

Date of Hearing: June 17, 2024

ASSEMBLY COMMITTEE ON TRANSPORTATION

Lori D. Wilson, Chair

SB 1098 (Blakespear) – As Amended May 16, 2024

**SENATE VOTE:** 38-0

**SUBJECT:** Passenger and freight rail: LOSSAN Rail Corridor

**SUMMARY:** Requires the Secretary of the California State Transportation Agency (CalSTA) to convene a working group regarding the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor and develop recommendations and regularly report to the Legislature on this topic. Specifically, **this bill:**

- 1) Requires the CalSTA, in consultation with the Secretary for Environmental Protection and the Secretary of the Natural Resources Agency to submit a report to the Legislature by January 1, 2026, regarding the LOSSAN Rail Corridor, which utilizes existing plans and studies, involves consultation with other state agencies, reports on funding status, shortfalls, and completion schedules for projects identified in the report, and include all of the following information:
  - a) A baseline summary of transportation and environmental conditions in existence as of January 1, 2025, along the LOSSAN Rail Corridor;
  - b) Prioritized capital improvement projects in the corridor necessary to improve current services and accommodate future passenger and freight service growth;
  - c) Prioritized improvement projects;
  - d) A description of administrative actions taken by CalSTA to improve the operations and performance of the corridor;
  - e) Recommendations for the LOSSAN Rail Corridor to connect with other passenger rail services;
  - f) Strategies to support and improve existing rail service and increase ridership;
  - g) Recommendations to achieve zero-emission state-supported equipment;
  - h) Strategies and recommendations to support coastal hazard resiliency planning in the LOSSAN Rail Corridor; and,
  - i) Recommendations and information regarding any actions taken in response to those recommendations received from the working group.
- 2) Requires CalSTA convene a working group regarding the LOSSAN Rail Corridor including, but not limited to, the following representatives:
  - a) LOSSAN Rail Corridor track owners;
  - b) LOSSAN Rail Corridor operators, including managing agencies, joint powers authorities, and transit districts responsible for rail services;
  - c) County Transportation Commissions for the Counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura;
  - d) Metropolitan Planning Organizations (MPOs) for the Counties of Los Angeles, Orange, San Diego, San Luis Obispo, Santa Barbara, and Ventura;
  - e) Business, community, transportation, environmental, labor, and civic organizations; and,
  - f) The California Coastal Commission.

- 3) Requires the working group to submit recommendations to CalSTA to be included in the report the Legislature. The recommendations shall include all of the following:
  - a) Dedicated and formula funding distributions available for passenger rail operations;
  - b) Strategies to increase rail service coordination and reduce disruptions or delays;
  - c) Alternative management and operations models or structures that improve intercity and regional rail services;
  - d) Changes to state statutes, rules, or funding necessary to improve the quality, performance, usage, management, or frequency of passenger rail services;
  - e) Opportunities for rail to accelerate and support equity, safety, sustainability, and economic development goals;
  - f) Opportunities for MPOs to analyze, describe, and report progress in operating, maintaining, and improving the corridor;
  - g) Opportunities for MPOs to adopt multiregional goals relating to passenger and freight rail service, capital improvement projects related to those services, and resiliency of those services along the corridor;
  - h) Improving connections to existing and planned public transit services;
  - i) Strategies that increase ridership and utilization of rail services; and,
  - j) Strategies to coordinate fleet equipment planning and management.
  
- 4) Requires the CalSTA, in coordination with stakeholders responsible for operating rail services along the LOSSAN Rail Corridor, to submit a report to the Legislature on or before January 1, 2027, and biennially thereafter, on the performance of the LOSSAN Rail Corridor that includes all of the following information:
  - a) Performance, ridership, usage, and quality of rail services;
  - b) Updates to capital improvement planning;
  - c) Progress in delivering fleet and infrastructure improvement projects;
  - d) Improvements to service and fare coordination;
  - e) Opportunities to increase the quality and frequency of services; and,
  - f) Opportunities on corridor resiliency, prepared in coordination with the California Coastal Commission.
  
