California Legislature

October 15, 2021

The Honorable Gavin Newsom Governor, State of California State Capitol, First Floor Sacramento, CA 95814

RE: Investing in California's Transportation Future

Dear Governor Newsom:

We appreciate the opportunity to work collaboratively to achieve our mutual goal of delivering High-Speed Rail (HSR) for Californians and fulfilling the promise of Proposition 1A, the HSR bond measure approved by voters in 2008. In your May Revision, you connected your request for the appropriation of \$4.2 billion in Proposition 1A bond funds to providing an additional \$3.3 billion from the General Fund for other transportation projects, such as transit projects in Los Angeles and Active Transportation Projects. In the spirit of building upon that connection and finding a path forward to complete segments of HSR and enhance transit connectivity, we made the following offer during 2021 budget negotiations:

- Appropriate \$1 billion of Proposition 1A funding to continue construction of HSR from Merced to Bakersfield and up to an additional \$1.5 billion of Proposition 1A funding for unanticipated change orders using the Joint Legislative Budget Committee process and contingent upon demonstrated need.
- Continue construction of the HSR segment from Merced to Bakersfield in preparation for future electrification, but entering into a track and systems contract and purchasing rolling stock contingent upon future Legislative authorization.
- Connect to the Altamont Corridor Express (ACE) and Amtrak in Merced with a single station in order to allow for the operation of either a battery-electric or a non-electrified interim service from Merced to Bakersfield.
- Provide more HSR funding for the Los Angeles region that could include advance design work in the HSR Palmdale to Burbank and/or Burbank to Union Station corridors.
- Provide additional General Fund dollars for transit projects in regions across the state. This would include \$3 billion for transit projects to benefit residents and businesses in the



Honorable Gavin Newson October 15, 2021 Page 2

Los Angeles region, in addition to the \$1 billion proposed for Los Angeles projects in the May Revision. As examples, this money could be used to fund work on the Sepulveda Pass project and/or the Los Angeles County Metropolitan Transportation Authority (Metro) Orange Line.

- Limit advance design work and acquisition of right-of-way outside HSR's Merced to Bakersfield corridor except for work specified by the Legislature, such as advance design for the Palmdale-Burbank or Burbank-Union Station corridors (as mentioned above).
- Ensure the Link US station project can move forward and that Metro and HSR reach agreement this fall.

We look forward to further discussion of our proposal and reaching agreement with you and the Senate in early 2022. Given that billions of dollars of additional General Fund revenues are likely to be available next year, there is an opportunity to both move HSR forward and provide even more funding for various types of transportation projects statewide.

I appreciate your consideration of this matter.

Sincerely,

LAURA FRIEDMAN 43 RD Assembly District SPEAKER ANTHONY RENDON

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