

SENATE THIRD READING

SB 727 (McGuire)

As Amended May 23, 2025

Majority vote

SUMMARY

Makes changes to the administrative functions of the Great Redwood Trail Agency (GRTA).

Major Provisions

- 1) Authorizes the GRTA board to establish a process for how the city representative is chosen for the GRTA board.
- 2) Exempts GTRA from complying with local building or zoning ordinances except with respect to the development of any projects on properties that are not owned or directly controlled by the agency.
- 3) Authorizes GTRA to receive funds from the State Coastal Conservancy or any other state agency as may be appropriated by the Legislature.
- 4) Authorizes GTRA to contract with state law enforcement agencies, or local law enforcement agencies of jurisdictions within the service area of the agency, to enforce the adopted rules, regulations, and ordinances of the agency.
- 5) Provides that any railroad track and ties GTRA owns that remains in place shall not be deemed waste if the right-of-way remains railbanked or is otherwise within the ongoing jurisdiction of the Federal Surface Transportation Board or successor agency.
- 6) Establishes that commercial uses, under specified conditions, are to be considered "agency's uses" under the statutes governing "surplus land," as specified.
- 7) Requires the executive director of the GTRA to submit a recommended budget to the board on or before June 30 of each year and provides that the board shall adopt an annual budget by a resolution adopted by a majority of the board of directors.
- 8) Requires a 2/3 vote for any increased augmentations to the budget.
- 9) Requires the board to provide for regular audits of the agency's accounts and records and requires them to maintain accounting records and report accounting transactions in accordance with the generally accepted accounting principles as specified.
- 10) Provides that a specific planned bike and pedestrian pathway in Marin County shall be known as the Great Redwood Trail, and certain facilities are not to be subject to, or considered within the scope of, the environmental impact report for certain projects within the jurisdiction of the Agency.

COMMENTS

In the late 1800s, the Northwestern Pacific Railroad was built, spanning approximately 316 miles from the Ferry Building in San Francisco in the south to Humboldt County in the north. The line

carried passengers and lumber between the two locations and was operated by a series of private owner-operators until the 1980s when the timber industry began to decline. Eureka Southern Railroad, a private company that owned the northern portion of the line, sought federal authority to abandon the rail line from the California Public Utilities Commission (CPUC), but was denied. They filed for bankruptcy in 1986.

In order to preserve the rail corridor, the California Legislature enacted the North Coast Railroad Authority Act, creating NCRA to provide passenger and freight railroad service in Humboldt, Trinity, Mendocino, Sonoma, and Marin Counties. The State began to purchase the line one segment at a time, starting in 1992. NCRA began operating freight service and a short lived passenger rail service on the northern portion of the line when disaster hit. Severe storm damage caused landslides and collapsed tunnels in 1998. To this day railcars remain in the Eel River from the storm. This damage compelled the Federal Railroad Administration to close the entire NCRA railroad from Arcata to Schellville for public safety reasons in 1998.

When the Legislature created NCRA, it did not designate it as a state or local agency and did not appropriate funding for its operations. NCRA covered its expenses from rail revenues; state grant funding; public and private loans; proceeds from lease agreements; and leasing or sale of assets.

NCRA accumulated over \$7 million in liabilities over the years. In addition, contingent liabilities are estimated to total at least \$11 million, but many are unknown and could total additional millions of dollars.

In 2021 the Legislature passed SB 69 (McGuire), Chapter 423, which dissolved the NCRA and established the GRTA. The GRTA's service area is the former NCRA rail corridor in Mendocino, Trinity, and Humboldt Counties. The rail corridor in Sonoma and Marin Counties was transferred to the Sonoma Marin Area Rail Transit (SMART), who is responsible for the rail-with0train development of the southern segment of Great Redwood Trail.

This bill makes a variety of administrative changes to enhance the goals of completing the Great Redwood Trail. This bill authorizes GTRA to contract with local law enforcement to enforce ordinances, clarifies that railbanked railroad ties are not hazardous waste, clarifies that commercial uses are considered "agency uses" under statutes governing "surplus lands", sets due dates for when a budget is due, and authorizes GTRA to use lowest bid contracting for projects under \$220,000 (consistent with the Public Contracts Code).

According to the Author

"The Great Redwood Trail will provide a continuous, 320 mile long hiking and biking trail from the Golden Gate Bridge to Humboldt Bay, offering a world-class recreational public resource for generations to come. This important project will create economic activity across five North Coast counties, providing public trail access for thousands of visitors while helping to preserve unique and sensitive natural resources. SB 727 makes technical changes to the Great Redwood Trail Agency's enabling statute to facilitate this game-changing project."

Arguments in Support

Marin County Board of Supervisors, *writing in support of this bill*, argues "SB 727 codifies GRTA's status as a subdivision of the state, clarifies board appointments and roles, and ensures fiscal accountability through required budget adoption, audits, and adherence to generally accepted accounting principles. The bill also grants the agency essential operational authority—including the ability to manage contracts, public works projects, and enforcement of trail

regulations—to ensure safe and efficient trail stewardship. Importantly for Marin, the bill formally designates the pathway from the Larkspur SMART station to the Golden Gate Bridge as part of the Great Redwood Trail. This stretch includes some of the most heavily used active transportation routes in our county and strengthens their role as a critical connector between local transit, recreation, and regional destinations. By naming this alignment in statute, SB 727 reinforces the trail’s North Coast-wide identity and supports continued investment in its completion. In addition, the bill would: Authorize GRTA to contract with state and local law enforcement agencies within its service area to enforce adopted trail rules, regulations, and ordinances; Enable the agency to receive funding from the State Coastal Conservancy; and Allow third-party use of GRTA property for services such as food vendors, campgrounds, educational programming, and other public-serving amenities that enhance the trail experience and support financial sustainability.”

Arguments in Opposition

No opposition on file.

FISCAL COMMENTS

According to Assembly Appropriations Committee, potentially significant cost pressure, likely in the millions of dollars (Proposition 4 bond funds or other funds), to provide funding through the State Coastal Conservancy or other state agencies to the Great Redwood Trail Agency.

VOTES

SENATE FLOOR: 39-0-1

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNeerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Reyes

ASM TRANSPORTATION: 16-0-0

YES: Wilson, Davies, Ahrens, Bennett, Caloza, Carrillo, Hart, Hoover, Jackson, Lackey, Lowenthal, Macedo, Papan, Ransom, Rogers, Ward

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Sanchez, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Ahrens, Pacheco, Pellerin, Solache, Ta, Tangipa

UPDATED

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