SMCTA Board of Directors
Meeting of December 3, 2026

Correspondence as of November 6, 2026

#	Subject
1.	Report of the Executive Director
2.	Quarterly Investment Report for Quarter Ending September 30, 2026
3.	Legislative Update

BOARD OF DIRECTORS 2026

JULIA MATES, CHAIR
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NOELIA CORZO
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CARLOS ROMERO

APRIL CHAN
EXECUTIVE DIRECTOR

Memorandum

Date: October 29, 2026

To: SMCTA Board of Directors

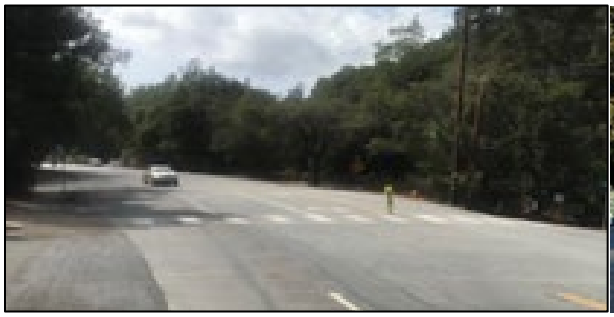
From: April Chan, Executive Director

Subject: Report of the Executive Director

Portola Valley Rectangular Rapid Flashing Beacon Installations

The Town of Portola Valley (Town)recently closed out two projects that installed Rectangular Rapid Flashing Beacons (RRFB) on Alpine Road at Golden Oaks Drive and at Portola Road at Corte Madera Road. Both projects were awarded funds from Cycle 5 of the Pedestrian/Bike (Ped/Bike) Program in December 2020. Alpine Road at Golden Oaks Drive was awarded $58,226 in Measure W funds with a local match of $24,954, and Portola Road at Corte Madera Road was awarded $102,703 in Measure A funds with a local match of $44,015. In addition to installing the RRFBs, the Town also enhanced pavement markings. These improvements provide enhanced pedestrian visibility and driver awareness at the crossing locations. The projects also address safety concerns previously identified through community input and the Town's Pedestrian Safety Study. The total Measure W expenditure was $53,427 and the total Measure A expenditure was $80,140. The remaining funds will be returned to the Ped/Bike Program category.

Alpine Road at Golden Oak Drive



Before



After

Alpine Road at Corte Madera Road



Before



After

Vehicle Miles Traveled (VMT) Mitigation Outreach

The San Mateo County Transportation Authority (SMCTA) will be gathering community input on local priorities for mitigation measures that reduce vehicle miles traveled (VMT). VMT measures the additional miles driven resulting from changes in local land use and proposed transportation projects, such as roadway expansion. Under the California Environmental Quality Act (CEQA), projects triggering significant VMT impacts are required to mitigate those impacts.

VMT mitigation is primarily addressed by funding off-site transportation improvements and programs. However, mitigation measures, including affordable housing, bike and pedestrian improvements, transit enhancements, and transit subsidy programs, differ in cost and VMT reduction potential. The outreach will ask residents to weigh mitigation project priorities alongside their cost and ability to reduce VMT. Outreach will include targeted, in-person engagement with community-based organizations, an online survey distributed through stakeholder networks, and social media posts. In person outreach will begin this month and a link to the online survey will be shared once it is live.

Findings from this outreach will be shared with the Board of Directors (Board) and San Mateo County jurisdictions to help inform the selection of effective mitigation measures for projects that increase VMT.

Moss Beach Congestion and Safety Improvements Project

The Moss Beach project proposes safety and multimodal improvements along approximately 1.1 miles of State Route (SR) 1, from south of Cypress Avenue to north of 16th Street. Two alternatives are being evaluated. Alternative 1 proposes roundabouts at Cypress and California Avenues and a traffic signal at 16th Street while Alternative 2 proposes traffic signals at all three intersections. Both alternatives include traffic control and traffic-calming improvements, Class II bike lanes along SR 1, a separated ped/bike trail on the east side of SR 1, sidewalks, high-visibility crosswalks, and bus stop improvements. Renderings of the project alternatives and additional details on the project are available at: https://www.smcgov.org/planning/moss-beach-sr-1.

Since the June 2026 Board update, California Department of Transportation (Caltrans) has approved the Traffic Operations Analysis Report (TOAR), and the team is finalizing the Draft Environmental Document for submittal to Caltrans. Once Caltrans has approved the Draft Environmental Document, which is anticipated to take approximately six to eight weeks, the project team will begin public outreach to solicit feedback on the preferred project alternative. Outreach will include mailers to area residents, newspaper advertisements, email announcements and social media posts. An open house will be held in December 2026 and once the location and date has been set, SMCTA staff will provide the information to the Board. Following completion of the environmental phase in early 2027, the project will advance to final design, which is anticipated to take approximately two years.

The environmental phase is funded with $3.53 million of Measure W highway program funds along with a $359,000 local match from the County of San Mateo. In January 2026, the project was awarded $6.75 million in Measure W Highway Program funds for the final design phase, with a $750,000 local match from the County. To date, the project has received $11.27 million in Measure W funding and $1.23 million in local matching funds, for a total of approximately $12.51 million. The total estimated project cost is between $52 and $58 million depending on the alternative selected. Costs will continue to be refined through the design phase and the County will pursue state and federal grants to help fund construction along with requesting additional funding from a future Highway Program call for projects.

BOARD OF DIRECTORS 2026

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APRIL CHAN
EXECUTIVE DIRECTOR

Date: November 4, 2026

To: Board of Directors

Through: April Chan, Executive Director

From: Chris Andrichak, Chief Financial Officer

Subject: Quarterly Investment Report for Quarter Ending September 30, 2026

In accordance with California Government Code Section 53646(b)(1), the San Mateo County Transportation Authority (SMCTA) must submit a quarterly investment report to the Board of Directors within 45 days following the end of each calendar quarter.

Due to the cancellation of the November Board meeting, the next scheduled opportunity for formal presentation is December, which falls outside the required reporting window. To remain in compliance, the Quarterly Investment Report to the Board is distributed as part of the weekly correspondence.

The attached report provides a summary of the SMCTA's investment portfolio as of September 30, 2026, including portfolio composition, policy compliance, market conditions, interest earnings, and performance metrics. Prepared in accordance with Government Code, the report supports transparency, accountability, and oversight of public funds.

San Mateo County Transportation Authority
Staff Report

To: Board of Directors

Through: April Chan, Executive Director

From: Chris Andrichak, Chief Financial Officer

Subject: **Accept Quarterly Investment Report**

Action

Staff recommend the Board accept and enter into the record the Quarterly Investment Report (QIR) as of September 30, 2026.

Significance

The San Mateo County Transportation Authority (SMCTA) Investment Policy contains a requirement for a quarterly report to be transmitted to the Board within 45 days of the end of the quarter.

Budget Impact

There is no budget impact.

Background

The report provides transparency and accountability in managing public funds by detailing the investment portfolio's composition, performance, and compliance with legal and policy requirements. The report on investments as of September 30, 2026, includes:

- Types, issuers, maturity dates, and amounts of investments.
- Descriptions of funds managed by contracted parties.
- Current market values for all securities as of September 30, 2026.
- Compliance with the Investment Policy and California Government Code.
- Certification of the Transportation Authority's ability to meet its six-month expenditure requirements.

Portfolio Overview

The TA's $1,012 million (Exhibit 1) investment portfolio is divided into two portions:

- $301.4 million Managed Portion: Measure A and Measure W funds managed by Public Trust Advisors LLC (PTA).
- $710.6 million Liquid Portion: Funds in short-term investment vehicles (e.g., State of California Local Agency Investment Fund, California Asset Management Program, bank holdings, and money market mutual funds) for liquidity and optimized returns.

Interest earnings for the first quarter of Fiscal Year 2027 totaled $6.6 million:

- $2.6 million in interest earnings on the PTA managed portfolio.
- $4.0 million in interest earnings on the liquid portion.

