

147 Fourth Street, Gonzales, California 93926

11140 Speegle Street, Castroville, California 95012

EXECUTIVE COMMITTEE	JAN 25	FEB 25	MAR 25	APR 25	MAY 25	JUN 25	AUG 25	SEP 25	OCT 25	NOV 25
Wendy Root Askew, Chair Supervisor District 4, (Yuri Anderson, Eric Mora)	P	P (VC)	P(A) (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)
Chaps Poduri, 1 st Vice Chair Pacific Grove (Joe Amelio)	P	P (VC)	P	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)
Luis Alejo, 2 nd Vice Chair Supervisor District 1, (Linda Gonzales; Javier Gomez)	P(A) (VC)	P(A) (VC)	P	P(A) (VC)	P(A) (VC)	P(A) (VC)	P(A) (VC)	P	P	P(A) (VC)
Chris Lopez, Past Chair Supervisor District 3 (Priscilla Ramos)	P(A) (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	E
Glenn Church, County Representative Supervisor District 2, (Marilyn Vierra , Leonie Gray)	P	*P(A) (VC)	P	P	P	P(A)	P	P(A)	P	P (VC)
Jose Rios, City Representative, Gonzales (Lorraine Worthy)	A	*P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)	P (VC)

P = Present	A = Absent
P(A) = Alternate present	E = Excused
* = New Representative	(VC) Video Conference
TC = Teleconference	

1. CALL TO ORDER

Chair Askew called the meeting to order at 9:01 a.m. Roll call was taken, and a quorum was confirmed.

Staff present: Bigelow, Hernandez, Kise, Muck, Park, Rodriguez, Sambrano, Sheehan, Strause, Watson, and Zeller.

Others present: Shane Strong, TAMC Counsel; Gus Khouri and Mitch Weiss, Khouri Consulting; Monica Hale, Monterey County District 3.

2. PUBLIC COMMENTS

None

3. CONSENT AGENDA

On a motion by Committee Member Poduri and seconded by Committee Chair Askew, the Committee voted 5-0 to approve the consent agenda as follows:

1. Approved the minutes from the Executive Committee meeting of October 1, 2025
2. Recommended that the Transportation Agency for Monterey County Board approve calendar year 2026 schedule of meetings for the Agency Board of Directors and Executive Committee.

4. LEGISLATIVE UPDATE AND DRAFT 2026 LEGISLATIVE PROGRAM

The Committee received an update on state and federal legislative issues.

Gus Khouri, Khouri Consulting, reported that State legislators will be back in session on January 5, 2026. He noted that of the bills that TAMC supported, Governor Newsom signed the following bills into law:

- AB 382 (Berman): Pedestrian Safety: school zones: speed limits
- AB 761 (Addis): MST: sales and special taxes
- AB 1014 (Rogers): Traffic safety: speed limits
- SB 71 (Wiener): California Environmental Quality Act: exemptions: transit projects

Ariadne Sambrano, TAMC staff, reported on the federal legislative program, noting that the ongoing federal governmental shutdown is now the longest in U.S. history at 36 days.

5. APPOINT NOMINATING COMMITTEE:

On a motion by Committee Member Poduri and seconded by Committee Member Rios, the Committee voted 5-0 to recommend the TAMC Board appoint Chair Askew and Board member LeBarre as the Nominating Committee to meet and return to Board of Directors on January 28, 2026 with recommendations for Board Chair, 1st Vice Chair, 2nd Vice Chair, and Executive Committee members to serve one-year terms beginning upon their election through the next election of officers at the beginning of the January 27, 2027 Board meeting.

6. TAMC BOARD DRAFT AGENDA

Todd Muck, Executive Director, reviewed the draft regular and consent agenda for the TAMC Board meeting of December 3, 2025. After the Executive Committee discussion, directions were provided to staff to place the following items for consideration on the regular agenda:

- Employee of the Quarter
- Electric Vehicle Takeoff and Landing Integrated Pilot Program (eIPP)
- TAMC Real Property Policies
- Highway 1 Elkhorn Slough Corridor Climate Resiliency Project

7. ANNOUNCEMENTS

None

8. CLOSED SESSION

The Committee held a closed session regarding Public Employee Performance Evaluation pursuant to Government Code Section 54957 - Positions: Executive Director & Agency Council.

The Committee reconvened and reported that no actions were taken.

9. ADJOURNMENT

Chair Askew adjourned the meeting at 10:56 a.m.

