



Memorandum

AGENDA ITEM 11

DATE: January 23, 2026

TO: Transportation Authority Board

FROM: Amber Crabbe - Senior Public Policy Manager

SUBJECT: 02/10/2026 Board Meeting: Approve the 2026 State and Federal Advocacy Program

RECOMMENDATION	<input type="checkbox"/> Information	<input checked="" type="checkbox"/> Action	
Approve the 2026 State and Federal Advocacy Program			<input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input checked="" type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Contract/Agreement <input type="checkbox"/> Other: _____
SUMMARY Every year, the Transportation Authority adopts high level goals and strategies to guide legislative strategy and advocacy while still providing the necessary flexibility to respond to specific bills and policies over the course of the legislative sessions. We developed the attached 2026 State and Federal Advocacy Program in coordination with local, regional, and statewide partners. It continues many themes from prior years and builds on them to address new opportunities and legislation currently being discussed at the federal, state, and regional level. This year, it focuses on protecting and securing transportation funding and financing; securing a state funding commitment for The Portal; ensuring reasonable oversight of autonomous vehicles; and supporting the city's equity, mobility, climate, and roadway safety goals.			

BACKGROUND

The State and Federal Advocacy Program, adopted annually by the Transportation Authority Board, establishes a general framework to guide our legislative and funding advocacy efforts at the state and federal levels. Transportation Authority staff, and our advocacy consultants in Sacramento and Washington, D.C., will use this program to plan legislative strategies and communicate positions to the city's state



and federal legislative delegations, other transportation agencies, and advocates, as well as to develop recommendations to bring to the Board, as appropriate.

The proposed 2026 State and Federal Advocacy Program reflects key principles gathered from our common positions with the San Francisco Municipal Transportation Agency (SFMTA), the Mayor's Office, the Transbay Joint Powers Authority (TJPA), other City agencies, transit operators serving San Francisco, other local transportation sales tax authorities around the state, and the Metropolitan Transportation Commission (MTC). It responds to our understanding of the most pressing issues facing the city, the region, and our partner agencies. It is presented in the form of principles rather than specific bills or legislative initiatives to allow staff the necessary flexibility to respond to legislative proposals and policy concerns that may arise over the course of the session. Throughout the year, we will be reporting on the status of bills that are of significance to the Transportation Authority and developing recommendations for positions as appropriate.

DISCUSSION

Our 2026 State and Federal Advocacy Program continues many themes from prior years and builds on them to address new opportunities and legislation currently being discussed at the federal, state, and regional level. Highlights are below.

State Advocacy

State Financing Agreement for Bay Area Transit Agencies. SFMTA, the San Francisco Bay Area Rapid Transit District (BART), Caltrain, and MTC are seeking to secure up to \$750 million in state loans to address near-term financial shortfalls and allow agencies to sustain service after June 2026. Negotiations over the state loans have been ongoing with the California Department of Finance since the state budget was approved last year. We will support the effort to secure terms that would meet the timeline for which the funds are needed and that would not require agencies or the region to redirect funding away from capital projects.

State Budget and Cap and Invest Appropriations: While the Governor's January budget revenue forecast did not include the deficits we had been expecting, transportation funds will still be limited due to lower than anticipated cap-and-invest revenues and pre-commitments of funding in prior state budgets. California's cap-and-invest program was extended last year, and the revised expenditure plan prioritizes \$1 billion "off the top" for California High-Speed Rail and another \$1 billion for legislative priorities. After these appropriations, the plan prescribes statutory



funding targets for a range of programs supporting transit, housing, air quality, wildfire prevention, and safe drinking water, including \$400 million for the Transit Intercity Rail Capital Program (TIRCP), \$200 million for the Low Carbon Transit Operations Program (LCTOP), and \$800 million for the Affordable Housing and Sustainable Communities (AHSC) Program. If cap-and-invest revenues are insufficient to fulfill those statutory targets, funding for each program is reduced proportionately.