Discussion (Market Conditions)

Federal Reserve & Monetary Policy

- Current FY 2027 Outlook: The Q1 update reflects a decisive monetary policy under new Federal Reserve Chair Kevin Warsh. The Federal Reserve adopted a more restrictive stance, raising the federal funds target range to 3.75–4.00 percent in September due to resilient domestic spending and persistent inflation.
- The September Summary of Economic Projections showed the median year-end 2026 policy rate moving to 4.1 percent, with most Federal Open Market Committee (FOMC) participants expecting at least one more rate hike.
- Market expectations shifted toward a higher-for-longer policy path, with federal funds futures pricing in a more extended tightening cycle through 2027.

Market and Economic Indicators

- Treasury yields rose sharply across the curve during the first quarter, led by increases in intermediate maturity, as markets adjusted to stronger economic data and a more hawkish policy outlook.
- Revised GDP data showed stronger underlying momentum, with GDP revised to 2.2 percent and supported by robust private demand, including consumer spending and business investment.
- Inflation remained elevated, with headline CPI rising 0.4 percent in August and PCE inflation measures staying above the Federal Reserve's 2 percent target.

Labor Market and Consumer Spending

- Labor market conditions softened in Q1, with non-farm payrolls rising just 29,000 in September and unemployment edging up to 4.2 percent.
- Consumer spending remained resilient, with control-group retail sales increasing 1.4 percent in August, indicating continued household demand despite inflationary pressures.

Investment Strategy & Asset Allocation

- The portfolio maintained a neutral duration stance as Treasury yields increased across maturities, improving income and reinvestment opportunities.
- Asset allocation remained focused on high-quality, liquid securities, including U.S. Treasuries, agencies, and selective investment-grade credit.
- Credit spreads widened modestly but remain tight relative to history, reinforcing disciplined credit selection in a volatile macroeconomic environment.

Portfolio Compliance

During Q1 the investment environment continued to reflect a higher-for-longer interest rate outlook as persistent inflation and evolving Federal Reserve policy reduced expectations for near-term monetary easing. While economic growth remained supported by business investment and steady—though moderating—consumer demand, labor market conditions continued to cool gradually.

Throughout the period, the investment portfolio remained in full compliance with the Investment

Policy. The portfolio was conservatively positioned, maintaining neutral duration, high-quality fixed-income holdings, and sufficient liquidity to preserve principal while generating stable investment income.

Prepared by: Nazeea Rahman, Principal Financial Analyst 650-508-7981

Reviewed by: Ray Galindo, Interim Manager Treasury 650- 508-7757

Investment Glossary

Asset Backed Securities - An asset-backed security (ABS) is financial security backed by a loan, lease or receivables against assets other than real estate and mortgage-backed securities. For investors, asset-backed securities are an alternative to investing in corporate debt.

Certificate of Deposit - A certificate of deposit (CD) is a savings certificate with a fixed maturity date, specified fixed interest rate and can be issued in any denomination aside from minimum investment requirements. A CD restricts access to the funds until the maturity date of the investment. CDs are generally issued by commercial banks and are insured by the FDIC up to $250,000 per individual.

Collateralized Mortgage Obligation - Collateralized mortgage obligation (CMO) refers to a type of mortgage-backed security that contains a pool of mortgages bundled together and sold as an investment. Organized by maturity and level of risk, CMOs receive cash flows as borrowers repay the mortgages that act as collateral on these securities. In turn, CMOs distribute principal and interest payments to their investors based on predetermined rules and agreements.

Commercial Paper - Commercial paper is an unsecured, short-term debt instrument issued by a corporation, typically for the financing of accounts receivable, inventories and meeting short-term liabilities. Maturities on commercial paper rarely range any longer than 270 days. Commercial paper is usually issued at a discount from face value and reflects prevailing market interest rates.

Credit Spreads - The spread between Treasury securities and non-Treasury securities that are identical in all respects except for quality rating.

Duration - The term duration has a special meaning in the context of bonds. It is a measurement of how long, in years, it takes for the price of a bond to be repaid by its internal cash flows. It is an important measure for investors to consider, as bonds with higher durations carry more risk and have higher price volatility than bonds with lower durations.

Net Asset Value - Net asset value (NAV) is value per share of a mutual fund or an exchange-traded fund (ETF) on a specific date or time. With both security types, the per-share dollar amount of the fund is based on the total value of all the securities in its portfolio, any liabilities of the fund and the number of shares outstanding.

Roll-down - A roll-down return is a form of return that arises when the value of a bond converges to par as maturity is approached. The size of the roll-down return varies greatly between long and short-dated bonds. Roll-down is smaller for long-dated bonds that are trading away from par compared to bonds that are short-dated.

Roll-down return works two ways in respect to bonds. The direction depends on if the bond is trading at a premium or at a discount. If the bond is trading at a discount the roll-down effect will be positive. This means the roll-down will pull the price up towards par. If the bond is

trading at a premium the opposite will occur. The roll-down return will be negative and pull the price of the bond down back to par.

Volatility - Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility can either be measured by using the standard deviation or variance between returns from that same security or market index. Commonly, the higher the volatility, the riskier the security.

Yield Curve - A yield curve is a line that plots the interest rates, at a set point in time, of bonds having equal credit quality but differing maturity dates. The most frequently reported yield curve compares the three-month, two-year, five-year, and 30-year U.S. Treasury debt. This yield curve is used as a benchmark for other debt in the market, such as mortgage rates or bank lending rates, and it is also used to predict changes in economic output and growth.

Yield to Maturity - Yield to maturity (YTM) is the total return anticipated on a bond if the bond is held until the end of its lifetime. Yield to maturity is considered a long-term bond yield but is expressed as an annual rate. In other words, it is the internal rate of return of an investment in a bond if the investor holds the bond until maturity and if all payments are made as scheduled.

EXHIBIT 1
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
REPORT OF INVESTMENTS
FOR QUARTER ENDING SEPTEMBER 30, 2026

CASH	Description	PAR	Maturity	Original Cost	Book Value	Market Value	Market Value +Accrued
CCYUSD	Receivable	2,559.72	09/30/2026	2,559.72	0.00	2,559.72	2,559.72
CCYUSD	Receivable	1,847.12	09/30/2026	1,847.12	0.00	1,847.12	1,847.12
CCYUSD	Cash/Checking Account	96,872,346.55	09/30/2026	96,872,346.55	96,872,346.55	96,872,346.55	96,872,346.55
CCYUSD	CAMP	277,822,501.69	09/30/2026	277,822,501.69	277,822,501.69	277,822,501.69	277,822,501.69
CCYUSD	LAIF	5,962,354.47	09/30/2026	5,962,354.47	5,962,354.47	5,962,354.47	5,962,354.47
CCYUSD	CountyPool**	330,083,188.84	09/30/2026	330,083,188.84	330,083,188.84	330,083,188.84	330,083,188.84
		710,744,798.39		710,744,798.39	710,740,391.55	710,744,798.39	710,744,798.39