Memorandum

To: Executive Committee
From: Christina Watson, Director of Planning, Ariadne Sambrano, Transportation Planner
Meeting Date: January 7, 2026
Subject: **Legislative Update & 2026 Program**

RECOMMENDED ACTION:

RECEIVE update on state and federal legislative issues, and **RECOMMEND** the Board adopt the 2026 Legislative Program.

SUMMARY:

Staff and consultants will provide an update on state and federal legislative issues.

FINANCIAL IMPACT:

Proposed legislation could impact transportation funding availability.

DISCUSSION:

The Transportation Agency for Monterey County (TAMC) adopts an annual Legislative Program to guide its advocacy efforts at the state and federal levels. This program outlines TAMC's priorities to secure funding, influence policy, and support legislation that advances safe, sustainable, and equitable transportation in Monterey County. Key goals include:

- **Funding Stability and Flexibility:** Advocate for continued and increased investment in transportation infrastructure, including transit, rail, and active transportation projects.
- **Safety Enhancements:** Support measures that improve roadway safety for all users, particularly vulnerable populations such as pedestrians and cyclists.
- **Climate and Sustainability:** Promote policies that reduce greenhouse gas emissions, expand zero-emission vehicle infrastructure, and advance transit-oriented development.
- **Local Control and Revenue Options:** Back legislation that enables local agencies to raise transportation revenues through voter-approved measures.
- **Streamlined Project Delivery:** Endorse efforts to simplify environmental review and accelerate project implementation.

The final draft 2026 TAMC Legislative Program (**attachment 1**) emphasizes these priorities while monitoring bills that could impact transportation funding and operations. The adopted 2025 TAMC legislative program is online as **web attachment 1**, and the final draft 2026 program showing changes from the version approved for circulation by the TAMC Board in October 2025 is online as **web attachment 2**.

Agency state legislative analysts Gus Khouri and Mitch Weiss will present an update on state legislative activities (**attachment 2**) and staff will present an update on federal legislative activities

(attachment 3).

Web attachment 3 is a draft bill list showing the status of bills that may move forward in the second year of the two-year 2025-26 legislative session.

ATTACHMENTS:

1. FINAL TAMC 2026 Leg Program
2. State Legislative Update
3. Federal Legislative Update - January 2026

WEB ATTACHMENTS:

1. [TAMC 2025 Legislative Program](#)
2. [TAMC 2026 Legislative Program final draft, showing changes from the Board-approved draft in October 2025](#)
3. [State bill list](#)

2026 Legislative Program

State Priorities

- 1S.** Preserve funding for all modes of transportation projects, including the extension of grant programs, maximize formula funding to regions, and preserve regional discretion and priority-setting for infrastructure needs, particularly safety projects, and the delivery of voter-approved programs and projects.
- 2S.** Support the fair application of vehicle miles traveled metrics in rural and suburban areas that seek to complete multi-modal corridors or highway safety projects in underserved communities and address the jobs housing imbalance.
- 3S.** Leverage Measure X funds and partner with state agencies to pursue competitive grant or bond funding for highway safety, traffic congestion relief, trade corridors, passenger rail, public transportation, infrastructure resiliency, and bicycle and pedestrian routes for Monterey County projects.
- 4S.** Promote jobs-housing balance and clean transportation modes as ways to reduce vehicles miles traveled, such as via funding reduced transit fares, rail expansion, and frequent bus service, while maintaining statewide equity between urban and rural areas.
- 5S.** Support funding for zero-emission fuel initiatives that enhance mobility and accessibility while reducing greenhouse gas emissions, such as electric vehicle charging infrastructure, electric power storage capacity, electrical grid reliability, hydrogen hubs, and incentives for electric bike and vehicle purchases.
- 6S.** Support replacement funding mechanisms to the gas and diesel tax for transportation investments, such as a pay-by-the-mile user fee, full conversion to a vehicle registration fee, or wholesale energy taxes, that are equitable to disadvantaged and rural areas and take climate impacts into account.
- 7S.** Support the promotion of telecommuting to reduce vehicle miles traveled via broadband investments in rural areas and disadvantaged communities, support the inclusion of local

government representation in the administration of broadband infrastructure funding, and support new server farms in rural areas.

