

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 14-15, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.1, Action

Prepared By: Justin Behrens
Deputy Director

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Subject: State and Federal Legislative Matters

Recommendation:

Staff recommends the California Transportation Commission (Commission) accept this report on state and federal legislation.

Issue:

Commission staff continue to monitor bills, pursuant to the Commission's bill monitoring policy. This agenda item will be updated on May 8, 2026, with an attachment that includes the list of bills being monitored.

Commission staff is not recommending any positions on bills at this time.

Background:

State Legislation

Since the last Commission meeting, the policy and fiscal committees of the Senate and Assembly have held multiple hearings to consider proposed bills. The deadlines for policy committees to hear fiscal and non-fiscal bills introduced in their house were April 24 and May 1, respectively. Bills are also required to pass out of fiscal committees in their house by May 15, and the deadline for bills to pass out of their house of origin is May 29.

Staff continue to provide technical assistance to bill authors, legislative staff, and stakeholders.

State Budget

The Legislature held hearings on the Governor's proposed 2026-27 state budget beginning in January. The Governor's updated budget proposal for Fiscal Year 2026-26 (May Revision) is due to the Legislature by May 14.

Federal Budget

On April 3, the United States Office of Management and Budget released the President's proposed federal fiscal year 2027 budget. The proposed budget requests \$26.6 billion in discretionary budget authority for the Department of Transportation, a \$1.6 billion increase over the 2026 enacted level. The budget proposes to reduce funding for transit projects through the Capital Investment Grants program by \$486 million (approximately 30 percent). It also proposes to zero out multiple other discretionary grant programs, including the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program, the National Infrastructure Project Assistance program (Mega Program), the Safe Streets and Roads for All (SS4A) program, and the Rural and Tribal Assistance pilot programs. The proposed budget increases funding for the Infrastructure for Rebuilding America (INFRA) program by \$770 million.

The Infrastructure Investment and Jobs Act (IIJA) will expire on September 30, 2026. As of April 13, no formal proposal for the surface transportation reauthorization act has been released.

Attachment:

- Attachment A: Legislation Monitored by Commission Staff

4.1

**STATE AND FEDERAL LEGISLATIVE
MATTERS**

ATTACHMENT A FOR THIS ITEM WILL BE PROVIDED
PRIOR TO THE MAY 14-15, 2026
CALIFORNIA TRANSPORTATION COMMISSION MEETING