



**HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS**  
**Regional Transportation Planning Agency**  
**Humboldt County Local Transportation Authority**  
**Service Authority for Freeway Emergencies**  
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**AGENDA ITEM 7a**  
**HCAOG Board Meeting**  
**June 18, 2026**

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DATE: June 10, 2026  
TO: Policy Advisory Committee (PAC)  
FROM: Stevie Luther, Associate Regional Planner  
SUBJECT: **Senate Bill (SB) 125 Long Term Financial Plan**

### **STAFF REPORT**

#### **Contents:**

- Staff's Recommended Action
- Staff Summary
- SB 125 Long Term Financial Plan

#### **Staff's Recommended Action:**

1. Introduce the item as an action Item;
2. Allow staff to present the item;
3. Receive public comment;
4. Discuss item and consider making the motion:  
"I move that the PAC recommend the HCAOG Board accept the SB 125 Long Term Financial Plan and authorize staff to submit to the California State Transportation Agency."

#### **Staff Summary:**

Senate Bill (SB) 125 is a statewide funding program to provide bridge funding for public transit systems to avoid falling off the fiscal cliff created by rising costs and changes in ridership post-Covid. SB 125 created approximately \$5.1 billion statewide in one-time funding distributed through TIRCP and the new Zero Emission Transit Capital Program (ZETCP) on a formula basis to RTPAs, with flexibility to use funds for both capital and operating needs. Funds are allocated on a formula basis with a total of \$16,492,431 allocated to Humboldt County. HCAOG's regional allocation package was submitted in December 2023 and approved by the California State Transportation Agency (CalSTA). Apart from a \$300,000 set-aside for Yurok Tribe Transit and \$40,000 in administration for HCAOG, funds were allocated to HTA to sustain ongoing operations.

The SB 125 statute requires HCAOG, as the Regional Transportation Planning Agency, to submit a long-range financial plan by June 30, 2026, that addresses how the region will sustain transit operations absent additional discretionary or nonformula state funding. The objective is to report on strategies the region and transit agencies have employed to manage costs, maintain cleanliness

and safety, and generate revenue. The plan must include a five-year forecast of operating funding requirements with detail on all sources of funding proposed for operations, including any new local and regional funding sources being pursued. With the passage of Measure O, the region can point to a significant new source of local revenue for transit. However, the 5-year budget forecast provided by the Humboldt Transit Authority (HTA) shows a structural deficit continues to exist. Absent the SB 125 funds, HTA's budget project's a deficit of \$3,633,506 in FY 30-31. The strategies to increase ridership and improve efficiency, such as streamlining RTS and implementing microtransit, will continue to be a focus for HCAOG and HTA. Additionally, HTA proactively seeks out state and federal grants to support capital improvements and operations. Both HTA and HCAOG will also advocate for state and federal legislative action on formula funding for transit.

The PAC is asked to review the plan and make a recommendation to the HCAOG Board to accept the plan for submittal to CalSTA.