- 8S.** Support an increase in State rail funding to implement new state-supported passenger rail service on the Coast Route to help the State meet transportation and greenhouse gas emission reduction goals.
- 9S.** Support legislation that increases roadway safety on state highways and local roads by implementing Vision Zero strategies such as speed limit reductions, improving driver safety training, and Caltrans policies related to complete streets, especially where state highways serve as main streets and major connectors.
- 10S.** Support sustainable funding for the oversubscribed Active Transportation Program.
- 11S.** Support streamlining project delivery, including early engagement of oversight agencies, simplifying grant program applications, raising encroachment permit thresholds, and accelerating project permit approvals.
- 12S.** Coordinate with the Monterey-Salinas Transit District (MST) to participate in the implementation of recommendations from the transit transformation task force as it relates to Transportation Development Act (TDA) reform and augment state transit funding programs to provide ongoing operational support.
- 13S.** Support MST efforts to seek funding to implement the infrastructure needed to meet the deadlines of the Innovative Clean Transit (ICT) Regulation transition to a 100 percent zero-emission bus fleet by 2040.
- 14S.** Support legislation that promotes transit-oriented development, complete streets, clean commutes, multi-modal transportation, bikes on board trains and buses, and active transportation projects, such as Safe Routes to Schools programs, and:
 - a. Support legislation allowing Caltrans or local or regional agencies to integrate complete streets elements into disaster repair projects.
 - b. Support legislation requiring Caltrans to prioritize coordination with local jurisdictions to include complete streets and the needs of pedestrians, bicyclists, and transit users in state highway projects.
- 15S.** Support legislation enabling Caltrans to fund and maintain improvements on the State highway system and related infrastructure within State-owned Right-of-Way, including road

signage, pavement markings, and drainage infrastructure; and allowing Caltrans to acquire needed equipment for this purpose without requiring reductions in existing inventory.

- 16S.** Support legislation and investments in critical infrastructure and airspace access to support carbon neutral advanced air mobility solutions (e.g., air taxis and autonomous aerial cargo) that enhance the efficiency, safety, and sustainability of our transportation system.
- 17S.** Support member agencies' requests for state funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities when they are consistent with Transportation Agency for Monterey County priorities.



2026 Legislative Program

Federal Priorities

- 1F.** Support congressionally directed federal funding for Agency transportation priorities.
- 2F.** Support adequate funding for the following transportation priorities:
 1. Monterey-Salinas Transit (MST) District capital projects, vehicles, and operations.
 2. Amtrak and state-supported passenger rail, including a fair share allocation to California for capital improvements and vehicle acquisition.
 3. Zero-emission vehicle infrastructure for transit and personal vehicles manufactured in the United States.
 4. Active transportation projects, including Vision Zero.
- 3F.** Support reauthorization of the federal transportation funding bill, to include the following priorities:
 1. Stabilizing and increasing transportation infrastructure funding sources to avoid the bankruptcy of the federal highway and transit trust funds.
 2. Reauthorize programs that support transportation infrastructure projects, including the Better Utilizing Investments to Leverage Development (BUILD), Consolidated Rail Infrastructure and Safety Improvements (CRISI), Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT), Defense Community Infrastructure Program (DCIP), Highway Bridge, and Safe Streets for All (SS4A) grant programs and Transportation Infrastructure Finance and Innovation Act (TIFIA) loans.
 3. Explore innovative funding mechanisms, such as a vehicle registration fee, pay-by-the-mile user fee, public private partnerships, or wholesale energy taxes, that are equitable to disadvantaged and rural areas.
- 4F.** Coordinate with regional military installations to seek funding for transportation projects with a nexus to operations at those installations.

- 5F.** Support applications for Department of Transportation discretionary grant and resiliency, climate resiliency, and adaptation grant programs for projects on the California Central Coast.
- 6F.** Preserve regional discretion and priority-setting for infrastructure needs.
- 7F.** Support programmatic flexibility in federal funding for infrastructure.
- 8F.** Allow the California Environmental Quality Act (CEQA) to substitute for the National Environmental Policy Act (NEPA), and expand the definition of Categorical Exclusions, while retaining environmental protections.
- 9F.** Support availability of funding for enhanced broadband and advocate for the Federal Communications Commission to regulate broadband/internet access as a utility to enable the increase of broadband infrastructure capacity to help bridge the digital divide and to encourage telecommuting.
- 10F.** Support streamlining of federal rail funding and removal of funding barriers between commuter and intercity rail programs, with the goal of increasing integrated passenger rail service for the traveling public.
- 11F.** Support the use of Federal rail funding to implement new passenger rail service on the Coast Route.
- 12F.** Encourage Union Pacific Railroad (UPRR) to coordinate with the local jurisdiction (e.g., the County of Monterey's Coalition of Homeless Service Providers) when cleaning up encampments on UPRR-owned Right-of-Way.
- 13F.** Support legislation and investments in critical infrastructure and airspace access to support carbon neutral advanced air mobility solutions (e.g., air taxis and autonomous aerial cargo) that enhance the efficiency, safety, and sustainability of our transportation system.
- 14F.** Support legislation allowing agencies to integrate complete streets elements into disaster repair projects.
- 15F.** Support member agencies' requests for federal funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities when they are consistent with Transportation Agency for Monterey County priorities.



