



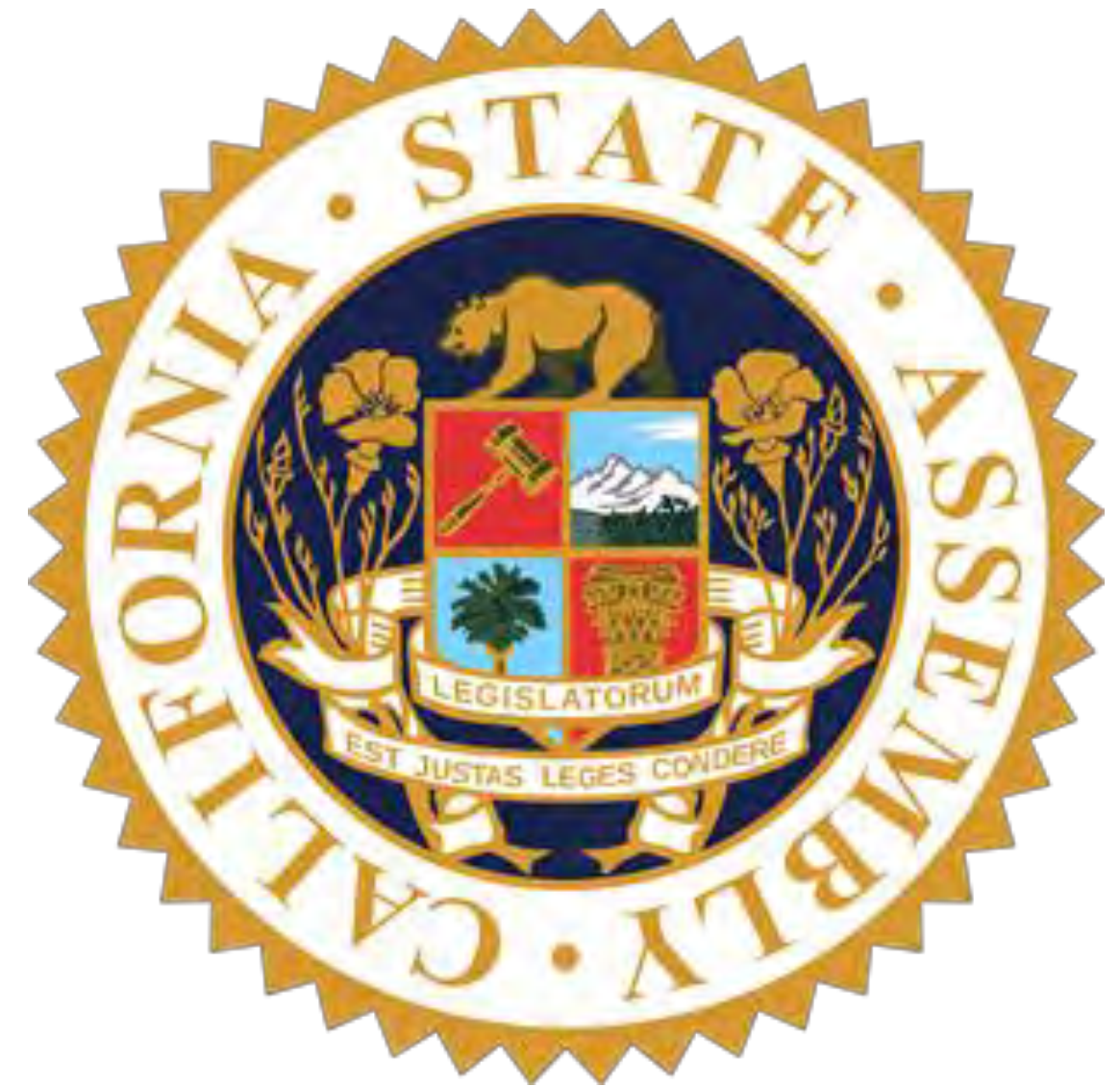
Legislative & Budget Update

Mark Neuburger, HLT Advocate

February 2026

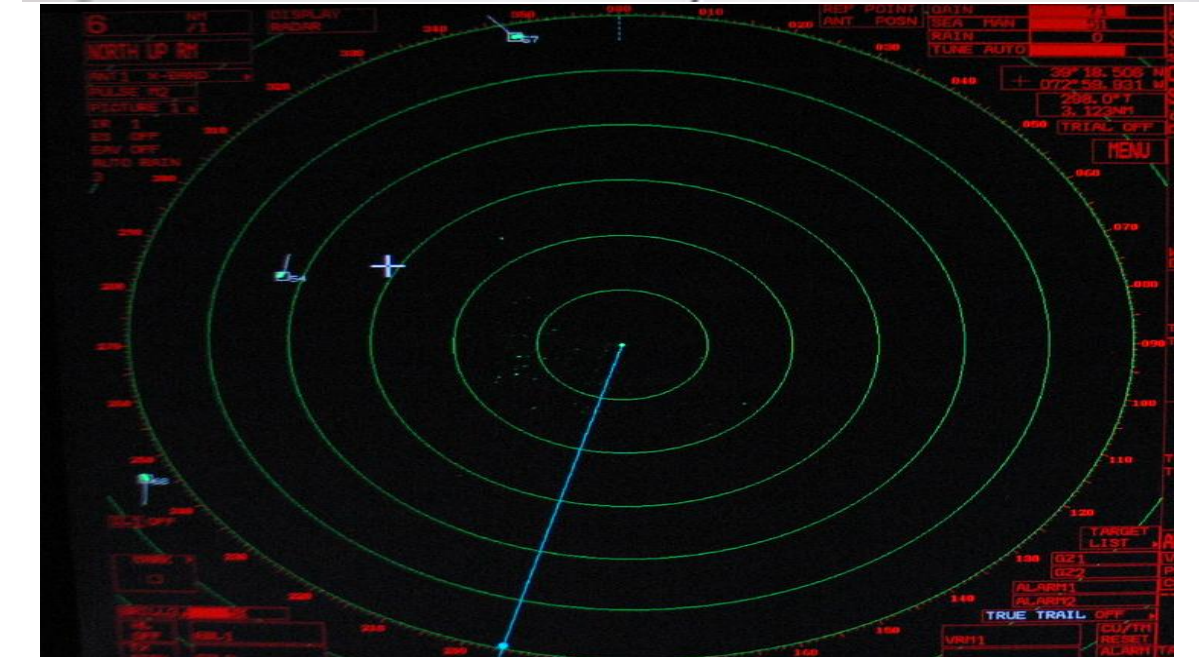


Legislative Calendar



Legislative Calendar

- **2 year Session (2025-2026):**
 - 1st Year (2025): *Gov. Veto rate: 13.4%*
 - 2nd Year (2026): TBD
- **Number of total 25-26 Bills: 4,300+**
 - CSAC Tracking: 3,900+
 - HLT Tracking: 301 bills
- **Every bill must meet specific deadlines**
 - Mar. 16 & 25: Substantive bill deadline
 - Waivers can be obtained



Legislative Calendar

House of Origin
Rules Committee
Policy Committee(s)
Appropriations (If Fiscal)
Floor
Timeline: Jan-May

2nd House
Rules Committee
Policy Committee(s)
Appropriations (If Fiscal)
Floor
Timeline: Jun.-Aug.

Governor's Desk
Sign/Veto
Timeline: Sep.

Every Bill:

1st House

- Originates in a House.
 - Asm. (AB) or Sen. (SB)
- Then Policy Committee(s)
- If Fiscal, Appropriations
- Voted on House Floor