We will focus our advocacy at the state level to secure prior transportation funding commitments (including MTC's outstanding transit formula funding approved through Senate Bill (SB) 125 in 2023) and secure cap-and-invest funding at their statutory amounts for TIRCP, LCTOP, and the AHSC Program. Further, we will seek legislatively appropriated funding for The Portal (see below) and, if the Legislature advances its 2025 proposal for a \$125 million set-aside of cap-and-invest funds for transit passes, we will advocate for funding to expand access to the region's Clipper BayPass program.

State Funding and Financing Authority for The Portal. The Portal's funding plan assumes around a \$1.05 billion state share of the \$7.6 billion project cost through a combination of TIRCP, cap-and-invest funding, high-speed rail funding, and potentially other state sources such as direct budget appropriations. In 2026, we will work closely with the TJPA toward ultimately securing the \$1.05 billion state commitment. In our budget advocacy we will focus on TJPA's near-term need to secure around \$110 million of that by early 2027. Given the limited availability of cap-and-invest revenues this year, TJPA is seeking a direct appropriation through the budget process to allow early project work to continue advancing. We will also support TJPA in seeking state authorization to extend the term of the local tax increment financing arrangement for former state-owned parcels near the Salesforce Transit Center, in order to provide additional local funding for the project.

Autonomous Vehicles (AVs). We will continue to advocate for state policies that ensure autonomous vehicles are regulated and deployed in a way that advances safety and resiliency and provides accountability to the public. This includes supporting legislation and regulatory proposals that provide for data transparency, the ability to enforce compliance with driver statutes, consumer protections, adequate emergency response, and incremental permitting procedures, informed by our recent Conceptual Safety-Focused AV Permitting Framework report. We will also continue to seek inclusion of local jurisdictions in the decision-making process for AV testing and deployment and to participate in Department of Motor Vehicles and California Public Utilities Commission AV regulatory efforts.



E-Mobility and Climate Resilience. We will work to support legislation and funding programs that advance implementation of San Francisco's Climate Action Plan, which is currently undergoing a revision that will be completed this year, as well as other related plans. This includes supporting agencies in efforts to electrify both public fleets and privately-owned vehicles through projects such as SFMTA's Potrero Yard Modernization Project and the launch of a citywide curbside electric vehicle charging network. We will also seek opportunities to support advancement of resilience initiatives such as the SF Port's Waterfront Resilience Program, which includes upwards of \$13 billion in climate-responsive improvements along the 7.5-mile waterfront between Aquatic Park and Heron's Head Park. Additionally, we will seek opportunities to advance the adoption of electric vehicles and other e-mobility (e.g. e-bikes), focusing on incentives for low income residents and communities.

Federal Advocacy

Given the current Administration's and Congress's priorities for transportation, our focus this year will continue to be defending existing funding and advocating for policies that support our agency's goals.

Transportation Funding and Appropriations. The five-year federal Bipartisan Infrastructure Law expires on September 30, 2026. This year, Congress is working on the reauthorization of the federal transportation bill, or a continuing resolution, on top of its work on the annual transportation appropriations bill. In these efforts we will focus on maintaining funding levels for transportation, and transit in particular, including for the Federal Transportation Administration's Capital Investment Grant (CIG) program. The Portal is expecting to receive a total of \$3.4 billion from the CIG program once its Full Funding Grant Agreement is approved, and TJPA may seek earlier appropriations. We will also oppose reduction or redirection of transportation funding from San Francisco and will continue to partner with the City and County of San Francisco to restore rescinded federal funding (e.g. the \$20 million Environmental Protection Agency grant for Treasure Island Connects mobility programs) and reverse unlawful federal grant terms and conditions.

Autonomous Vehicles. We continue to share San Francisco's experiences with AVs and our research and policy thinking on the topic with government agencies, industry groups, and non-governmental organizations across the country. In 2026, we will work to advance development of a national AV policy framework (e.g. the recently announced federal SELF Drive Act) to ensure the safe, efficient, and effective deployment of AVs. Within that framework we will advocate against preemption of



state and local roles in their regulation and oversight. We will continue to work with Representative Mullin's office to support his AV Safety Data Act (H.R. 4376), which was introduced in 2025, and in general seek to maintain and improve federal AV data reporting requirements and ensure local government access to collected information.