December 15, 2025

TO: Board Members, Transportation Agency for Monterey County

FROM: Gus Khouri, President, Khouri Consulting LLC
Mitch Weiss, Legislative Advocate

RE: **STATE LEGISLATIVE UPDATE – JANUARY**

2026 Outlook

The legislature has been in recess since September 13, 2025 and will reconvene on January 5, 2026. While the legislature helped resolve the uncertainty of the continuation of the Cap and Trade, now rebranded as the Cap and Invest Program, the legislature will face complex challenges in 2026. Senator Monique Limón, who was sworn in on November 17 to be the next Senate President pro Tempore of the Senate, is working with Assembly Speaker Robert Rivas and Governor Newsom, who is in his final year, to address a myriad of issues. These issues include a \$13 billion General Fund deficit forecast for fiscal year (FY) 26-27. Below is a summary of topics for 2026.

State Budget Forecast

On November 19, the Legislative Analyst's Office (LAO) released its 2026-27 [Fiscal Outlook](#), which estimates an \$18 billion General Fund shortfall. While revenues are projected to be up by \$11 billion between FY 24-25 and FY 26-27, constitutional requirements to fulfill education spending, which has a higher floor each year, and debt service, nearly wipe out the gain (\$10 billion). Increased costs for pensions, Medi-Cal, and Corrections have added \$6 billion.

The state's reliance on volatile revenue sources such as capital gains, corporate, and personal income taxes results in wild swings. In the past three years, the legislature has had to solve

deficits of \$27 billion in FY 23-24, \$55 billion in FY 24-25, and \$43 billion in FY 25-26. This contrasts with a \$97.5 billion surplus in FY 22-23 and \$76 billion surplus in FY 21-22. The LAO estimates a \$15 billion to \$25 billion structural deficit through FY 28-29.

Cap and Invest Program Allocations – Complexity in Keeping Commitments to Transit

On September 13, 2025, the legislature approved Assembly Bill (AB) 1207 and Senate Bill (SB) 840, which comprise the package to extend and fund the Cap-and-Trade Program, now rebranded as Cap and Invest.

[AB 1207 \(Irwin\)](#) extends the Cap and Invest program through 2045 and reforms the use and accountability of auction credits. It provides greater oversight on the California Air Resources Board (CARB), which would have to appear before the legislature to discuss the administration of the program.

[SB 840 \(Limón\)](#) establishes a new structure for allocating the Greenhouse Gas Reduction Fund (GGRF) beginning with the 2026-27 fiscal year, including \$1 billion for high-speed rail, \$1 billion reserved for discretionary appropriation, \$1.85 billion in commitments to other major categories consistent with previous appropriations, \$125 million in new funding for free transit passes, and \$250 million in financial incentives for local air districts to fund community emissions reduction programs. Legislative or regulatory direction will be needed to administer the \$125 million in funding made available for a new free transit pass program. It is uncertain whether funds will be available on a formulaic or competitive basis.

There is not much, if any, capacity within the \$1 billion legislative appropriation bucket, due to \$250 million in various commitments. The budget act requires the Greenhouse Gas Reduction Fund (GGRF) to absorb Cal Fire expenses that were borne by the General Fund, including \$1.25 billion in FY 26-27, \$500 million in FY 27-28, and \$500 million in FY 28-29. The GGRF contribution would be reduced to \$500 million if the General Fund were not in deficit, but as a \$18 billion deficit is expected, the full amounts are expected to be paid to Cal Fire.

The Transit and Intercity Rail Capital Program (TIRCP) and Low Carbon Transit Operations Program (LCTOP) are provided with a ceiling of funding (\$400 million and \$200 million, respectively), which is approximately equivalent to the 10% and 5% each program receives through the prior continuous appropriation. By having line items instead of percentages, TIRCP and LCTOP have a ceiling, but no floor, based on available revenue.

Cap and Invest Impact on TAMC

The TIRCP has an outstanding balance of prior commitments that are not itemized, but can be honored through legislative appropriation or through the excess balance of funds that materialize through auctions. Those commitments include \$690 million for the Zero Emission Transit Capital Program and \$388 million for SB 125 formula-based TIRCP and competitive funds. TAMC has not yet received its full share of the \$52.4 million earmarked under SB 125, Chapter 54, Statutes of 2023; TAMC has received the amount that was expected as of this date, approximately 70% of the total; the remainder is anticipated to be distributed in future years.