- 5) Requires the CalSTA to provide guidance and recommendations to, and coordination between, stakeholders as necessary to ensure the performance of the LOSSAN Rail Corridor. These responsibilities shall include planning, as needed, for any of the following:
  - a) Service frequencies;
  - b) Equipment and fleet management;
  - c) Infrastructure improvement and state-of-good repair projects; and,
  - d) Resiliency of the corridor, including coordination with the California Coastal Commission as it relates to the California coastal zone.
  
- 6) Finds and declares that a special statute is necessary because of the unique need to address the resiliency and performance of the LOSSAN Rail Corridor.

**EXISTING LAW:**

- 1) Establishes the LOSSAN Rail Corridor Agency, also known as the LOSSAN Agency, as an existing joint powers authority (JPA) established to provide an organization capable of implementing the recommendations contained in the State Rail Corridor Study Group's June 1987 report entitled "Los Angeles-San Diego State Rail Corridor Study" and undertaking related efforts to improve intercity services and facilities in the corridor and to coordinate subcorridor commuter rail services with intercity services. (Government Code (GOV) 14072)
- 2) Authorizes the California Department of Transportation (Caltrans) to contract with the National Railroad Passenger Corporation (Amtrak) for intercity rail passenger services. (GOV 14070.6)
- 3) Authorizes the LOSSAN Rail Corridor Agency to oversee state-supported intercity passenger rail service (GOV 14070.7).
- 4) Authorizes Caltrans, subject to approval of the CalSTA, to enter into an interagency transfer agreement under which a JPA assumes responsibility for administering the state-supported intercity passenger rail service, and associated feeder bus service, in a particular corridor. (GOV 14070.4)
- 5) Requires the preparation of an annual Business Plan, due to the CalSTA by April 1 every year, for the corridor by each participating JPA board of directors. (GOV 14070.4)

**FISCAL EFFECT:**

According to the Senate Committee on Appropriations:

"According to the Senate Appropriations Committee, CalSTA estimates costs of approximately \$2 million in the first year and approximately \$1 million annually thereafter for 2.0 PY of staff and consulting services to complete the one-time report, and for ongoing resources to complete the biennial reporting, provide ongoing guidance and recommendations to ensure LOSSAN Corridor performance. (State Highway Account)

Unknown CalSTA costs, potentially in the low- to mid-hundreds of thousands of dollars to convene the specified working group and act as the lead agency in the preparation of recommendations to ensure long-term viability of comprehensive and coordinated passenger and freight rail services in the LOSSAN Corridor. (State Highway Account)

Staff estimates costs would be in the minor to moderate range for the Secretary for Environmental Protection (CalEPA) and the Secretary of the Natural Resources Agency (CNRA) to coordinate with CalSTA in the preparation of the one-time report on the LOSSAN Corridor. (Various funds)

Ongoing significant cost pressures and potential redirection of funds for new capital improvement projects and/or resiliency improvement projects in the LOSSAN Corridor, depending on the recommendations specified in this bill's required reports. To the extent this bill results in increased funding for projects in the LOSSAN Corridor, there could be decreased funding available for future capital projects or increased service levels elsewhere in the state rail system. (Various transportation funds and/or climate resiliency funding sources)"

**COMMENTS:** The LOSSAN Rail Corridor Agency operates the Pacific Surfliner—a 351-mile coastal corridor train that runs from San Diego to San Luis Obispo, traveling through Orange, Los Angeles, Ventura, and Santa Barbara counties. Pre-pandemic, the Pacific Surfliner had 26 daily trains and an annual ridership of nearly 3 million.

In addition to the Pacific Surfliner service, the LOSSAN corridor is used by four different passenger and freight rail services, including the North County Transit District (NCTD) Coaster commuter rail, Metrolink, the (Burlington Northern Sante Fe (BNSF) railway, and the Union Pacific railroad. The LOSSAN agency takes a lead role in funding and legislative pursuits, with a focus on leveraging existing funds to advance capital projects that have a corridor-wide benefit.

LOSSAN is currently the second busiest intercity passenger rail corridor in the United States, and the busiest state-supported Amtrak route. In addition to passengers, the LOSSAN corridor transports over \$1 billion in goods via freight rail operators, and is part of the Defense Department’s Strategic Rail Corridor Network, providing access to military bases throughout San Diego.