CORP	Description	PAR	Maturity	Original Cost	Book Value	Market Value	Market Value +Accrued
02079KBJ5	ALPHABET INC.	1,170,000.00	02/15/2029	1,165,752.90	1,138,302.10	1,132,770.60	1,138,302.10
02079KBJ5	ALPHABET INC.	810,000.00	02/15/2029	807,059.70	788,055.30	784,225.80	788,055.30
02079KCN5	ALPHABET INC.	580,000.00	08/10/2029	578,248.40	574,700.01	570,899.80	574,700.01
02079KCN5	ALPHABET INC.	400,000.00	08/10/2029	398,792.00	396,344.83	393,724.00	396,344.83
023135CT1	AMAZON.COM INC	1,105,000.00	11/20/2030	1,103,817.65	1,065,484.59	1,048,998.60	1,065,484.59
023135CT1	AMAZON.COM INC	765,000.00	11/20/2030	764,181.45	737,643.18	726,229.80	737,643.18
023135DC7	AMAZON.COM INC	1,535,000.00	03/13/2029	1,534,831.15	1,493,908.05	1,490,838.05	1,493,908.05
023135DC7	AMAZON.COM INC	1,060,000.00	03/13/2029	1,059,883.40	1,031,623.80	1,029,503.80	1,031,623.80
023135EC6	AMAZON.COM INC	185,000.00	07/09/2031	184,765.05	180,991.67	178,969.00	180,991.67
023135EC6	AMAZON.COM INC	130,000.00	07/09/2031	129,834.90	127,183.33	125,762.00	127,183.33
14913UAL4	CATERPILLAR FINANCIAL SERVICES (	360,000.00	05/14/2027	359,604.00	367,526.80	360,676.80	367,526.80
14913UBD1	CATERPILLAR FINANCIAL SERVICES (	750,000.00	11/14/2028	749,602.50	743,056.46	731,782.50	743,056.46
14913UBD1	CATERPILLAR FINANCIAL SERVICES (	1,090,000.00	11/14/2028	1,089,422.30	1,079,908.72	1,063,523.90	1,079,908.72
14913V2D9	CATERPILLAR FINANCIAL SERVICES (	710,000.00	05/15/2031	709,027.30	692,143.50	680,073.50	692,143.50
14913V2D9	CATERPILLAR FINANCIAL SERVICES (	305,000.00	05/15/2031	304,582.15	297,329.25	292,144.25	297,329.25
24422EXZ7	JOHN DEERE CAPITAL CORP	2,500,000.00	01/07/2028	2,499,250.00	2,518,600.00	2,491,475.00	2,518,600.00
24422EXZ7	JOHN DEERE CAPITAL CORP	1,730,000.00	01/07/2028	1,729,481.00	1,742,871.20	1,724,100.70	1,742,871.20
532457CJ5	ELI LILLY AND CO	2,650,000.00	02/09/2027	2,648,595.50	2,667,755.00	2,650,530.00	2,667,755.00
532457CJ5	ELI LILLY AND CO	795,000.00	02/09/2027	794,578.65	800,326.50	795,159.00	800,326.50
532457DL9	ELI LILLY AND CO	1,785,000.00	05/20/2031	1,783,090.05	1,735,448.65	1,707,031.20	1,735,448.65
58933YCK9	MERCK&CO INC	975,000.00	05/22/2031	974,395.50	958,437.19	942,191.25	958,437.19
58933YCK9	MERCK&CO INC	675,000.00	05/22/2031	674,581.50	663,533.44	652,286.25	663,533.44
592179KR5	METROPOLITAN LIFE GLOBAL FUNDI	1,100,000.00	08/25/2028	1,099,912.00	1,083,126.00	1,078,561.00	1,083,126.00
592179KR5	METROPOLITAN LIFE GLOBAL FUNDI	865,000.00	08/25/2028	864,930.80	851,730.90	848,141.15	851,730.90
592179KX2	METROPOLITAN LIFE GLOBAL FUNDI	745,000.00	08/24/2029	744,158.15	733,893.50	730,256.45	733,893.50
592179KX2	METROPOLITAN LIFE GLOBAL FUNDI	485,000.00	08/24/2029	484,451.95	477,769.59	475,401.85	477,769.59
64952WFU2	NEW YORK LIFE GLOBAL FUNDING	1,805,000.00	09/18/2029	1,803,267.20	1,794,996.29	1,791,606.90	1,794,996.29
64952WFU2	NEW YORK LIFE GLOBAL FUNDING	1,250,000.00	09/18/2029	1,248,800.00	1,243,072.22	1,240,725.00	1,243,072.22
67066GAR5	NVIDIA CORP	1,225,000.00	06/15/2031	1,222,672.50	1,187,190.38	1,171,418.50	1,187,190.38
67066GAR5	NVIDIA CORP	850,000.00	06/15/2031	848,385.00	823,764.75	812,821.00	823,764.75
69371RT55	PACCAR FINANCIAL CORP	650,000.00	11/25/2026	649,447.50	660,159.50	649,922.00	660,159.50
69371RT55	PACCAR FINANCIAL CORP	450,000.00	11/25/2026	449,617.50	457,033.50	449,946.00	457,033.50
69371RT63	PACCAR FINANCIAL CORP	910,000.00	03/03/2028	909,444.90	907,405.49	904,185.10	907,405.49
69371RT63	PACCAR FINANCIAL CORP	630,000.00	03/03/2028	629,615.70	628,203.80	625,974.30	628,203.80
69371RU53	PACCAR FINANCIAL CORP	600,000.00	06/18/2029	599,250.00	593,137.67	585,756.00	593,137.67
69371RU53	PACCAR FINANCIAL CORP	425,000.00	06/18/2029	424,468.75	420,139.18	414,910.50	420,139.18
713448FW3	PEPSICO INC	980,000.00	11/10/2026	979,735.40	999,798.86	980,127.40	999,798.86
713448FW3	PEPSICO INC	295,000.00	11/10/2026	294,920.35	300,959.86	295,038.35	300,959.86
74153WCU1	PRICOA GLOBAL FUNDING I	435,000.00	08/27/2027	434,904.30	435,363.47	433,555.80	435,363.47
74153WCU1	PRICOA GLOBAL FUNDING I	300,000.00	08/27/2027	299,934.00	300,250.67	299,004.00	300,250.67
89236TPQ2	TOYOTA MOTOR CREDIT CORP	1,570,000.00	03/13/2029	1,569,434.80	1,529,815.85	1,526,636.60	1,529,815.85
89236TPQ2	TOYOTA MOTOR CREDIT CORP	910,000.00	03/13/2029	909,672.40	886,708.55	884,865.80	886,708.55
89236TQB4	TOYOTA MOTOR CREDIT CORP	2,005,000.00	05/14/2031	2,000,929.85	1,953,842.98	1,919,125.85	1,953,842.98
89236TQB4	TOYOTA MOTOR CREDIT CORP	1,230,000.00	05/14/2031	1,227,503.10	1,198,616.89	1,177,319.10	1,198,616.89
		41,780,000.00		41,738,833.20	41,268,153.44	40,868,194.45	41,268,153.44

