

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 14-15, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 4.3, Action Item

Prepared By: Keith Duncan, Chief
Division of Budgets

Subject: **ADOPTION OF THE PROPOSED 2026 STATE TRANSPORTATION
IMPROVEMENT PROGRAM AND AERONAUTICS ACCOUNT FUND ESTIMATES
RESOLUTION G-25-52**

ISSUE:

Should the California Transportation Commission (Commission) adopt the Proposed 2026 State Transportation Improvement Program (STIP) Fund Estimate (FE) and approve the Proposed 2026 Aeronautics Account FE at the scheduled August 2025 Commission meeting?

RECOMMENDATION:

The California Department of Transportation (Department) recommends the Commission approve Resolution G-25-52 to adopt the Proposed 2026 STIP FE, and to approve the Proposed 2026 Aeronautics Account FE.

BACKGROUND:

Section 14524(a) of the Government Code (GC) requires the Department to present a STIP FE to the Commission by July 15 and requires the Commission to adopt the STIP FE by August 15 in each odd numbered year. The purpose of the FE is to forecast all Federal and State funds reasonably expected to be available for programming in the subsequent STIP. Section 14525(d) of the GC allows the Commission to postpone the issuance of the FE for up to 90 days. Each even-numbered year, the Commission is required to adopt a STIP based on the funding identified in the adopted FE.

The Proposed 2026 STIP FE and the Aeronautics Account FE have been updated based on Commission and Commission staff recommendations and includes the state and federal funding available for programming over the respective FE periods.

Although Aeronautics Account resources are independent of the accounts included within the STIP FE, the biennial Aeronautics Account FE has been presented for approval concurrently with the adoption of the 2026 STIP FE.

The following is a schedule of milestone dates leading up to the adoption of the funding levels in the Proposed 2026 STIP FE for the 2026 STIP.

<u>Date</u>	<u>Milestone</u>
January 30, 2025	The Department provided an overview of the STIP FE.
March 21, 2025	The Department presented Draft Assumptions for the 2026 STIP FE.
May 15, 2025	The Commission approved the 2026 STIP FE Assumptions.
June 26, 2025	The Department presented the Draft 2026 STIP FE to the Commission.
July 22, 2025	The Department provided supplemental background and details regarding the development of the 2026 STIP FE at the FE workshop.
August 14, 2025	The Department is recommending the Commission to adopt the funding levels as identified in the Proposed 2026 STIP FE for the 2026 STIP.

Attachments

RESOLUTION G-25-52

- 1.1 WHEREAS, Sections 14524 and 14525 of the Government Code require the California Department of Transportation (Department) to present, and the California Transportation Commission (Commission) to adopt, a biennial fund estimate to include an estimate of all state and federal funds reasonably expected to be available for the biennial State Transportation Improvement Program (STIP), including the amount that may be programmed in each county for regional improvement programs; and
- 1.2 WHEREAS, on January 30, 2025, the Department presented an overview of the fund estimate process and schedule; and
- 1.3 WHEREAS, on May 15, 2025, the Department presented, and the Commission approved the 2026 Fund Estimate assumptions; and
- 1.4 WHEREAS, on June 26, 2025, the Department presented to the Commission the Draft 2026 Fund Estimate; and
- 1.5 WHEREAS, on July 22, 2025, the Commission held a workshop on the Proposed 2026 Fund Estimate to consider public comment, and indicated that the adoption of the 2026 Fund Estimate would be scheduled for August 14, 2025; and
- 1.6 WHEREAS, on August 14, 2025, the Department presented to the Commission an updated, Proposed 2026 Fund Estimate; and
- 1.7 WHEREAS, the Proposed 2026 Fund Estimate identifies new program capacity for STIP for the five-year period covering 2026-27 through 2030-31; and
- 1.8 WHEREAS, the Proposed 2026 Fund Estimate includes annual programming targets, adjusted for STIP amendments and allocations through June 2025.
- 2.1 NOW THEREFORE BE IT RESOLVED that the California Transportation Commission does hereby adopt the 2026 STIP Fund Estimate, as presented by the Department on August 14, 2025, with programming in the 2026 STIP to be based on the statutory funding identified; and
- 2.2 BE IT FURTHER RESOLVED that the Commission requests that the Department, in cooperation with Commission staff, distribute copies of the 2026 Fund Estimate to each regional agency and county transportation commission.