FINANCIAL IMPACT

The recommended action does not have an impact on the adopted Fiscal Year 2025/26 budget.

CAC POSITION

The CAC will consider this item at its January 28, 2026, meeting.

SUPPLEMENTAL MATERIALS

Attachment 1 - Draft 2026 State and Federal Advocacy Program

Attachment 1
 San Francisco County Transportation Authority
 Draft 2026 State and Federal Advocacy Program

STATE		
Area	Goal	Strategy
1. Funding	a. Secure new revenue and financing measures for transportation	<ul style="list-style-type: none"> • Support the San Francisco Municipal Transportation Agency (SFMTA), the San Francisco Bay Area Rapid Transit District (BART) and Caltrain in securing state loans to address near-term financial shortfalls and without redirecting funding from other San Francisco transit capital priorities. • Monitor and potentially support efforts to establish other new transportation revenue mechanisms or to otherwise raise additional funds dedicated to transportation (e.g. Road Usage Charge).
	b. Secure cap-and-invest revenues for transportation	<ul style="list-style-type: none"> • Maintain or increase cap-and-invest funding for current transportation programs (e.g., Transit Intercity Rail Capital Program (TIRCP), Low Carbon Transit Operations Program (LCTOP)). • Seek discretionary grants from the legislatively-appropriated portion of the cap and invest program for The Portal (see 2a below). Seek appropriation from the new \$125 million transit pass program to expand the region's Clipper BayPass pilot program.
	c. Protect transportation funding	<ul style="list-style-type: none"> • Oppose the elimination or redirection of transportation funds (e.g. cap-and-invest, TIRCP, Active Transportation Program (ATP)). • Maintain the remaining \$700 million in regional transit formula funding included in Senate Bill (Senate Bill) 125 (2023) for the BART Core Capacity and BART to Silicon Valley Phase 2 projects.
	d. Modify evaluation criteria and distribution formulas for state transportation funds and regulations	<ul style="list-style-type: none"> • Advocate to modify the state definition of disadvantaged communities (e.g., CalEnviroScreen) to better align with the Metropolitan Transportation Commission's (MTC's) Equity Priority Communities. • Advocate to use factors in formula distribution calculations that better tie transportation funding to the true demands placed on the system, such as daytime population or transit usage rather than centerline roadway miles.

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San Francisco County Transportation Authority
Draft 2026 State and Federal Advocacy Program

	e. Streamline and improve state grant program administration (e.g., cap and invest, ATP, Transportation Fund for Clean Air)	<ul style="list-style-type: none">• Advocate for efficient, clear, relevant, streamlined, and flexible grant administration processes (e.g., consolidating state grant program calls for projects).• Oppose unfunded mandates and seek cost recovery for state requirements (e.g., autonomous vehicle (AV) permitting, transit zero emission requirements).• Advocate for a stronger role for regional and local governments in prioritizing projects for funding (e.g., support policies and programs that link land use/housing to transportation, incentivizing and rewarding jurisdictions that pursue transit-oriented developments).
2. The Portal	a. Secure state funding commitment to The Portal project	<ul style="list-style-type: none">• Secure total anticipated state funding commitment of \$1.05 billion to the project from sources such as cap and invest, TIRCP, and HSR.• Secure approximately \$110 million in near-term funding to continue advancing early project work.
	b. Authorize extension of local financing for The Portal	<ul style="list-style-type: none">• Support the Transbay Joint Powers Authority (TJPA) in securing an extension of tax increment financing authorization beyond 2050 to enable new bonding capacity.
	c. Strengthen state commitment to a blended high-speed rail (HSR) and electrified Caltrain system extending to the Salesforce Transit Center in downtown San Francisco	<ul style="list-style-type: none">• Work with partner agencies to advance the HSR project, oppose redirection of existing funds, and advocate that the HSR early investment projects are implemented in a manner consistent with the Northern California Memorandum of Understanding to develop a blended system.• Advocate for the state to commit HSR funding for The Portal and support other efforts that advance the Bay Area's HSR segment (e.g. in support of "bookend" projects in northern and southern California).