US GOV	Description	PAR	Maturity	Original Cost	Book Value	Market Value	Market Value +Accrued
912810FE3	UNITED STATES TREASURY	3,200,000.00	08/15/2028	3,284,250.00	3,259,598.26	3,237,120.00	3,259,598.26
912810FE3	UNITED STATES TREASURY	2,000,000.00	08/15/2028	2,052,656.25	2,037,248.91	2,023,200.00	2,037,248.91
912810FF0	UNITED STATES TREASURY	2,775,000.00	11/15/2028	2,912,882.81	2,851,396.20	2,796,367.50	2,851,396.20
912810FF0	UNITED STATES TREASURY	1,350,000.00	11/15/2028	1,417,078.13	1,387,165.72	1,360,395.00	1,387,165.72
9128283W8	UNITED STATES TREASURY	3,250,000.00	02/15/2028	3,094,609.38	3,175,354.74	3,163,940.00	3,175,354.74
9128285M8	UNITED STATES TREASURY	1,250,000.00	11/15/2028	1,224,804.69	1,220,717.09	1,205,962.50	1,220,717.09
912828YB0	UNITED STATES TREASURY	2,500,000.00	08/15/2029	2,272,265.63	2,284,888.52	2,279,700.00	2,284,888.52
912828YB0	UNITED STATES TREASURY	1,750,000.00	08/15/2029	1,595,986.33	1,599,421.96	1,595,790.00	1,599,421.96
912828YB0	UNITED STATES TREASURY	575,000.00	08/15/2029	528,056.64	525,524.36	524,331.00	525,524.36
912828YS3	UNITED STATES TREASURY	1,800,000.00	11/15/2029	1,615,781.25	1,645,614.10	1,633,716.00	1,645,614.10
912828YS3	UNITED STATES TREASURY	1,250,000.00	11/15/2029	1,122,070.31	1,142,787.57	1,134,525.00	1,142,787.57
912828Z94	UNITED STATES TREASURY	1,500,000.00	02/15/2030	1,332,949.22	1,341,338.64	1,338,465.00	1,341,338.64
912828Z94	UNITED STATES TREASURY	1,100,000.00	02/15/2030	977,496.09	983,648.34	981,541.00	983,648.34
912828ZQ6	UNITED STATES TREASURY	850,000.00	05/15/2030	724,824.22	729,351.62	727,345.00	729,351.62
912828ZQ6	UNITED STATES TREASURY	725,000.00	05/15/2030	618,232.42	622,094.03	620,382.50	622,094.03
91282CAE1	UNITED STATES TREASURY	2,850,000.00	08/15/2030	2,453,783.20	2,414,315.47	2,412,040.50	2,414,315.47
91282CAE1	UNITED STATES TREASURY	1,800,000.00	08/15/2030	1,549,757.81	1,524,830.82	1,523,394.00	1,524,830.82
91282CAE1	UNITED STATES TREASURY	325,000.00	08/15/2030	281,277.34	275,316.68	275,057.25	275,316.68
91282CAL5	UNITED STATES TREASURY	1,285,000.00	09/30/2027	1,085,072.07	1,232,585.24	1,232,572.00	1,232,585.24
91282CAL5	UNITED STATES TREASURY	1,850,000.00	09/30/2027	1,563,394.53	1,774,539.06	1,774,520.00	1,774,539.06
91282CAV3	UNITED STATES TREASURY	2,350,000.00	11/15/2030	2,055,148.44	1,996,172.31	1,988,405.50	1,996,172.31
91282CAV3	UNITED STATES TREASURY	3,100,000.00	11/15/2030	2,712,015.62	2,633,248.58	2,623,003.00	2,633,248.58
91282CAV3	UNITED STATES TREASURY	1,500,000.00	11/15/2030	1,311,796.88	1,274,152.54	1,269,195.00	1,274,152.54
91282CAV3	UNITED STATES TREASURY	2,000,000.00	11/15/2030	1,749,687.50	1,698,870.05	1,692,260.00	1,698,870.05
91282CBB6	UNITED STATES TREASURY	4,975,000.00	12/31/2027	4,203,680.66	4,738,386.43	4,730,528.50	4,738,386.43
91282CBB6	UNITED STATES TREASURY	1,490,000.00	12/31/2027	1,258,991.80	1,419,134.83	1,416,781.40	1,419,134.83
91282CBS9	UNITED STATES TREASURY	3,400,000.00	03/31/2028	3,032,906.25	3,227,872.76	3,227,756.00	3,227,872.76
91282CBS9	UNITED STATES TREASURY	1,000,000.00	03/31/2028	892,031.25	949,374.34	949,340.00	949,374.34
91282CCB5	UNITED STATES TREASURY	2,400,000.00	05/15/2031	2,118,000.00	2,077,698.98	2,062,968.00	2,077,698.98
91282CCB5	UNITED STATES TREASURY	1,750,000.00	05/15/2031	1,544,375.00	1,514,988.84	1,504,247.50	1,514,988.84
91282CCE9	UNITED STATES TREASURY	1,080,000.00	05/31/2028	944,915.63	1,023,322.49	1,018,785.60	1,023,322.49
91282CCE9	UNITED STATES TREASURY	3,550,000.00	05/31/2028	3,086,142.58	3,363,698.91	3,348,786.00	3,363,698.91
91282CCE9	UNITED STATES TREASURY	340,000.00	05/31/2028	297,473.44	322,157.08	320,728.80	322,157.08
91282CCE9	UNITED STATES TREASURY	1,025,000.00	05/31/2028	891,069.34	971,208.84	966,903.00	971,208.84
91282CCH2	UNITED STATES TREASURY	3,600,000.00	06/30/2028	3,122,156.25	3,396,920.28	3,385,548.00	3,396,920.28
91282CCH2	UNITED STATES TREASURY	1,150,000.00	06/30/2028	997,355.47	1,085,127.31	1,081,494.50	1,085,127.31
91282CCS8	UNITED STATES TREASURY	4,800,000.00	08/15/2031	4,103,812.50	4,021,279.04	4,013,616.00	4,021,279.04
91282CCS8	UNITED STATES TREASURY	3,250,000.00	08/15/2031	2,778,623.05	2,722,741.02	2,717,552.50	2,722,741.02
91282CCV1	UNITED STATES TREASURY	2,800,000.00	08/31/2028	2,350,687.50	2,613,585.51	2,610,888.00	2,613,585.51
91282CCV1	UNITED STATES TREASURY	1,100,000.00	08/31/2028	932,851.56	1,026,765.74	1,025,706.00	1,026,765.74
91282CCV1	UNITED STATES TREASURY	800,000.00	08/31/2028	671,625.00	746,738.72	745,968.00	746,738.72
91282CCV1	UNITED STATES TREASURY	450,000.00	08/31/2028	381,621.09	420,040.53	419,607.00	420,040.53
91282CCY5	UNITED STATES TREASURY	2,275,000.00	09/30/2028	1,988,047.85	2,119,559.13	2,119,481.00	2,119,559.13
91282CCY5	UNITED STATES TREASURY	825,000.00	09/30/2028	720,940.43	768,631.33	768,603.00	768,631.33
91282CDW8	UNITED STATES TREASURY	1,450,000.00	01/31/2029	1,296,503.91	1,353,906.14	1,349,631.00	1,353,906.14
91282CDW8	UNITED STATES TREASURY	2,375,000.00	01/31/2029	2,108,647.47	2,217,604.88	2,210,602.50	2,217,604.88
91282CDW8	UNITED STATES TREASURY	400,000.00	01/31/2029	357,656.25	373,491.35	372,312.00	373,491.35
91282CDW8	UNITED STATES TREASURY	750,000.00	01/31/2029	665,888.67	700,296.28	698,085.00	700,296.28
91282CEE7	UNITED STATES TREASURY	675,000.00	03/31/2029	606,366.21	634,571.04	634,527.00	634,571.04
91282CEM9	UNITED STATES TREASURY	2,420,000.00	04/30/2029	2,335,583.59	2,328,309.23	2,299,193.60	2,328,309.23
91282CES6	UNITED STATES TREASURY	1,600,000.00	05/31/2029	1,489,062.50	1,527,410.89	1,512,624.00	1,527,410.89
91282CES6	UNITED STATES TREASURY	850,000.00	05/31/2029	787,777.34	811,437.03	803,581.50	811,437.03
91282CES6	UNITED STATES TREASURY	450,000.00	05/31/2029	418,798.83	429,584.31	425,425.50	429,584.31
91282CES6	UNITED STATES TREASURY	285,000.00	05/31/2029	265,306.06	272,070.06	269,436.15	272,070.06
91282CEV9	UNITED STATES TREASURY	2,050,000.00	06/30/2029	2,027,818.36	1,977,313.80	1,960,476.50	1,977,313.80
91282CFL0	UNITED STATES TREASURY	725,000.00	09/30/2029	716,758.79	702,899.43	702,822.25	702,899.43
91282CFL0	UNITED STATES TREASURY	975,000.00	09/30/2029	963,916.99	945,278.54	945,174.75	945,278.54
91282CFM8	UNITED STATES TREASURY	1,145,000.00	09/30/2027	1,143,032.03	1,139,885.66	1,139,755.90	1,139,885.66
91282CFT3	UNITED STATES TREASURY	750,000.00	10/31/2029	735,175.78	741,434.35	728,880.00	741,434.35
91282CFT3	UNITED STATES TREASURY	1,100,000.00	10/31/2029	1,078,257.81	1,087,437.04	1,069,024.00	1,087,437.04
91282CFZ9	UNITED STATES TREASURY	4,300,000.00	11/30/2027	4,355,093.75	4,316,694.93	4,260,698.00	4,316,694.93
91282CFZ9	UNITED STATES TREASURY	1,970,000.00	11/30/2027	1,995,240.63	1,977,648.61	1,951,994.20	1,977,648.61
91282CGH8	UNITED STATES TREASURY	1,500,000.00	01/31/2028	1,491,679.69	1,484,815.11	1,475,970.00	1,484,815.11
91282CGP0	UNITED STATES TREASURY	3,250,000.00	02/29/2028	3,226,767.58	3,227,495.10	3,216,362.50	3,227,495.10
91282CGS4	UNITED STATES TREASURY	1,100,000.00	03/31/2030	1,091,792.97	1,051,379.55	1,051,270.00	1,051,379.55
91282CGT2	UNITED STATES TREASURY	2,600,000.00	03/31/2028	2,543,429.69	2,556,682.93	2,556,424.00	2,556,682.93
91282CGT2	UNITED STATES TREASURY	425,000.00	03/31/2028	415,752.93	417,919.32	417,877.00	417,919.32
91282CGT2	UNITED STATES TREASURY	2,030,000.00	03/31/2028	2,030,475.78	1,996,179.36	1,995,977.20	1,996,179.36
91282CGZ8	UNITED STATES TREASURY	1,600,000.00	04/30/2030	1,586,750.00	1,544,314.78	1,520,880.00	1,544,314.78
91282CGZ8	UNITED STATES TREASURY	1,300,000.00	04/30/2030	1,289,234.38	1,254,755.76	1,235,715.00	1,254,755.76
91282CHA2	UNITED STATES TREASURY	1,725,000.00	04/30/2028	1,664,827.15	1,716,231.38	1,690,965.75	1,716,231.38
91282CHA2	UNITED STATES TREASURY	550,000.00	04/30/2028	530,814.45	547,204.21	539,148.50	547,204.21
91282CHE4	UNITED STATES TREASURY	5,800,000.00	05/31/2028	5,694,421.88	5,760,109.79	5,689,452.00	5,760,109.79
91282CHE4	UNITED STATES TREASURY	1,015,000.00	05/31/2028	996,523.83	1,008,019.21	995,654.10	1,008,019.21