In September, the Department of Finance (DOF) estimated that auction proceeds should generate \$4.2 billion for FY 26-27, down from \$4.4 billion in FY 24-25. With all the prescriptive line items, if the DOF estimate holds, it would leave around \$107 million available to pay down the previous SB 125 and TIRCP Cycle 6 and 7 commitments. If revenue exceeds \$4.2 billion, the legislature can augment any program or accelerate payment of the SB 125 and TIRCP Cycle 6 and 7 competitive grant commitments.

As the legislature deliberated on the Cap and Invest extension, there was a prevailing view that higher-than-projected revenues could materialize with an extension and market stability, providing an opportunity to supplement funding for transit capital and operations, including passenger rail. That expectation has not yet been realized.

Furthermore, the Budget Act appropriates \$368 million from GGRF for the TIRCP competitive program (partial funding comes from SB 1), and \$100 million for implementation of the Community Air Protection program created by AB 617 (Garcia), Chapter 136, Statutes of 2017. As a result, the legislative appropriation authority pot is oversubscribed and desperately needs stronger auctions that would yield excess revenues to honor commitments. If the market does not rebound, it will be difficult for the State to meet current obligations for transit capital and operations, let alone one-time SB 125 funding.

Sustainable Communities Strategy and Transportation Funding

Metropolitan Planning Organizations (MPOs), such as the Association of Monterey Bay Area Governments (AMBAG), 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, reducing miles traveled, and greenhouse gas emissions. The California Air Resources Board (CARB), which approves the plans, has become more stringent in its approval process due to ever-changing greenhouse gas reduction targets that do not correlate with a region's density, demographics, or travel patterns. TAMC has been a recipient of SB 1 competitive grant funding and must continue to have access to it to address

multimodal needs and safety projects on the state highway system, as well as for multimodal investments.

The Central Coast Coalition has been advocating for greater flexibility and the elimination of duplicative processes in complying with state air quality standards, so that solutions regarding population density, vehicle miles traveled, and housing reflect a region's geography, demographics, travel patterns, and availability of alternative modes.

Road User Charge – Gas Tax Successor Source

Gas tax, the primary source of transportation funding, is declining in revenue due to increased fuel efficiency. In 2014, the Legislature initiated a pilot program (SB 1077) to study a road charge model as a potential replacement for the gas tax. Due to the limited number of participants from rural and low-income areas, more work is needed to recommend an appropriate charge rate. A recent pilot was tested at 2.5 cents per mile. Issues for implementation include protecting privacy relating to data collection, enforcement, and compliance. There are concerns about equity and affordability, particularly in less densely populated areas where the jobs-housing imbalance is more pronounced, forcing people to drive farther to access work, goods, and services.

In 2017, SB 1 increased the gas tax, indexed it to inflation, and enacted other funding increases for transportation. SB 1 has delayed action on landing on a solution to the waning gas tax income, but the problem of finding a replacement for the gas tax as the primary source of transportation funding may come to the forefront soon due to the drop in revenue. The Legislative Analyst's Office (LAO) estimates the state will experience a \$5 billion reduction in funding over the next decade. The [\(LAO\) report](#) projects declines of \$5 billion, or 64%, in the state's gasoline excise tax, \$290 million, or 20%, in the diesel excise tax, and \$420 million, or 20%, in the diesel sales tax, over the next decade.

TAMC has a \$72 million balance of State Transportation Improvement Program (STIP) funds, a flexible, formula-based funding source that can be used for local streets and roads, highways, mass transit guideways, and active transportation. The STIP would be compromised without a solution to the gas tax funding source. Each city and county would see a reduction in funding for local streets and roads, as would Caltrans for maintaining the state highway system and transit agencies for transit capital and operations, due to a decline in diesel sales tax revenue.

Conversion to a Vehicle Registration Fee is a Viable Solution

The Vehicle Registration Fee (VRF) is agnostic to fuel source, fuel economy, and travel patterns, protecting privacy and providing a stable, predictable, and growing source of funding. Even with

indexing to inflation, as cars depreciate, car owners would pay less. It is possible that the State could convert entirely to a vehicle registration fee, eliminate the state gas tax (currently 61.2 cents per gallon), and reduce the Road Improvement Fee (RIF), which is a fee collected on electric vehicles.

