

Date of Hearing: April 22, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1608 (Wilson) – As Amended March 10, 2026

Policy Committee:	Transportation	Vote:	12 - 4
	Judiciary		9 - 3

Urgency: No                      State Mandated Local Program: No                      Reimbursable: No

**SUMMARY:**

This bill renames the High-Speed Rail Authority Office of the Inspector General and makes several changes to enable the Inspector General to operate independently of other state agencies when publishing reports, making hiring decisions and entering into contracts with a value of up to \$1 million.

Specifically, this bill, among other things:

- 1) Renames (a) the High-Speed Rail Authority Office of the Inspector General as the as the Office of the Inspector General, High-Speed Rail (OIG) and (b) the High-Speed Rail Authority Inspector General as the Inspector General of the High-Speed Rail (IG).
- 2) Authorizes the IG to adopt and make use of the classifications, associated salary ranges and other forms of compensation established or otherwise used by other state agencies identified by the IG as performing oversight work comparable to the work of the OIG, if certain conditions are met.
- 3) For any contract signed by the IG up to \$1 million in value, exempts the IG from all contract requirements of the Public Contract Code that require oversight, review or approval by the Department of General Services (DGS) or any other state agency.
- 4) States that providing confidential information, as specified, to the IG does not constitute a waiver of that confidentiality.
- 5) Prohibits the IG from destroying papers or memoranda used to support a completed audit or review sooner than three years after the corresponding report is published or delivered.
- 6) Declares that all books, papers, records and correspondence of the OIG pertaining to its work are public records subject to the California Public Records Act (PRA), except as specified.
- 7) Requires the IG, upon completion of an audit or review, (a) publish a complete report on its internet website, (b) provide notification of the published report to the Governor and the High-Speed Rail Authority (HSRA) and (c) submit a copy of the published report to the Legislature.
- 8) Authorizes the IG to hold a report, or portion of a report, confidential if the IG determines the report, or a portion of the report, would describe or otherwise reveal weaknesses that would

pose a substantial and articulable risk to the project or to state operations if publicly disclosed.

- 9) Requires the IG, if it holds a report, or portion of a report, confidential, to (a) make publicly available any reasonably segregable portion of the report that does not pose the substantial and articulable risk identified, as described above, (b) publicly disclose that a report, or a portion of the report, has been held confidential and provide the rationale for doing so and (c) deliver a confidential report, or a confidential portion of the report, that describes and makes recommendations to resolve the identified weaknesses to state officials with oversight of the project, which may include the executive director and board chair of the HSRA, the chairs of the Assembly Committee on Transportation and the Senate Committee on Transportation, or the Governor.
- 10) Requires the IG, within 120 days after deciding to hold a report, or a portion of a report, confidential, as described above, and at least every 120 days thereafter while a report, or a portion of a report, is held confidential, to reassess whether continued confidentiality is warranted.

#### **FISCAL EFFECT:**

Any costs to the IG— to adopt and make use of the classifications; to maintain papers or memoranda used to support a completed audit or review; to comply with PRA requests; to publish completed reports on its website and provide copies to various entities; to publicly disclose reasons for holding a report confidential and provide the rationale for doing so; and to reassess determinations of confidentiality—will likely be minor and absorbable with the IG’s budget.

#### **COMMENTS:**

In November 2008, voters approved Proposition 1A, which authorized the state to sell \$10 billion in general obligation bonds to partially fund a high-speed rail system that connects the San Francisco Transbay Terminal to Los Angeles Union Station and Anaheim, and links the state’s major population centers, including Sacramento, the San Francisco Bay Area, the Central Valley, Los Angeles, the Inland Empire, Orange County and San Diego. The HSRA—an 11-member body of gubernatorial and legislative appointees whose existence predates Proposition 1A—estimated in 2006 that the total cost to develop and construct the entire high-speed train system would be about \$45 billion.

In 2022, the Legislature passed legislation to direct HSRA to prioritize, among other things, completion of planning and construction of the Merced-to-Bakersfield segment of the high-speed rail system. In addition, the Legislature created the High-Speed Rail Authority Office of the Inspector General and tasked it with, among other things:

- Conducting independent fiscal estimates and reviews of HSRA’s plans and estimates for project advancement and making findings of the reasonableness of those plans and estimates.
- Monitoring progress toward meeting the milestones toward the implementation of the successful completion of the Merced-to-Bakersfield segment of the project.

- Conducting audits and investigations relating to delivery of the project.
- Identifying best practices in the delivery of capital projects and recommending policies to enable HSRA to adopt these practices when practicable.
- Recommending policies promoting efficiency in the administration of programs and operations as part of any audit findings.
- Reviewing HSRA’s process for considering proposed and executed change orders and making recommendations to ensure the process is appropriate for determining the merit and reasonableness of change orders.
- Reviewing HSRA’s contracts and contracting practices to determine whether they are executed consistently with state and federal laws and policies and are conducted in a fair and reasonable manner, providing the state with valued services at reasonable cost.
- Reviewing proposed agreements to ensure that they are in the best interest of the state, HSRA’s statutory mission and state priorities.

The first IG was appointed in 2023 and the OIG has since released four reviews of HSRA reports.

The author contends the OIG lacks statutory authority to ensure its independence and effectiveness:

The Office of the Inspector General for High-Speed Rail serves as the public’s eyes and ears on one of California’s most consequential infrastructure projects. Californians depend on the OIG to surface contracting failures, project delays, and cost overruns. This bill strengthens that oversight by ensuring the office can hire the qualified staff it needs and by requiring its reports to be made public.

As described above, the bill requires the IG, if it holds a report confidential, to, among other things, deliver a confidential copy that describes and makes recommendations to resolve the identified weaknesses to state officials with oversight of the project. The bill lists the state officials to whom the IG may deliver such a report: the executive director and board chair of the HSRA, the chairs of the Assembly Committee on Transportation and the Senate Committee on Transportation, or the Governor. Notably, this list of state officials does not include the vice chairs of the Legislature’s transportation committees. The author, when asked about this omission during the Assembly Judiciary Committee’s hearing on the bill, asserted the list of potential recipients is limited to “state officials with oversight of the project.” The author committed to considering addition of the vice chairs to the list of state officials to whom the IG may deliver such a report.

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