91282CHW4	UNITED STATES TREASURY	1,050,000.00	08/31/2030	1,055,373.05	1,019,668.08	1,015,959.00	1,019,668.08
91282CHX2	UNITED STATES TREASURY	3,615,000.00	08/31/2028	3,640,559.18	3,596,478.72	3,582,934.95	3,596,478.72
91282CJA0	UNITED STATES TREASURY	5,175,000.00	09/30/2028	5,198,449.22	5,150,817.54	5,150,160.00	5,150,817.54
91282CJA0	UNITED STATES TREASURY	3,000,000.00	09/30/2028	3,013,593.75	2,985,981.18	2,985,600.00	2,985,981.18
91282CJF9	UNITED STATES TREASURY	2,615,000.00	10/31/2028	2,689,466.21	2,667,537.48	2,614,189.35	2,667,537.48
91282CJG7	UNITED STATES TREASURY	3,500,000.00	10/31/2030	3,658,046.87	3,549,807.85	3,478,405.00	3,549,807.85
91282CJG7	UNITED STATES TREASURY	2,400,000.00	10/31/2030	2,508,375.00	2,434,153.96	2,385,192.00	2,434,153.96
91282CJM4	UNITED STATES TREASURY	2,750,000.00	11/30/2030	2,836,689.45	2,720,830.39	2,680,397.50	2,720,830.39
91282CJM4	UNITED STATES TREASURY	1,950,000.00	11/30/2030	2,011,470.70	1,929,316.09	1,900,645.50	1,929,316.09
91282CJN2	UNITED STATES TREASURY	1,000,000.00	11/30/2028	1,019,648.44	1,003,962.87	989,260.00	1,003,962.87
91282CJQ5	UNITED STATES TREASURY	5,150,000.00	12/31/2030	5,051,626.95	4,943,108.55	4,894,302.50	4,943,108.55
91282CJQ5	UNITED STATES TREASURY	3,750,000.00	12/31/2030	3,678,369.14	3,599,350.88	3,563,812.50	3,599,350.88
91282CJW2	UNITED STATES TREASURY	375,000.00	01/31/2029	382,587.89	369,895.92	367,368.75	369,895.92
91282CKD2	UNITED STATES TREASURY	2,575,000.00	02/28/2029	2,588,579.10	2,544,845.47	2,535,473.75	2,544,845.47
91282CKD2	UNITED STATES TREASURY	1,800,000.00	02/28/2029	1,793,742.19	1,778,921.11	1,772,370.00	1,778,921.11
91282CKG5	UNITED STATES TREASURY	2,675,000.00	03/31/2029	2,673,662.15	2,624,210.64	2,623,907.50	2,624,210.64
91282CKG5	UNITED STATES TREASURY	2,120,000.00	03/31/2029	2,093,831.25	2,079,748.25	2,079,508.00	2,079,748.25
91282CKG5	UNITED STATES TREASURY	1,100,000.00	03/31/2029	1,091,019.53	1,079,114.66	1,078,990.00	1,079,114.66
91282CKG5	UNITED STATES TREASURY	700,000.00	03/31/2029	694,011.72	686,709.33	686,630.00	686,709.33
91282CKP5	UNITED STATES TREASURY	3,225,000.00	04/30/2029	3,290,129.89	3,262,489.40	3,200,070.75	3,262,489.40
91282CKT7	UNITED STATES TREASURY	3,975,000.00	05/31/2029	4,043,475.59	3,989,758.98	3,929,645.25	3,989,758.98
91282CLK5	UNITED STATES TREASURY	525,000.00	08/31/2029	528,609.38	507,456.75	505,827.00	507,456.75
91282CLR0	UNITED STATES TREASURY	2,150,000.00	10/31/2029	2,153,107.42	2,134,288.29	2,097,174.50	2,134,288.29
91282CLR0	UNITED STATES TREASURY	1,850,000.00	10/31/2029	1,852,673.83	1,836,480.62	1,804,545.50	1,836,480.62
91282CMA6	UNITED STATES TREASURY	3,625,000.00	11/30/2029	3,594,980.47	3,583,213.56	3,532,961.25	3,583,213.56
91282CMA6	UNITED STATES TREASURY	2,100,000.00	11/30/2029	2,082,609.38	2,075,792.68	2,046,681.00	2,075,792.68
91282CMD0	UNITED STATES TREASURY	2,600,000.00	12/31/2029	2,643,773.44	2,580,204.60	2,551,458.00	2,580,204.60
91282CMD0	UNITED STATES TREASURY	1,950,000.00	12/31/2029	1,982,830.08	1,935,153.45	1,913,593.50	1,935,153.45
91282CMG3	UNITED STATES TREASURY	3,300,000.00	01/31/2030	3,340,992.19	3,247,069.08	3,223,440.00	3,247,069.08
91282CMG3	UNITED STATES TREASURY	1,250,000.00	01/31/2030	1,265,527.34	1,229,950.41	1,221,000.00	1,229,950.41
91282CMS7	UNITED STATES TREASURY	1,500,000.00	03/15/2028	1,498,886.72	1,483,639.06	1,481,070.00	1,483,639.06
91282CMU2	UNITED STATES TREASURY	3,900,000.00	03/31/2030	3,912,492.19	3,774,302.57	3,773,874.00	3,774,302.57
91282CMU2	UNITED STATES TREASURY	2,400,000.00	03/31/2030	2,407,687.50	2,322,647.74	2,322,384.00	2,322,647.74
91282CMW8	UNITED STATES TREASURY	4,500,000.00	04/15/2028	4,489,101.56	4,508,125.08	4,430,205.00	4,508,125.08
91282CMW8	UNITED STATES TREASURY	900,000.00	04/15/2028	901,371.09	901,625.02	886,041.00	901,625.02
91282CMZ1	UNITED STATES TREASURY	2,750,000.00	04/30/2030	2,743,125.00	2,692,431.59	2,647,837.50	2,692,431.59
91282CMZ1	UNITED STATES TREASURY	1,950,000.00	04/30/2030	1,945,125.00	1,909,178.76	1,877,557.50	1,909,178.76
91282CND9	UNITED STATES TREASURY	3,250,000.00	05/15/2028	3,241,621.09	3,242,344.31	3,196,310.00	3,242,344.31
91282CNG2	UNITED STATES TREASURY	3,500,000.00	05/31/2030	3,524,882.81	3,427,559.18	3,380,510.00	3,427,559.18
91282CNG2	UNITED STATES TREASURY	2,650,000.00	05/31/2030	2,668,839.85	2,595,151.95	2,559,529.00	2,595,151.95
91282CNH0	UNITED STATES TREASURY	3,750,000.00	06/15/2028	3,750,000.00	3,734,154.10	3,691,275.00	3,734,154.10
91282CNH0	UNITED STATES TREASURY	2,750,000.00	06/15/2028	2,750,000.00	2,738,379.67	2,706,935.00	2,738,379.67
91282CNN7	UNITED STATES TREASURY	1,500,000.00	07/31/2030	1,512,070.31	1,449,672.80	1,439,880.00	1,449,672.80
91282CNN7	UNITED STATES TREASURY	1,275,000.00	07/31/2030	1,285,259.77	1,232,221.88	1,223,898.00	1,232,221.88
91282CNU1	UNITED STATES TREASURY	1,500,000.00	08/15/2028	1,493,613.28	1,474,019.63	1,467,075.00	1,474,019.63
91282CNX5	UNITED STATES TREASURY	4,000,000.00	08/31/2030	3,984,687.50	3,812,577.13	3,800,160.00	3,812,577.13
91282CNX5	UNITED STATES TREASURY	2,800,000.00	08/31/2030	2,789,281.25	2,668,803.99	2,660,112.00	2,668,803.99
91282CPW5	UNITED STATES TREASURY	4,075,000.00	01/31/2031	4,093,783.21	3,894,754.33	3,869,008.75	3,894,754.33
91282CPW5	UNITED STATES TREASURY	1,100,000.00	01/31/2031	1,105,070.31	1,051,344.73	1,044,395.00	1,051,344.73
91282CQS3	UNITED STATES TREASURY	2,000,000.00	05/31/2028	1,994,218.75	2,000,325.25	1,973,440.00	2,000,325.25
91282CQS3	UNITED STATES TREASURY	1,650,000.00	05/31/2028	1,645,230.47	1,650,268.33	1,628,088.00	1,650,268.33
91282CQU8	UNITED STATES TREASURY	2,000,000.00	05/31/2031	1,991,406.25	1,949,845.41	1,922,120.00	1,949,845.41
91282CQU8	UNITED STATES TREASURY	1,650,000.00	05/31/2031	1,642,910.16	1,608,622.46	1,585,749.00	1,608,622.46
		263,360,000.00		253,591,013.57	253,530,104.71	251,547,413.25	253,530,104.71