California has over 32 million registered vehicles, and electric vehicles make up less than 3.4% of that amount (1 million). In 2024, the [New Car Dealers Association reported](#) that 1.75 million vehicles were sold statewide, with almost 400,000 of those being electric vehicles, roughly one in every four vehicles sold. Even when considering [Governor Newsom's Executive Order N-79-20](#), which requires that all cars manufactured in the state be electric vehicles by 2035, it would take over 18 years to fully convert to an all-electric vehicle fleet, and this is before considering the removal of federal rebates and incentives for electric vehicles, which could further stagnate conversion.

Car owners statewide could save between 77% and 87% if the State fully converted to a VRF system rather than the current VRF and gas tax. On average, each registered driver statewide pays about \$292 or \$261 in gas tax per registered vehicle annually. Each registered driver in Monterey County would pay an average of \$323 for a 2.5-cent-per-mile road user charge, or \$362 at 2.8 cents per mile (both more than the current state gas tax), and still have to pay the current registration fee ranging between \$32 to \$227 per vehicle, plus a road improvement fee (RIF) for electric vehicles of \$118.

The legislature will continue to conduct information hearings to discuss options. Assembly Transportation Committee Chair Lori Wilson has indicated her intention to use AB 1421 as the vehicle for a gas tax replacement mechanism.

CalSTA Transformative Task Force Recommendation Released

On December 9, the California State Transportation Agency (CalSTA) released the [Transit Transformative Task Force Report](#). The report is intended to reimagine public transit funding and service delivery. Suggested funding solutions include reprogramming existing revenue to flex capital expenses for operational costs, selling air rights, tax increment financing, and raising revenue through taxes and fees.



Memorandum

To: Executive Committee

From: Ariadne Sambrano, Transportation Planner

Date: January 7, 2026

Subject: **Federal Legislative Update**

FY 2026 Transportation Appropriations Update

After a 43-day shutdown, Congress passed a short-term funding bill to reopen the federal government on November 13, 2025. This Continuing Resolution (CR) extends most federal funding through January 30, 2026, and gives Congress time to finish appropriations bills.

So far, Congress has enacted four of the twelve annual funding bills: Agriculture, Legislative Branch, Military Construction, and Veterans Affairs, signed into law as part of the CR. The remaining appropriations bills must still be completed before the temporary funding expires on January 30, including the Transportation, Housing, and Urban Development (THUD) bill.

Congressional leaders are considering ways to speed up the process, including combining several appropriations bills for quicker approval. Progress is limited because the House and Senate have not yet agreed on overall spending levels, which are needed to guide final negotiations. The Senate is currently proposing higher funding amounts than the House, and this difference must be resolved before the appropriations process can move forward.

Surface Transportation Reauthorization Update

Congress passes multi-year Surface Transportation Acts to fund America's public works, including roads, bridges, transit, and rail, providing states with long-term certainty for infrastructure planning and project delivery. The current version, the Infrastructure Investment and Jobs Act, expires on September 30, 2026. TAMC continues to monitor federal discussions on the next Surface Transportation Reauthorization as they unfold into the new year.

To stay informed and ensure regional needs are represented, TAMC staff have been

participating in [Caltrans' IJJA Reauthorization Sub-Working Group webinars](#). These sessions prepare stakeholders for the upcoming federal reauthorization process and engage regional agencies, local and tribal governments, industry partners, and advocacy groups to help shape California's statewide priorities. This collaborative approach ensures California is well-positioned to advocate for funding and programs that advance both state and national transportation goals.

TAMC staff will bring the "Caltrans Consensus Principles for Reauthorization of the Federal Transportation Act", a list of shared priorities to guide California's position in the next federal transportation bill, to the Board in January or February for adoption.

U.S.DOT Secretary Sean Duffy Announces, "Freedom Means Affordable Cars" Proposal

On December 3, 2025, the U.S Department of Transportation (USDOT) unveiled the new "[Freedom Means Affordable Cars](#)" proposal to reset the National Highway Traffic Safety Administration (NHTSA)'s corporate average fuel economy (CAFE) standards. According to the USDOT, the proposal would roll back federal fuel-economy requirements for new vehicles, but it has no direct effect on California because the state already follows stronger, long-standing clean-car standards.

Memorandum

To: Executive Committee
From: Jefferson Kise, Director of Finance & Administration
Meeting Date: January 7, 2026
Subject: **Review budget assumptions**

RECOMMENDED ACTION:

PROVIDE direction and guidance to staff on assumptions for the three-year budget for fiscal years 26/27, 27/28, 28/29.