2nd House

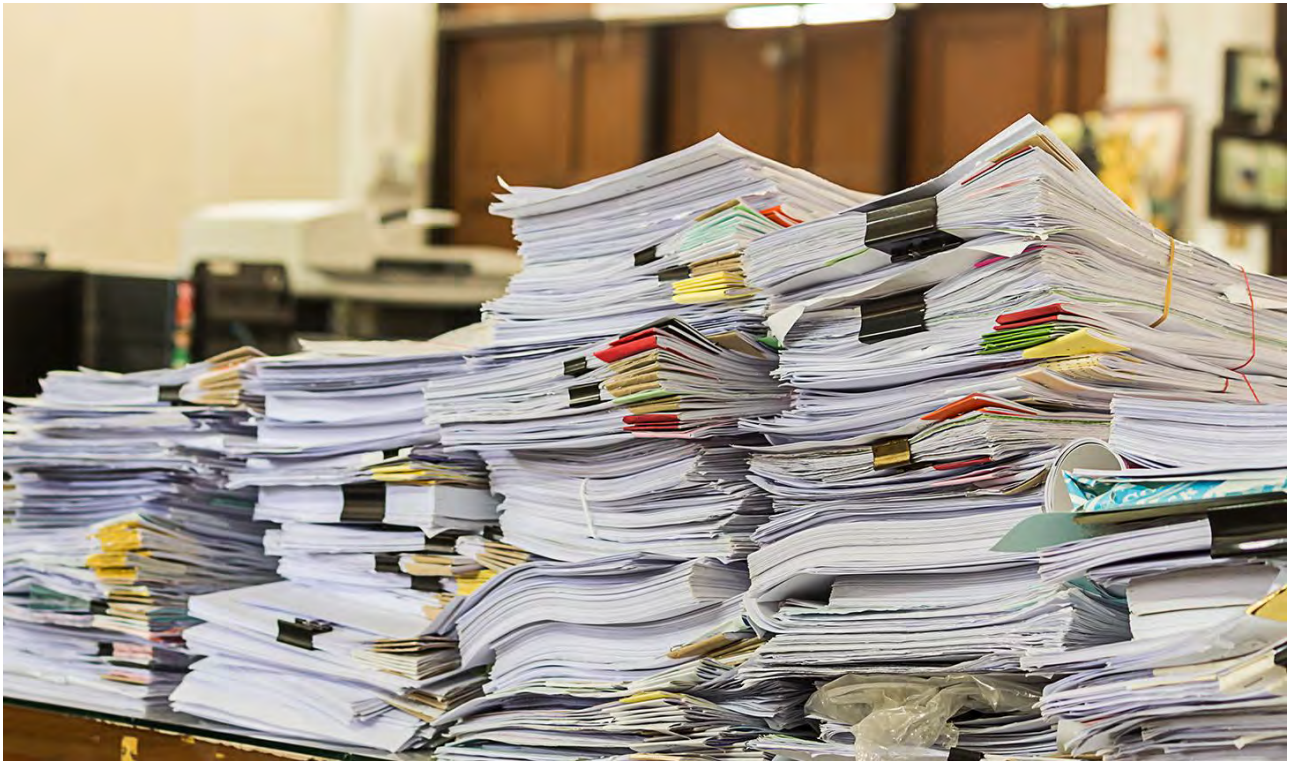
- Process Repeats

Governor's Desk

- Finally, Governor's Desk
- 1 month to act (Sign/Veto)

Key: Point in Time

2026 Legislation Update



2026 Legislation Update

Road User Charge

- ❑ AB 1421: A bill to assemble ‘lessons learned’ and recommendations from past Road User charge studies

Public Works Contracting

- ❑ AB 1786: Extends authority for “Best Value” contracting to 2040
- ❑ AB 1838: Adds req. for bidders to disclose wage/hour violations in bid
- ❑ AB 2033: Allows cities to utilize Job Order Contracting
- ❑ SB 935: Makes Design-Build Auth Permanent

Public Works Labor

- ❑ AB 1859: Requires counties to give labor reps access to construction site if “consistent w/ job safety & security” to confirm wage compliance
- ❑ AB 1198: Requires wage increases to take effect during construction phase of PW project.