*Unstable tracks.* The LOSSAN corridors suffering the impacts of sea-level rise, erosion, and weather-related events that have jeopardized the long-term resiliency of the corridor and, in some instances, ceased operations for up to months at a time. Several corridor stakeholders including the Orange County Transportation Authority (OCTA) North County Transit District (NCTD), and San Diego Association of Governments (SANDAG) have conducted emergency projects to stabilize the corridor as well as producing their own studies and reports on segments of the corridor they own.

Since 2016, the state has provided about \$3.2 billion through various grant programs for the corridor. Additionally, in 2023, the Senate created the Senate Transportation Subcommittee on LOSSAN Rail Corridor Resiliency comprised of members of the committee who represent the Corridor and chaired by the author of this bill, Senator Catherine Blakespear (D-Encinitas).

This bill requires stakeholders of the LOSSAN corridor to come together to make recommendations on various topics to help ensure the future success and resilience of the corridor. This bill also serves to empower CalSTA as a convener within the corridor to build and maintain stakeholder relationships that will be critical for the corridor moving forward.

It is also important to consider the role these reports will play in the context of other ongoing or recently completed studies and reports initiated by the LOSSAN Agency and other corridor stakeholders. These ongoing reports and studies include: the LOSSAN Rail Optimization Study, published in 2021; the Southern California Association of Governments (SCAG) Integrated Passenger and Freight Rail Forecast Study published in 2022; the LOSSAN Agency Business Plan published annually; the SANDAG Rail Realignment and Infrastructure Development Plan; and the Orange County Coastal Rail Resiliency Study. While these reports and studies consider the LOSSAN Rail Corridor, none of them convene input from all state or local stakeholder groups to develop a shared vision and understanding of roles.

*According to the author,* “In Southern California, the 351-mile rail corridor referred to as the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor connects six counties and includes 14.3 million residents in station catchment areas. The corridor supports Pacific Surfliner, Metrolink, and COASTER passenger rail service and freight service operated by

BNSF and Union Pacific. Extreme weather events, sea level rise, and coastal erosion are threatening the line and provoking track closures and suspended service. Management of the rail line, which has multiple different owners and several separate agencies operating on it, lacks clear coordination and a unified vision. In order to help meet the state's mobility, air quality, environmental, and resource management goals, the rail line must significantly improve service and boost ridership. SB 1098 lays the foundation for this by requiring coordinated planning, management, and action that benefits all stakeholders.”

*In support*, the City of Del Mar writes, “SB 1098 addresses these long-term challenges by creating both state and locally driven paths forward. The state will lead by identifying and prioritizing capital improvement projects and recommended changes to state policies that result in improved outcomes for the corridor. Local agencies will identify consensus-driven recommendations for how the region can best build a strong foundation for making the corridor successful.”

*In opposition*, The Surf Line Trail writes, “We oppose the establishment of the contemplated working group unless an independent comparative cost-benefit analysis that includes a rail-to-trail option. The coastal railroad “emperor” has been wearing no clothes for some time. Reasoned citizens can see this clearly. We ask our legislators to objectively consider the facts. Taxpayer dollars should be used instead to fund electric buses and study alternate routes instead of shoveling boulders onto a fragile coast in a futile war with Mother Nature.”

*Previous legislation*. SB 677 (Blakespear), Chapter 407, Statutes of 2023 requires the LOSSAN Rail Corridor Agency to include in its annual business plan a description of the effects of climate change, including sea level rise and weather-related events, on the corridor.

SB 1225 (Padilla), Chapter 802, Statutes of 2012 authorizes Caltrans to enter into a transfer of services agreement with the Los Angeles-San Diego Corridor Agency for the provision of intercity passenger rail service in the corridor.

AB 1779 (Galgiani), Chapter 801, Statutes of 2012 authorizes Caltrans with approval of the Secretary of the Business, Transportation and Housing Agency, to enter into interagency transfer agreements for additional intercity rail corridors, to be entered into between June 30, 2014, and June 30, 2015, and authorizes Caltrans to enter into a transfer of services agreement with a Joint Powers Authority (JPA) to administer the state-contracted Amtrak service operating between the San Joaquin Valley, the San Francisco Bay Area, and Sacramento.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

City of Del Mar  
RideSD  
San Juan Capistrano Chamber of Commerce  
Sandiego350

### **Support If Amended**

Capo Cares  
Streets for All

**Oppose Unless Amended**

The Surf Line Trail

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