

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 24-25, 2020

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5i., Action Item

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Division of Budgets

Subject: **AMENDMENT TO THE FISCAL YEAR 2019-20 LOCAL ASSISTANCE
ANNUAL ALLOCATION – FEDERAL FUNDS
RESOLUTION FM-19-04, AMENDING RESOLUTION FM-19-02**

ISSUE:

The California Department of Transportation (Department) is requesting to reduce the Local Assistance federal annual allocation by \$8,000,000; exchanging Highway Safety Improvement Program (HSIP) federal funds for State Highway Account (SHA) funds for the Local Road Safety Plan (LRSP) program. This will decrease the Fiscal Year 2019-20 allocation from \$1,614,727,000 to \$1,606,727,000.

RECOMMENDATION:

The Department recommends the California Transportation Commission (Commission) approve a decrease of \$8,000,000 for the Department's Division of Local Assistance's federal subvention budget for 2019-20.

BACKGROUND:

The LRSP program is being funded by reducing \$8,000,000 from the local federal HSIP in exchange for an increase of the same amount to SHA. Budget Revision #19 was approved by the Department of Finance on April 23, 2020 to decrease Budget Act Item 2660-102-0890(1) by \$8,000,000 in 2019-20 from \$1,614,727,000 to \$1,606,727,000. The intent of the LRSP program is to assist local agencies in developing the safety plans that are tailored to the protocols, needs and issues of traffic safety at the local level. The LRSP program addresses the 4E's of traffic safety (Engineering, Enforcement, Education and Emergency Services) by involving stakeholders, analyzing safety data, identifying safety issues, and prioritizing the countermeasures.

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to enhance California's economy and livability”*

The Department's Local Assistance Program administers the subvention budget under delegated authority from the Commission. The Commission provides an annual allocation consistent with each Fiscal Year's State Budget Act.

The guidelines for allocating, monitoring, and auditing of funds for Local Assistance projects are set forth in Commission Resolution G-99-25, which is based on Section 14529.1 of the California Government Code. Commission Resolution G-01-08 delegates the authority to the Department to adjust allocations between categories, and the Department reports to the Commission if transfers in or out of an expenditure category exceed 10 percent of its allocation.

FINANCIAL RESOLUTION:

Resolved, that \$8,000,000 of Federal funds be reduced from the Budget Act of 2019, Budget Act Item 2660-102-0890(1), in accordance with the table on the next page, bringing the 2019-20 Local Assistance Federal total annual allocation to \$1,606,727,000.

ANNUAL ALLOCATION
FISCAL YEAR 2019-20 FUNDS FOR LOCAL ASSISTANCE
 (Dollars in Thousands)
Resolution FM-19-04, Amending Resolution FM-19-02

	State	Federal	Adjustment Requested	Total
<u>2660-102-0042(1)</u>				
Surface Transportation Block Grant Program (STBGP) State Match and Exchange	\$64,292			\$64,292
Bridge Inspection	735			735
Railroad Grade Separations	15,000			15,000
Railroad Grade Crossing Maintenance	3,765			3,765
Miscellaneous Unassigned Local Programs	3,250			3,250
Freeway Service Patrol	25,479			25,479
Freeway Service Patrol – Senate Bill 1	25,000			25,000
Subtotal	\$137,521			\$137,521
<u>2660-102-0890(1)</u>				
National Highway Performance Program (NHPP) ¹		\$287,641		\$287,641
Surface Transportation Block Grant Program (STBGP) ²		460,251		460,251
Congestion Mitigation and Air Quality Improvement Program (CMAQ)		480,648		480,648
Highway Safety Improvement Program (HSIP)		138,672	(8,000)	130,672
Railroad Grade Crossing Protection		32,000		32,000
Safe Routes to School Program		3,780		3,780
Discretionary and Special Programs ³		113,700		113,700
Highway Infrastructure Program (HIP)		98,035		98,035
Subtotal		\$1,614,727	\$(8,000)	\$1,606,727
Total Local Programs	\$137,521	\$1,614,727	\$(8,000)	\$1,744,248

¹ Funding is reserved for locally-administered bridges on federal-aid highways and about \$75 million is set aside for bridges that are off federal-aid highways.

² About \$64 million is budgeted to be exchanged on a dollar-for-dollar basis for State Highway Account funds (2660-102-0042(1)).

³ This funding is for Discretionary programs: Demonstration projects, High Priority projects, Emergency Relief, Repurposed Earmark Special funding, Build Grants, Ferry Boat Program, Federal Land Access Program, and special federal programs for FAST Act and previous Federal Transportation Acts.

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