2026 Budget Update & Outlook



2026-27 Budget

Top Line:

- ❑ No new notable funding proposals for roads or ATP in Transportation area

2025 Cap & Trade Extension Deal:

- ❑ Program Extended to 2045
- ❑ Creates 3 Tiers
 - ❑ Tier 1: Tax Credits, funding state administration
 - ❑ Tier 2: \$1 billion for High-Speed Rail, \$1 billion for Legislature discret.
 - ❑ Tier 3: TIRCP, LCTOP, Other Environ. programs
- ❑ Reduced revenue projections, Tier 3 will see less funding

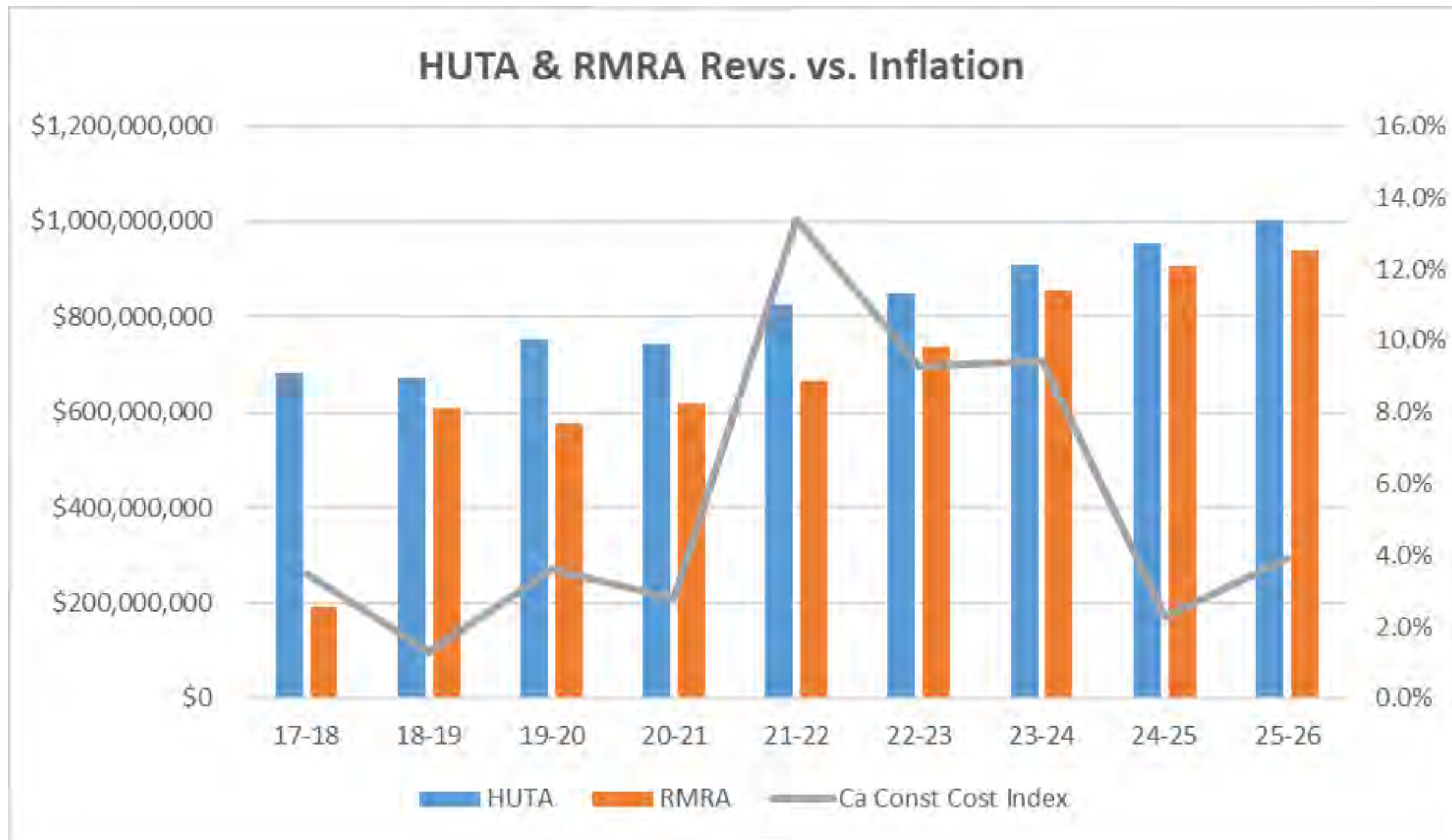
Bay Area Transit Loan

- ❑ \$590 million loan from TIRCP capital funds to MTC (\$800 m gap)
- ❑ Receiving agencies must agree to repay w/ future transit funds
- ❑ Approach is 'bridge loan' until SF Bay tax measure outcome