SUMMARY:

The TAMC annual budget development is an iterative process encompassing input from staff, the Executive Committee, and the Board of Directors. The budget reflects the financial impact of ongoing and committed projects and programs, as well as staff recommendations for operating expenditures. In addition to meeting the planning and programming commitments of the agency, staff seeks to insure the agency has the operating capacity to meet its needs for the future. These goals are pursued while balancing direct and operating revenue with their associated expenses, and planning for any strategic use of reserves.

FINANCIAL IMPACT:

No final action is being taken. The financial impact will depend on the final outcome of the budgeting process.

DISCUSSION:

There are several items on which staff is seeking guidance:

1. Contracting for new accounting, grant management, and payroll software
2. Continuing the search for new office space
3. Cost of living adjustment

ATTACHMENTS:

None

WEB ATTACHMENTS:

Memorandum

To: Executive Committee
From: Christina Watson, Director of Planning, Shane Strong, Legal Counsel
Meeting Date: January 7, 2026
Subject: **Brown Act Update**

RECOMMENDED ACTION:

RECEIVE update on changes to Brown Act as per Senate Bill (SB) 707.

SUMMARY:

Senate Bill (SB) 707, signed into law on October 3, 2025, makes significant changes to the Ralph M. Brown Act, which governs open meetings for local government agencies in California.

FINANCIAL IMPACT:

No financial impact.

DISCUSSION:

Attached is a memo describing the impacts of the Brown Act revisions in SB 707 on TAMC and its Committees. Please note that this memo is specific to TAMC, and if you sit on another body, you should refer to your legal counsel. Agency Counsel Strong will provide a verbal presentation at the meeting.

Key new provisions include:

- One aspect of the law took immediate effect, and TAMC is now providing a link to the Brown Act on all agendas.
- New video and teleconferencing provisions take effect on January 1, 2026, changing how the agendas and minutes for the TAMC Board and its Committees are prepared, and expanding the options for Board and Committee members to use videoconferencing.
- The Board must adopt a resolution to enable the Board and its Committees to use these provisions.

ATTACHMENTS:

1. SB 707 Memo

WEB ATTACHMENTS:

Brown Act Update

How SB 707 Impacts the Transportation Agency for Monterey County

Senate Bill (SB) 707, signed into law on October 3, 2025, makes significant changes to the Ralph M. Brown Act, which governs open meetings for local government agencies in California. SB 707 can generally be broken down into three parts:

1. The “Eligible Legislative Body” requirements, which do not apply to TAMC.
2. The new teleconferencing rules under Section 54953.8 (there are now nine teleconferencing options, but not all apply to TAMC).
3. The remaining changes to the Brown Act.

One aspect of the law took immediate effect, and TAMC is now providing a link to the Brown Act on all agendas.

Teleconferencing Rules under Section 54953.8

As amended by SB 707, the Brown Act has new sections relating to teleconferencing, Government Code sections 54953.8.1 through 54953.8.7. All these requirements are effective January 1, 2026. Below is a section-by-section description of the key changes:

Section 54953.8.2 – State of Emergency (AB 361)

The teleconferencing requirements under this Section reflect COVID-19 pandemic era Assembly Bill (AB) 361, except with one new twist, that local agencies may now declare local emergencies. State-of-Emergency teleconferencing requires a body to find that an emergency exists that creates a risk or danger if meeting in person. This finding must be revisited at least every 45 days.

Section 54953.8.3 – Just Cause (AB 2449)

SB 707 maintains the “Just Cause” reason for using teleconferencing to attend meetings as established under AB 2449. (SB 707 omitted the very similar “Emergency Circumstances” teleconferencing rules.) The rules for “Just Cause” require:

- A) A quorum of the body must attend from one physical location.

- B) The Member requesting the “Just Cause” exemption must report the general need for teleconferencing by the start of the meeting, citing one of seven definitions of Just Cause:
- 1) Childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely.
 - 2) A contagious illness that prevents a member from attending in person.
 - 3) A need related to a physical or mental condition.
 - 4) Travel while on official business of the legislative body or another state or local agency.
 - 5) An immune-compromised child, parent, grandparent, grandchild, sibling, spouse, or domestic partner of the member that requires the member to participate remotely.
 - 6) A physical or family medical emergency that prevents a member from attending in person.
 - 7) Military service obligations that result in a member being unable to attend in person because they are serving under official written orders for active duty, drill, annual training, or any other duty required as a member of the California National Guard or a United States Military Reserve organization that requires the member to be at least 50 miles outside the boundaries of the local agency.
- C) The Member must use both audio and visual technology during the meeting.
- D) Limited uses per calendar year – for TAMC, Members are limited to using this clause no more than twice per year.
- E) TAMC must note the usage of Just Cause in the meeting minutes, citing which definition of Just Cause the Member claimed. For example, the minutes could cite “JC4”.