MUNI	Description	PAR	Maturity	Original Cost	Book Value	Market Value	Market Value +Accrued
13063D3N6	CALIFORNIA STATE	1,715,000.00	03/01/2027	1,715,000.00	1,722,251.59	1,715,325.85	1,722,251.59
13063D3N6	CALIFORNIA STATE	515,000.00	03/01/2027	515,000.00	517,177.59	515,097.85	517,177.59
20772KKJ8	CONNECTICUT ST	865,000.00	05/15/2027	881,608.00	882,410.53	865,908.25	882,410.53
20772KKJ8	CONNECTICUT ST	260,000.00	05/15/2027	264,992.00	265,233.22	260,273.00	265,233.22
419792L95	HAWAII ST	200,000.00	10/01/2026	200,000.00	204,588.00	200,000.00	204,588.00
419792L95	HAWAII ST	60,000.00	10/01/2026	60,000.00	61,376.40	60,000.00	61,376.40
419792M29	HAWAII ST	135,000.00	10/01/2027	137,272.05	138,703.05	135,328.05	138,703.05
419792M29	HAWAII ST	40,000.00	10/01/2027	40,673.20	41,097.20	40,097.20	41,097.20
419792M37	HAWAII ST	395,000.00	10/01/2028	403,061.95	403,982.30	394,107.30	403,982.30
419792M37	HAWAII ST	120,000.00	10/01/2028	122,449.20	122,728.80	119,728.80	122,728.80
		4,305,000.00		4,340,056.40	4,359,548.68	4,305,866.30	4,359,548.68

MMFUND	Description	PAR	Maturity	Original Cost	Book Value	Market Value	Market Value +Accrued
31846V534	FIRST AMER:US TRS MM Y	1,304,698.00	09/30/2026	1,304,698.00	1,304,698.00	1,304,698.00	1,304,698.00
31846V534	FIRST AMER:US TRS MM Y	901,235.90	09/30/2026	901,235.90	901,235.90	901,235.90	901,235.90
		2,205,933.90		2,205,933.90	2,205,933.90	2,205,933.90	2,205,933.90
			Total	1,012,620,635.46	1,012,104,132.28	1,009,672,206.29	1,012,108,539.12

San Mateo County Transportation Authority
Staff Report

To**:** Board of Directors

Through: April Chan, Executive Director

From: Emily Beach, Chief Communications Officer

Subject: **Legislative Update**

Action
Staff proposes the Board of Directors (Board) receive the attached federal and state legislative updates.

Significance
The 2026 Legislative Program establishes the principles that will guide the legislative and regulatory advocacy efforts. Based on those principles, staff coordinates closely with federal and state advocates on a wide variety of issues that are considered in Congress and the state legislature. The attached reports highlight the recent issues and actions that are relevant to the Board and specify, at the appropriate time, those bills on which staff proposes that San Mateo County Transportation Authority (SMCTA) take a formal position.

Prepared By:	Michaela Wright Petrik	Government and Community Affairs Officer	650-730-4951

KADESH & ASSOCIATES, LLC

Federal Update
San Mateo County Transportation Authority
Reported: October 20, 2026

Congress is out on recess for the November elections. Both the House and Senate are scheduled to return on Monday, November 9, to start what is expected to be an active lame-duck session. Both the House and Senate are scheduled to be in session for two weeks in November and three weeks in December. The outcome of the midterm elections will play a significant role in determining the productivity of the lame-duck, and we are following several issues that could impact SMCTA.

Continuing Resolution (CR) - The continuing resolution that is currently funding the federal government expires on December 11. Regardless of the election outcome, it is highly unlikely the annual spending bills can be completed in time for the December 11 deadline, so another CR is all but guaranteed. Questions on the duration of the CR, what may be included, and what comes next, however, will depend largely on the outcome of the election. Additionally, there has also been a lot of recent speculation that Democrats will not agree to a December CR until/unless the Trump administration withdraws from Iran. It is unclear if this is just pre-election chatter or part of a concerted leadership effort. It is definitely too early to talk about the possibility of a shutdown in December, but a potential shutdown is on the table. Note: the CR is the only thing that must happen during the lame-duck session.

Surface Transportation Reauthorization - The current CR also extends the surface transportation bill until December 11. The most likely next step is another extension that will be included in the new CR. House and Senate committee leadership have already discussed an eventual extension of the surface transportation bill until September 30, but the vehicle for enacting that longer-term extension is still to be determined.

Permitting reform - Prior to recessing, the Senate announced it had a deal on a 417-page permitting reform bill called the Bipartisan American Affordability and Jobs Act of 2026 (S. 5653). It is a very procedure-based bill geared towards expediting approvals of energy transmission projects, but some of the changes to the National Environmental Policy Act (NEPA) review process could have beneficial impacts on transportation projects. While it is too early to predict the exact impact of these proposed changes on specific projects, the legislation narrows which infrastructure projects trigger NEPA reviews, sets a 150-day statute of limitation on NEPA lawsuits, and allows agencies to bypass separate NEPA reviews if another agency has already conducted that review.

Permitting reform has been moving target for years and this kind of breakthrough is a significant development. There was an effort to pass this new bill prior to the recess, however, that did not happen due to Democratic concerns about how the Trump administration has been delaying solar and wind energy projects. This legislation will be one of the first orders of business when the Senate returns on November 9; we will continue to monitor developments very closely.

We are also monitoring two administrative actions that could receive Congressional attention during the lame-duck.

OMB Uniform Guidance proposed changes – The Office of Management and Budget (OMB)'s effort to exert greater control over the federal grant making process is on hold due to language in the current CR. The changes to the "uniform guidance" rules have been very controversial and Congress will likely seek to continue to stall implementation.

FTA Proposed CIG changes - Earlier this month, the Department of Transportation (DOT) released proposed changes to the Federal Transit Administration's Capital Investment Grant (CIG) selection process to reward projects in areas with birth rates and marriage rates higher than the national average. We will likely see this effort to redefine project selection criteria spill over into other DOT agencies and discretionary grants. It is unclear what, if any, action Congress will take to address these changes.

October 15, 2026

To: Board of Directors, San Mateo County Transportation Authority

From: Chris Lee, Partner, Politico Group
Kiana Valentine, Partner, Politico Group

Re: STATE LEGISLATIVE UPDATE – November 2026

General Update

On September 30, Governor Newsom finished the final legislative signing period of his Governorship. During the 2026 legislative session, the Legislature sent him 1,160 bills. He signed 1,040 and vetoed 120 – a veto rate of about 10 percent, down from just over 13% in 2025. Several of the session's biggest proposals never reached his desk, most notably the effort to reform the state's wildfire liability system.