Attachment 1

San Francisco County Transportation Authority Draft 2026 State and Federal Advocacy Program

3. Autonomous Vehicles (AVs) and Emerging Mobility	a. Ensure AVs are regulated and deployed in a way that provides transparency and advances safety and resiliency	<ul style="list-style-type: none">Support AV legislation and regulatory proposals that provide for data transparency, an ability to enforce compliance with driver statutes, consumer protections, adequate emergency response, and incremental permitting procedures.Seek inclusion of local jurisdictions in the decision-making process for AV testing and deployment.
	b. Ensure the implementation of emerging mobility innovations (e.g., Transportation Network Companies (TNCs), scooters) is consistent with new mobility principles	<ul style="list-style-type: none">Continue efforts to ensure emerging mobility is regulated and deployed in a way that balances benefits and impacts and ensures safety, equity, resiliency, and accessibility.Continue to support efforts to develop and implement requirements for TNCs' greenhouse gas emissions and accessibility (e.g., California Air Resources Board's (CARB's) Clean Mile Standard). Improve the transparency and integrity of California Public Utility Commission's (CPUC's) TNC data.
	c. Support technology innovation	<ul style="list-style-type: none">Partner with the state to fund and implement innovative mobility research and pilot projects.
4. Policy Initiatives	a. Support the delivery of transportation improvements on Treasure Island and Yerba Buena Island (YBI)	<ul style="list-style-type: none">Advocate for funding for the YBI Multi-use Path (e.g. from Solutions for Congested Corridors Program).Seek funding and any regulatory changes needed to advance the Treasure Island Mobility Management Agency's (TIMMA's) implementation of the Treasure Island Transportation Improvement Program.

Attachment 1

San Francisco County Transportation Authority Draft 2026 State and Federal Advocacy Program

	<p>b. Improve the safety, reliability, equity, and efficiency of San Francisco's transportation network and other transportation demand management (TDM) strategies</p>	<ul style="list-style-type: none">• Advance San Francisco's Street Safety Act (formerly known as Vision Zero) to improve safety for all road users, including bills that advance best practices in safe roadway design and funding for San Francisco projects (e.g. from the ATP).• Seek extension of funding for CARB's Sustainable Transportation Equity Project (STEP) that previously provided a grant to SFMTA's Bayview Community Shuttle and could potentially support other shuttle pilot projects.• Continue to monitor and, as appropriate, provide input into state transportation demand management and roadway pricing strategies (e.g. Roadway Pricing Working Group, Road Charge Technical Advisory Committee).
	<p>c. Advance the adoption of e-mobility and implementation of climate resilience initiatives in a manner consistent with San Francisco's Climate Action Plan and other relevant plans</p>	<ul style="list-style-type: none">• Advocate for electric vehicle (EV) legislation that is equitable, consistent with San Francisco's other mobility policies (e.g., transit-first) and that supports San Francisco's deployment of EV infrastructure (e.g., curbside charging, installing EV chargers in multi-family dwellings). Support funding opportunities for EV infrastructure planning, promotion, and deployment.• Support incentives and subsidies for e-bike adoption, focusing on access for low-income residents and communities.• Engage in legislative efforts to guide state expenditures on climate, resiliency, and adaptation projects. Support funding programs and policies that facilitate implementation of San Francisco's Waterfront Resilience Program, Hazards and Climate Resilience Plan, Climate Action Plan, and other related plans.

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Draft 2026 State and Federal Advocacy Program

	<p>d. Advance legislative and administrative actions in support of other policy goals (e.g., equity, efficiency)</p>	<ul style="list-style-type: none">• Support MTC's effort to modernize state statutes and requirements for the region's Sustainable Communities Strategy (i.e., Plan Bay Area) to improve state partnership, increase flexibility and efficiency of plan development, and increase action on implementing programs that deliver real-world results.• Support efforts to advance transit-oriented development and enable value-capture mechanism to support transportation and affordable housing.• With other County Transportation Agencies (CTAs), participate in any efforts to modernize Congestion Management Program regulations to support key policies and reinforce CTAs' role in state, regional, and local transportation planning, congestion management, and funding.
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Attachment 1
San Francisco County Transportation Authority
Draft 2026 State and Federal Advocacy Program