Section 54953.8.6 – Eligible Subsidiary Bodies

Eligible Subsidiary Body (“ESB”) teleconferencing is the headliner of SB 707. Generally, the ESB has been billed as a way for committees to meet remotely, but the application of this option is more complex than what may have been initially assessed. This section expires on January 1, 2030.

An ESB is defined as a Brown Act Legislative Body which serves exclusively in an advisory capacity, lacks authority to take final action, and lacks primary subject matter jurisdiction on elections, budgets, police oversight, privacy, public library material access, or taxes or related spending proposals. Two of TAMC’s Committees, the Technical Advisory Committee (TAC) and the Bicycle and Pedestrian Facilities Advisory Committee (BPC), are ESBs. It is not clear whether the Executive Committee, the Rail Policy Committee (RPC), and/or Measure X Citizens Oversight Committee, known as the eXcellent Transportation Oversight Committee (XTOC), qualify as ESBs, pending legal review.

ESB teleconferencing entails a two-entity approval process. First, the Parent Legislative Body (i.e., the TAMC Board of Directors) must approve the ESB using teleconferencing every six months. Second, after the Parent Legislative Body approves the use, but before the ESB can use teleconferencing, the ESB must approve teleconferencing. TAMC staff will prepare agenda items for all relevant meetings to that effect.

The requirements are generally:

- The Committee must designate one physical location where the public can attend, and
- Teleconferencing Members should appear using audio and visual technology during the meeting. If the Committee Member turns off their camera, they must announce the reason (e.g., internet connectivity issues).

There are two additional elements of this section of import. First, elected officials who sit on a Committee by virtue of their elected office cannot teleconference under this Code section (unless they can claim “Just Cause”). Second, a Committee may request to present recommendations to the Board, which then must appear on the regular agenda of the next Board meeting for discussion, with action on the issue on the following Board meeting agenda.

Section 54953.8.7 – Multijurisdictional Body

A “Multijurisdictional Body” is defined as either a legislative body which includes representatives from more than one county, city, city/county, or special district, or a legislative body formed as a Joint Powers Entity. This definition applies to the TAMC Board and the Coast Rail Coordinating Council, among others. The rules for “Multijurisdictional Body” require:

- The body must adopt a resolution in open session to allow teleconferencing.
- At least a quorum of the members of the eligible multijurisdictional body shall participate from one or more locations within the jurisdiction open to the public.
- Compensated Members cannot use teleconference (“compensation” excludes reimbursement of expenses).
- Teleconferencing Members must be named in agenda.
- Teleconferencing Members must use audio and visual technology.
- Teleconferencing location is more than 20 miles away from in-person locations.
- Limited to using twice per year if the body meets once per month or less.

Section 54953.8 – General Requirements

For each of the above teleconference rules, the legislative body must comply with the following rules:

- Use two-way video or teleconference technology.
- Place the link on the agenda.
- No action if there is an internet disruption.
- Allow public comment.
- Allow the public time to unmute themselves and raise hands during public comment.
- In the minutes, include the name of any teleconferencing Member and the code section they used to appear remotely.
- Implement a procedure for receiving and resolving reasonable accommodation requests and adhere to civil rights and non-discrimination laws.
- Announce anyone over 18 and relationship at remote location.

Other Brown Act Changes

Below is a quick summary of some other Brown Act changes, though three items deserve some additional comments. First, the Traditional Brown Act Teleconferencing Rules are unchanged. Second, there is a new teleconferencing statute for use with the Americans with Disabilities Act, and this statute allows teleconferencing as a reasonable accommodation – the only requirements are that the member use audio and visual technology if possible (very loose requirement) and that the teleconferencing member report if anyone over the age of 18 is appearing at the location and their relationship. Finally, there is a complex statute which allows a Brown Act body not to take public comment, but use of this statute is not advisable. Below are other changes to the Brown Act:

- TAMC is required to give members a copy of Brown Act.
- Social Media is only considered a meeting if members interact with each other.
- Emergency situations notice requirements include an email option.
- Special meetings notice and waivers include a telephone option.
- Reporting out for department head closed sessions.
- No special meetings for salary extended to legislative body.
- “Zoom-bombing” called out as disruptive.