The Governor has left open the possibility of calling the Legislature into special sessions on artificial intelligence (AI) and wildfire liability before he leaves office, although his recent executive order on AI likely means that a special session on the former is unlikely. Otherwise, the next major legislative action comes when the new Legislature convenes on December 7. On January 4, the new Governor will be sworn in, with the Governor's proposed budget bill due to the Legislature by January 10.

E-Bike Legislation: Statewide Bills & San Mateo County Pilot Program Signed

Following a bevy of proposed legislation, the Governor signed two key bills that made significant statewide changes to the marketing and use of e-bikes in California. The Governor signed **SB 1167 (Blakespear)**, which bars high-speed look-alike devices from being sold or advertised as e-bikes and adds new labeling requirements for manufacturers. He also signed **AB 2346 (Wilson)**, which requires manufacturers and distributors of e-bikes to provide consumers with information about California e-bike laws at the point-of-sale, requires speedometers and lights on class-II e-bikes manufactured or sold after January 1, 2029, establishes a default 10 mph speed limit on sidewalks, and allows local authorities to set 10, 15, or 20 mph speed limits on bike paths and multiuse trails.

Assemblymember Papan was successful in securing the Legislature's approval of **AB 2529**, which authorizes a San Mateo County e-bike pilot program until 2031. The Governor signed AB 2595 on September 30. Specifically, the bill authorizes a local authority within the County of San Mateo, or the County of San Mateo in unincorporated areas, to prohibit a person under 12 years of age from operating a class 1 or 2 electric bicycle. Violations would be punishable by warning notices within the first 60 days of the prohibition and then by $25 fines. The bill also requires a 30-day public awareness campaign prior to commencement of the pilot and a report to the Legislature by January 1, 2030, on the results of the pilot program. Assemblymember Papan's other bill, **AB 1557**, which would have imposed new statewide standards for the design, classification, and operation of e-bikes, was held in the Assembly Appropriations Committee in May.

Caltrans Releases Implementation Plan for Complete Streets on State Highways

SB 960 (Wiener, 2024) requires Caltrans to better incorporate bicycle, pedestrian, and transit facilities

into its planning, funding and management of the state highway system, particularly for general purpose highways that serve local, multi-modal traffic, such as El Camino Real and State Route 1 in San Mateo County. Caltrans recently released an SB 960 Implementation Plan as an addendum to the 2024-26 Complete Streets Action Plan. The plan highlights tasks accomplished since the bill was enacted in January 2025, as well as targeted completion dates for remaining implementation activities.

The plan lays out the state entities charged with carrying out 17 implementation tasks and assigns target dates for completion. While Caltrans has already completed tasks requiring the inclusion of complete streets projects in its major asset management and funding plans, there are several upcoming deliverables due in January 2027 that attempt to improve the project delivery process:

- Adopt a new permit intake and review process to accelerate the approval of bike, pedestrian, and transit projects that partner agencies, including the TA or local governments, sponsor on the state highway system.
- Develop a web-based resource to provide step-by-step instructions, templates, and relevant information to help applicants navigate the encroachment permit process specifically for active transportation projects.
- Designate a complete streets encroachment permit manager in each of the 12 Caltrans districts.

The plan also includes a feedback loop so partner agencies and advocates can measure Caltrans' performance. Starting in December 2027, Caltrans will report on encroachment permit activity each year to the California Transportation Commission.

Bills of Interest

SB 1087 (Cabaldon) Sustainable Communities Strategies – Watch

SB 1087, the SB 375 reform effort sponsored by MTC-ABAG and the three other largest Metropolitan Planning Organizations, changes the sustainable communities strategy (SCS) from a 4-year to an 8-year update cycle (effective January 1, 2028), with a mid-cycle report on progress toward implementation and greenhouse gas (GHG) emissions reductions. When setting GHG targets, the bill requires the California Air Resources Board (CARB) to consider regional factors that affect achievability, including housing and development trends, access to alternative transportation, and fiscal limitations. It also establishes a streamlined review process with a "deemed approved" remedy if CARB misses their deadlines. **SB 1087 was signed by the Governor on September 30.**

SB 1187 (Durazo) Open and Public Meetings – Watch

SB 1187 removes requirements enacted by SB 707 (Durazo, 2025) for the translation of eligible local legislative body agendas into specific languages based on data from the American Community Survey. The bill also removes specific requirements for the provision of interpreter services and the accommodation of related equipment and time for interpretation during public meetings. The bill took effect immediately upon enactment. **SB 1187 was signed by the Governor on September 18.**

AB 1198 (Haney) Public Works: Prevailing Wages – Watch

AB 1198 requires, commencing January 1, 2027, during any semiannual period where the director of the Department of Industrial Relations (DIR) determines that there has been a change in a prevailing wage rate in any locality, the DIR director's determination shall apply to any public works contract that is awarded or for which notice to bidders is published after July 1, 2027. The bill only applies to projects

with a prime contract with an awarded value of $35 million or greater. **AB 1198 was signed by the Governor on September 27.**

SMCTA Bill Matrix – November

Measure	Status	Bill Summary	Recommended Position
SB 830 Arreguín (D) Bay Area Transit Revenue Measure Election Procedures	7/16/26 Signed by the Governor	As chaptered on July 16, 2026, this bill requires a qualified regional transit district revenue measure authorized by SB 63 (Wiener, 2025) to appear on each included county's ballot immediately after the statewide ballot measures and to be designated as "Regional Transit Measure." The bill also requires each county elections official in the district to select from proposed arguments in favor of, and against, the measure, for inclusion in the county voter information guide. The bill included an urgency clause and took effect immediately upon the Governor's signature.	**Watch**
SB 922 Laird (D) Local Agency Charges: Use of Streets or Highways	8/27/26 Signed by the Governor	As chaptered on August 27, 2026, this bill explicitly states that local governments may recover the cost of street maintenance and repair of damage caused by public service operations—such as waste hauling—through service-related fees and charges. The bill responds to a recent court decision *(Rogers v. City of Redlands)* that disrupted long standing local practice and triggered litigation challenging how cities fund road repairs caused by heavy service vehicles. This measure restores clarity and ensures local governments can continue to maintain safe and reliable streets without shifting costs onto unrelated taxpayers.	**Watch**
SB 1087 Cabaldon (D) Sustainable Communities Strategies: Transportation Funding Programs	9/30/26 Signed by the Governor	As chaptered on September 30, 2026, this bill makes several changes to California's primary regional transportation and land use planning law, SB 375 (Steinberg, 2008). Specifically, the bill changes the frequency of regional sustainable communities strategy (SCS) updates from every 4 to every 8 years, ensures that regional greenhouse gas reduction targets established by the California Air Resources Board (CARB) reflect local conditions and state policies, eliminates duplicative corridor planning requirements in the Solutions for Congested Corridors Program, and streamlines the review and approval process for SCSs by CARB.	**Watch**
SB 1159 Cabaldon (D) Artificial Intelligence: Transparency and Governance	9/30/26 Signed by the Governor	As chaptered on September 30, 2026, this bill prohibits a person from knowingly using artificial intelligence to falsely represent that a natural person appeared before, submitted information to, or otherwise engaged with a governmental agency. The bill also clarifies that terms like "person," "interested person," "participant," and "member of the public" in California's transparency laws, refer to natural persons and legally recognized entities, not to AI systems capable of autonomously producing infinite comments.	**Watch**

