

MEMORANDUM

To: CHAIR AND COMMISSIONERS
 CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 29-30, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 4.2, Information Item

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 Division of Budgets

Subject: **BUDGET AND ALLOCATION CAPACITY UPDATE**

SUMMARY:

Outlined below is an update for the California Transportation Commission (Commission) concerning transportation funding in the State of California. This information is intended to supplement portions of the verbal presentation on this item.

BACKGROUND:

As of December 31, 2025, the Commission has allocated approximately \$4.5 billion toward 461 projects in Fiscal Year 2025-26. Adjustments totaled approximately negative \$386 million, leaving approximately \$7.2 billion (63 percent) in remaining allocation capacity.

2025-26 Capital Allocations vs. Capacity Summary through December 31, 2025 (\$ in millions)										
	SHOPP	STIP	AERO	LPP	SCCP	TCEP	ATP	TIRCP	BONDS	TOTAL
Allocation Capacity	\$4,332	\$814	\$3	\$429	\$545	\$859	\$1,260	\$3,001	\$77	\$11,319
Total Votes	3,649	244	3	40	53	85	45	410	8	4,537
Authorized Changes ¹	-386	0	0	0	0	0	0	0	0	-386
Remaining Capacity	\$1,069	\$569	\$0	\$388	\$493	\$773	\$1,215	\$2,591	\$69	\$7,169

Notes: Amounts may not sum to totals due to independent rounding.

¹ Authorized changes include project increases and decreases through December 31, 2025, pursuant to the Commission's G-12 process and project rescission.

² Total Votes include \$73,746,000 in Supplemental allocations through December 31, 2025.

As reflected in the table within the Authorized Changes row, through December 31, 2025, the Department has processed changes to capital construction budgets for both the State Transportation Improvement Program (STIP) and the State Highway Operation and Protection Program (SHOPP). The STIP experienced a net increase of \$421,000 of the programmed amount. This is the result of a net increase of approximately \$2 million to one project with a total value of \$17 million and a net decrease of approximately \$1 million to one project with a total value of \$6 million. The SHOPP experienced a net decrease of approximately \$386 million of the programmed amount. This is the result of a net increase of approximately \$44 million to 34 projects with a total value of \$763 million and a net decrease of approximately \$431 million to 119 projects with a total value of \$2.2 billion. In addition, the Commission has approved supplemental allocations totaling approximately \$74 million through December 31, 2025.

As a federal funding update, California recently received notice from the United States Department of Transportation (USDOT) Federal Motor Carrier Safety Administration (FMCSA) that four percent of the National Highway Performance Program and the Surface Transportation Block Grant Program funds will be withheld beginning in Federal Fiscal Year (FFY) 2027, which totals \$158,318,508. Based on the notice, this penalty is being assessed as a result of a final determination of substantial noncompliance made by the USDOT FMCSA regarding standards for issuing non-domiciled commercial driver's licenses. Since the penalty is being assessed in FFY 2027, the fiscal impacts won't be seen until next fiscal year. Additional details will be provided during the presentation.