

ASSEMBLY THIRD READING  
AB 1608 (Wilson)  
As Amended March 10, 2026  
Majority vote

## SUMMARY

Makes changes to the Office of the Inspector General (OIG), High-Speed Rail to strengthen the independence and oversight capabilities of the office.

### Major Provisions

- 1) Renames (a) the High-Speed Rail Authority Office of the Inspector General 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.

## COMMENTS

Chapter 796 of 1996 (SB 1420, Kopp) established HSRA to plan and construct a high-speed rail system that would link the state's major population centers. In November 2008, voters approved Proposition 1A, which authorized the state to sell \$10 billion in general obligation bonds to partially fund the system and related projects. Proposition 1A also specified certain criteria and conditions that the system must ultimately achieve. For example, the measure requires that the system be designed to be capable of specified travel times along certain routes, such as nonstop travel from San Francisco to Los Angeles within two hours and forty minutes. The measure also specifies that passenger rail service operated by HSRA, or pursuant to its authority, will not require an operating subsidy.

The Legislature passed SB 198 (Committee on Budget and Fiscal Review), Chapter 71, Statutes of 2022 which in addition to other things, established an Office of the Inspector General (OIG-HSR) to conduct timely, independent oversight of the project and make recommendations to strengthen the planning, delivery, and operation of the project. The OIG-HSR is an independent office that is not a subdivision of any other governmental entity, including the HSRA.

The first IG was appointed in September 2023. Since that time, the office has completed four reviews of reports HSRA is statutorily required to produce and four operational reviews of the project. Consistent with state law, the OIG-HSR maintains a list of its findings and the status of the HSRA's efforts to address them and publishes the list on the office's website.

The OIG-HSR faces numerous challenges in part because it is new, small, and some of the issues it is encountering were not considered at the time the office was created. The OIG-HSR has been slowed in its ability to identify problems with the high-speed rail project and recommend solutions by the following factors:

*Staff vacancies.* The OIG-HSR does not have access to job classifications that match the skill set required of its staff. Thus, despite its recruitment efforts over the last two years, only four of eight staff positions are filled. OIG-HSR reviews and investigations have been delayed and will continue to be delayed by a lack of staff.

*Lack of purchasing authority.* Over many years of organizational development, state departments obtain delegations to execute contracts and procure IT goods and services. However, until then, many smaller state departments use the administrative services of their overseeing agency. Under state law, the OIG-HSR is an independent office and not a component part of any other agency. Thus, its procurements are processed by the Department of General Services or the California Technology Department, leading to significant delays and increased costs in acquiring the goods and services needed to fulfill its mission, including establishing a secure whistleblower hotline. This can result in delays in acquiring expertise needed to complete

time-sensitive evaluations of the project and create excessive cost and administrative burdens on the OIG-HSR.

*Unclear reporting requirements and protection of workpapers.* State law does not direct the OIG-HSR to make its reports public, except for an annual summary of its work. In addition, state law does not give the OIG-HSR the authority to protect whistleblowers and to ensure that information that would pose a substantial and articulable risk to the project can be kept confidential. These are standard provisions for OIGs.

*Staff comments.* It is critical to the success of the construction and operation of the state's high-speed rail project that there is effective, independent oversight of the project. Recommendations the OIG makes can help to ensure the state's resources are used effectively and efficiently. This bill strengthens the operations of the OIG by doing the following: giving it the tools necessary to hire qualified staff and procure services in a timely fashion and at the same time increasing the transparency of its work by ensuring that appropriate information is made publicly available.

### **According to the Author**

"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.

At the same time, the bill responsibly protects truly sensitive information. Safeguards related to security, fraud detection, and pending litigation are not about secrecy. They prevent bad-faith actors from exploiting the system. Transparency and accountability are strengthened, while the integrity of the project is preserved."

### **Arguments in Support**

First Amendment Coalition writes "AB 1608 clarifies public reporting requirements of the inspector general. Specifically, the bill addresses an ambiguity in existing law that created the office, making clear the IG's office has a mandate to produce and publish reports of its reviews and investigations on its website, subject to limited withholding provisions. And with the recent amendments, the withholding provisions are narrowly tailored, require an explanation of the reason for any withholding or redaction, and, notably, are not indefinite. Additional amendments ensure that routine records of the IG's office are not subject to a blanket exemption to the Public Records Act."

"We appreciate the productive dialogue with your office and the committee in developing language that appropriately balances legitimate confidentiality needs with the public's right to know. We hope it can serve as a model framework for similar watchdog agencies."

### **Arguments in Opposition**

None on file.

## **FISCAL COMMENTS**

According to the Assembly Appropriations Committee:

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.

## VOTES

### **ASM TRANSPORTATION: 12-4-0**

**YES:** Wilson, Aguiar-Curry, Ahrens, Carrillo, Harabedian, Hart, Jackson, Papan, Ransom, Rogers, Sharp-Collins, Ward

**NO:** Davies, Hoover, Lackey, Macedo

### **ASM JUDICIARY: 9-3-0**

**YES:** Kalra, Lee, Bryan, Connolly, Harabedian, Pacheco, Papan, Stefani, Zbur

**NO:** Macedo, Dixon, Sanchez

### **ASM APPROPRIATIONS: 9-4-2**

**YES:** Wicks, Arambula, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Solache

**NO:** Hoover, Dixon, Ta, Tangipa

**ABS, ABST OR NV:** Calderon, Muratsuchi

## UPDATED

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CONSULTANT: Farra Bracht / TRANS. / (916) 319-2093

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