SMCTA Bill Matrix – November

Measure	Status	Bill Summary	Recommended Position
SB 1187 Durazo (D) Open and Public Meetings	9/18/26 Signed by the Governor	As chaptered on September 18, this bill removes requirements enacted by SB 707 (Durazo, 2025) for the translation of eligible local legislative body agendas into specific languages based on data from the American Community Survey. The bill also removes specific requirements for the provision of interpreter services and the accommodation of related equipment and time for interpretation during public meetings. The bill took effect immediately upon enactment.	**Watch**
SB 1411 Stern (D) Greenhouse Gas Reduction Fund: Highspeed Rail Funding	5/14/26 Held in Senate Appropriations	As amended on April 16, 2026, this bill would have revised the authorization for the California Highspeed Rail Authority to enter new funding commitments with the Greenhouse Gas Reduction Fund dollars outside of the Merced to Bakersfield segment. Specifically, it authorized additional activities related to early work, including utility relocation, geotechnical work, and right-of-way, as well as projects developed through public partnership agreements or public-private partnership agreements, provided that those funding commitments maximized the efficiency of delivering the project and did not delay the completion of the Merced to Bakersfield segment.	**Watch**
AB 33 Aguiar-Curry (D) Autonomous Vehicles	8/31/26 Failed deadline in Senate	As amended on June 30, 2025, this bill would prohibit the delivery of commercial goods directly to a residence or to a business by an autonomous vehicle (AV) without a human operator on any highway within the state and create a civil penalty of $10,000 for an initial violation and $25,000 for subsequent violations. The bill also requires the Department of Motor Vehicles to consult with the Highway Patrol, Caltrans, the Air Resources Board, and the Labor and Workforce Development Agency to submit a report to the Legislature on the impact of AVs on safety, jobs, infrastructure, and other matters by 2031 or after 5 years of testing. The report must include a recommendation to the Legislature on whether to retain or modify the requirement for a safety driver in AVs delivering commercial goods.	**Watch**
AB 259 Rubio (D) Brown Act: Remote Participation	7/17/25 Failed deadline in Senate Judiciary	As amended on April 21, 2025, this bill would extend until 2030 the sunset date from AB 2449 (Rubio, 2022), which allows the legislative bodies of local agencies to meet via teleconference provided that a quorum of the body is present in person and other requirements are met. The bill also extends until 2030 the authority for remote meetings during emergency circumstances and for allowing a member of a legislative body to participate remotely without providing at least 72 hours of advance notice due to emergency circumstances.	**Supported June 2025**

SMCTA Bill Matrix – November

Measure	Status	Bill Summary	Recommended Position
AB 954 Bennett (D) Interregional Transportation: Bicycle Highways	8/31/26 Failed deadline in Senate	As amended on June 30, 2025, this bill requires Caltrans assess incorporating bicycle highways into the interregional transportation strategic plan, to the extent feasible. These provisions replace the bill's prior requirement for Caltrans to develop and fund a pilot program in two major metropolitan areas to establish a branded network of bicycle highways.	**Watch**
AB 1198 Haney (D) Public Works: Prevailing Wages	9/27/26 Signed by the Governor	As chaptered on September 27, 2026, this bill requires, commencing January 1, 2027, during any semiannual period where the director of the Department of Industrial Relations (DIR) determines that there has been a change in a prevailing wage rate in any locality, the director's determination shall apply to any public works contract that is awarded or for which notice to bidders is published after July 1, 2027. The bill only applies to projects with a prime contract with an awarded value of $35 million or greater.	**Watch**
AB 1244 Wicks (D) CEQA: Transportation Impact Mitigation	7/17/25 Failed deadline in Senate Environmental Quality	As amended on April 23, 2025, this bill would allow project applicants to satisfy vehicle miles travelled (VMT) mitigation requirements under the California Environmental Quality Act (CEQA) by electing to contribute to the Department of Housing and Community Development's (HCD's) Transit-Oriented Development Implementation Program, which funds affordable housing development near qualifying transit stations. The April 23 amendments require HCD to confirm and report VMT reductions attributed to the projects and claimed by donor projects and require the Governor's Office of Land Use and Climate Innovation to determine appropriate mitigation funding amounts and update them at least every three years.	**Watch**
AB 1421 Wilson (D) Road Usage Charge Technical Advisory Committee	8/31/26 Failed deadline in Senate	As amended on January 5, 2026, this bill would require the California Transportation Commission and the California State Transportation Agency to consult with state agencies and stakeholders, including local government and regional transportation agencies, and submit a report to the Legislature by January 1, 2027, on research and recommendations related to a road user charge or a mileage-based fee system. The report must include discussion of inequities for low-income drivers with less fuel-efficient vehicles, impacts of a weight-per-mile fee on the auto industry, and solutions for capturing out-of-state vehicles.	**Watch**

SMCTA Bill Matrix – November			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 1557 Papan (D) Vehicles: Electric Bicycles	5/14/26 Held in Assembly Appropriations	As amended on April 16, 2026, this bill imposes a new limitation of 250 watts of continuous power for class 1 and 2 electric bicycles. The bill also provides that no one under 16 years old shall operate an e-bike with a motor capable of exceeding 250 watts of continuous power and authorizes law enforcement to remove a vehicle operated in violation of this provision. Current state law limits e-bike motors to 750 watts. AB 1557 also provides that all classes of e-bikes manufactured prior to January 1, 2027, with motors that are not capable of exceeding 750 watts of continuous power and which meet other legal requirements may retain their current classifications, creates a new definition of "cargo electric bicycle," and provides that such e-bikes can be equipped with electric motors with maximum continuously rated power of 750 watts.	**Watch**
AB 2059 Wilson (D) CEQA: Vehicle Miles Traveled Mitigation Measures	9/27/26 Signed by the Governor	As chaptered on September 27, 2026, this bill specifies that a transportation project is presumed to have a less than significant vehicle miles traveled (VMT) impact under the California Environmental Quality Act if at least 70% of the project is located within one or more "non-metropolitan" counties and the lead agency has issued a notice of preparation for the project's environmental impact report on or before December 31, 2031. The definition of "non-metropolitan counties" used in the bill comes from a state affordable housing program and includes all counties located outside of a Metropolitan Planning Organization, as well as the County of San Benito. The bill also directs Caltrans to develop guidance on VMT mitigation for projects in non-metropolitan counties by December 31, 2030.	**Watch**
AB 2168 Wicks (D) Active Transportation Program Guidelines.	9/14/26 Signed by Governor	As chaptered on September 14, 2026, this bill, effective January 1, 2028, expands the types of projects eligible for the state's Active Transportation Program (ATP) to include projects that provide access to transit and school bus stops. The bill also requires the California Transportation Commission to include in the ATP guidelines incentives to attract other funding for larger-scale projects, penalties for failure to use ATP funds in a timely manner, and requirements for applicants to consult with transit agencies when a project will be adjacent to bus, shuttle or paratransit routes.	**Watch**
AB 2552 Ávila Farías (D) CEQA: Vehicle Miles Traveled Statewide Mitigation Bank	8/31/26 Failed deadline in Assembly	As amended on April 16, 2026, this bill would provide that lead agencies for land use projects with vehicle miles traveled (VMT) impacts under CEQA may only require contributions to the statewide VMT mitigation bank, which is being created pursuant to AB 130 (2025), if the cost of mitigation is less than or equal to other mitigation measures required by the lead agency or, if it is the only required mitigation measure, that it is the "least cost" mitigation measure that is feasible.	**Watch**

SMCTA Bill Matrix – November			
Measure	**Status**	**Bill Summary**	**Recommended Position**
AB 2560 Schultz (D) Climate Action Plan for Transportation Infrastructure Goals	8/14/26 Held in Senate Appropriations	As amended on April 15, 2026, this bill would have codified the current goals of Governor Newsom's Climate Action Plan for Transportation Infrastructure (CAPTI). Amendments taken to address concerns of the Assembly Transportation Committee and stakeholders removed language that would have applied the current CAPTI goals to six specific formulaic and competitive state transportation funding programs and authorized the California State Transportation Agency (CalSTA) to continue to update CAPTI goals in the future.	**Watch**
AB 2595 Papan (D) San Mateo Electric Bicycle Safety Pilot Program	9/30/26 Signed by the Governor	As chaptered on September 30, 2026, this bill creates a pilot program until 2031 authorizing a local authority within the County of San Mateo, or the County of San Mateo in unincorporated areas, to prohibit a person under 12 years of age from operating a class 1 or 2 electric bicycle. Violations would be punishable by warning notices within the first 60 days of the prohibition and then by $25 fines. The bill also requires a 30-day public awareness campaign prior to commencement of the pilot and a report to the Legislature by January 1, 2030, on the results of the pilot program.	**Watch**