FEDERAL		
Area	Goal	Strategy
1. Transportation Funding	a. Sustain or increase federal transportation funding through the Fiscal Year 2027 appropriations process and future surface transportation reauthorization legislation	<ul style="list-style-type: none">Oppose efforts to reduce or redirect transportation funding from San Francisco, California, and the nation as a whole.Advocate for federal transportation spending at levels authorized in the Bipartisan Infrastructure Law, including funding for the Federal Transit Administration's Capital Investment Grant (CIG) program. Continue to advocate for federal funding consistent with MTC's Major Project Advancement Policy.Secure directed funding (e.g. earmarks) and other appropriations for San Francisco transportation projects.Advocate for maintaining or increasing flexibility for federal formula funding programs (e.g. allow use for transit operations, active transportation).Support inclusion of innovative approaches to mobility and equity challenges such as congestion management, public transit affordability programs, technology demonstrations, and alternative project delivery methods.
	b. Advocate for federal support for San Francisco's project priorities	<ul style="list-style-type: none">Continue to advocate for future approval of a Full Funding Grant Agreement for The Portal's CIG funding application.Support SFMTA funding priorities such as zero-emission bus and bus facility investments.Support funding programs that advance San Francisco's climate adaptation and resiliency priorities, such as the Waterfront Resilience Program that is seeking Army Corps of Engineering funding.

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2. Transportation Policy Initiatives	a. Advance AV regulations and policies that preserve state and local roles, improve safety, and facilitate local evaluation of their performance	<ul style="list-style-type: none">Continue to engage in development of a national policy framework (e.g. the SELF Drive Act) to ensure the safe, efficient, and effective deployment of AVs. Advocate to reject efforts to preempt state and local roles in their regulation and oversight.Advocate to maintain and improve current federal AV data and reporting requirements and ensure local government access to collected information (e.g. Representative Mullin's AV Safety Data Act).Partner with state and local governments and non-governmental organizations (NGOs) to advocate for research that supports evidence-based regulations to inform AV policy and regulation.
	b. Address the impacts of emerging mobility and technology services (e.g., mobility on demand, artificial intelligence) and ensure their safety, equity, and accessibility	<ul style="list-style-type: none">Contribute to the development of regulatory and pilot programs that balance their benefits and impacts on climate, safety, equity, accessibility, and data security, provide for state and local regulation, and secure access to critical data.Support new federal funding for pilot programs that include a robust analysis of outcomes to inform future investment and regulation.Monitor other potential regulation activities (e.g., mobile applications, privacy protection) that would impact San Francisco's range of transportation services.

Attachment 1

San Francisco County Transportation Authority
Draft 2026 State and Federal Advocacy Program

STATE AND FEDERAL (Project Delivery and Administration)		
Area	Goal	Strategy
1. Project Delivery	a. Expand use of innovative strategies for efficient delivery of transportation infrastructure	<ul style="list-style-type: none">• Advocate for opportunities to use alternative delivery methods to manage risk and improve implementation of transportation infrastructure projects.• Advocate for the retention and expansion of innovative financing programs such as Transportation Infrastructure Finance and Innovation Act (TIFIA), as well as additional flexibility.• Support efforts to increase the efficiency of Caltrans and the Federal Highway Administration in reviewing and approving project documents and permits.
2. General Administration	a. Ensure efficient and effective Transportation Authority and TIMMA operations	<ul style="list-style-type: none">• Continue to partner with the City and County of San Francisco on lawsuits to restore rescinded federal funding (e.g. TIMMA's \$20 million Environmental Protection Agency grant for Treasure Island Connects mobility programs) and reverse unlawful federal grant terms and conditions.• Advocate for the streamlining of administrative requirements.• Oppose legislation and regulations that constrain the Transportation Authority's and TIMMA's ability to contract for goods and services and conduct business efficiently and effectively. Support legislation and regulations that increase our effectiveness and limit or transfer our risk of liability.