2026-27 Budget

HUTA-RMRA Estimates



2026 Fed. Update

Fed. Surface Transp. CSAC-CEAC Advocacy Principles:

Priorities:

- 1) Roads
- 2) Bridges
- 3) Safety Projects
- 4) Active Transportation Projects

❑ *Bridges and Safety Infrastructure for Community Success (BASICS) Act (H.R. 7437)*

- Increases percent. of funds to counties from:
 - Highway Trust Fund
 - Surface Transportation Block Grant
 - Highway Safety Improvement Program
- Requires states to sub-allocate a portion of Bridge Formula programs to local governments.

❑ Secure Rural Schools

- ❑ 28 Counties will receive:
 - \$30.9 million in Title I (roads and schools) and Title III (county projects) funding,



CEAC-CSAC Workgroup

What is it:

CSAC is forming groups of CEAC members, organized along existing CEAC committees, to obtain input on legislation.

Commitment:

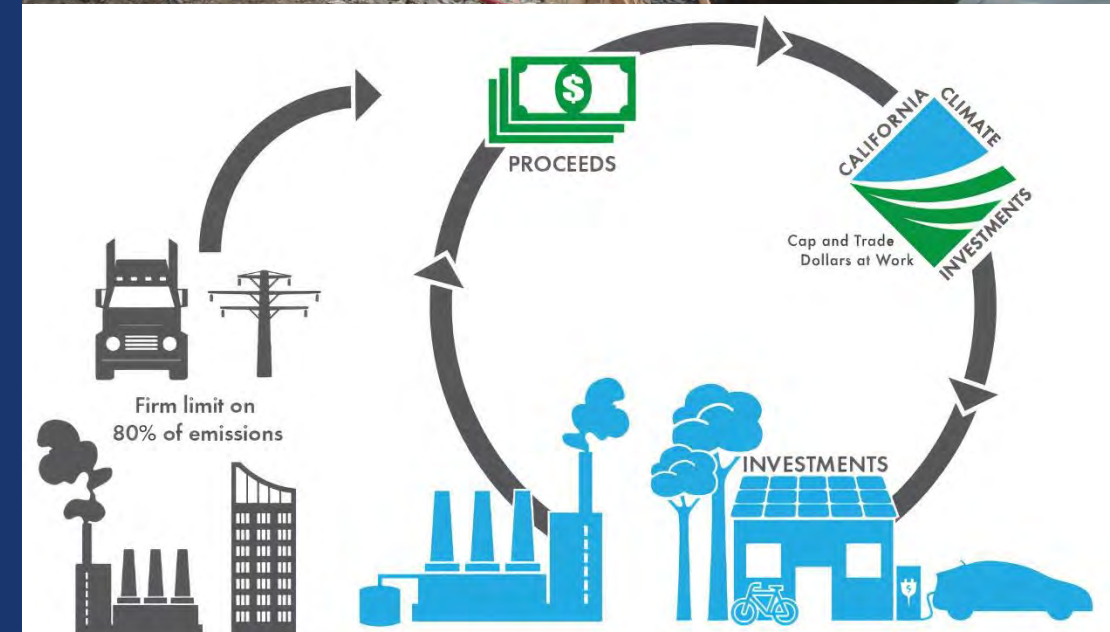
- Estimating 1 meeting of approx. 1 hour per month

Format

- Pre-released agenda of bills (aiming for 10 bills)
- Goal is to focus groups on low # of bills, obtain input

Who's it for

- PW Directors and Deputies w/ extra time 😊
- Interested PW staff
- PW staff you're trying to develop





THANK YOU

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