Memorandum

To: CHAIR AND COMMISSIONERS **CTC Meeting**: August 20-21, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.25, Action

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Program Analyst

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Subject: Approval of Report on the Status of the Transit and Intercity Rail Capital Program Loan (Assembly Bill 117)

Recommendation:

Staff recommends the California Transportation Commission (Commission) approve this report to the California State Transportation Agency (CalSTA) on the status of the Transit and Intercity Rail Capital Program (TIRCP) loan to the Metropolitan Transportation Commission (MTC) in accordance with Assembly Bill (AB) 117 (AB 117, Committee on Budget, Chapter 6, Statutes of 2026).

Issue:

AB 117 was signed by the Governor on February 19, 2026, and enacted Public Resources Code Section 75227. Section 75227 requires CalSTA to loan to MTC up to $590,000,000 of approved TIRCP funding for projects within the MTC region that were not fully allocated by the Commission as of December 31, 2025. Section 75227 further requires the Commission to monitor and report to CalSTA on the unallocated and unexpended balances of the MTC region's TIRCP project awards, and to notify CalSTA and MTC if, after accounting for any outstanding loan balances, the awarded but unallocated TIRCP funds for the region falls below $350,000,000.

This is the Commission's first report pursuant to AB 117. The first table of this report reflects the unallocated and unexpended balances of the region’s projects as of December 31, 2025.

TIRCP Cycle #	Total Statewide Award (x$1,000s)	Total MTC Award (x$1,000s)	Allocated (x$1,000s)	Unallocated (x$1,000s)	Expended (x$1,000s)	Unexpended (x$1,000s)
1 (2015)	$224,278	$0	n/a	n/a	n/a	n/a
2 (2016)	$944,534*	$387,000	$387,000	$0	$375,174	$11,826
3 (2018)	$5,948,912*	$1,993,460	$1,071,992	$921,468	$701,768	$370,224
4 (2020)	$940,142*	$116,160	$113,685	$2,475	$58,188	$55,479
5 (2022)	$1,096,095	$238,504	$90,933	$147,571	$5,576	$85,357
6 (2023)	$2,959,043*	$273,576	$110,786	$162,790	$67,477	$43,309
7 (2024)	$1,333,342	$268,629	$4,179	$264,450	$0	$4,179
TOTAL (12/31/25)	**$13,446,346**	**$3,277,329**	**$1,778,575**	**$1,498,754**	**$1,208,183**	**$570,374**

*Includes the original award amount and the 2023 Cycle 6 General Fund Augmentation and/or other CalSTA-approved reprogramming of funds between the Cycles.

The second table of this report reflects the unallocated and unexpended balances of the region’s projects as of July 1, 2026.

TIRCP Cycle #	Total Statewide Award (x$1,000s)	Total MTC Award (x$1,000s)	Allocated (x$1,000s)	Unallocated (x$1,000s)	Expended (x$1,000s)	Unexpended (x$1,000s)
1 (2015)	$224,278	$0	n/a	n/a	n/a	n/a
2 (2016)	$944,534*	$387,000	$387,000	$0	$376,735	$10,265
3 (2018)	$5,948,912*	$1,993,460	$1,126,820	$866,640	$709,506	$362,486
4 (2020)	$940,142*	$116,160	$114,160	$2,000	$89,472	$24,213
5 (2022)	$1,096,095	$238,504	$131,434	$107,070	$6,336	$84,597
6 (2023)	$2,959,043*	$273,576	$122,386	$151,190	$66,752	$44,034
7 (2024)	$1,333,342	$268,629	$4329	$264,300	$0	$4,329
TOTAL (07/01/26)	**$13,446,346**	**$3,277,329**	**$1,886,129**	**$1,391,200**	**$1,248,801**	**$529,924**

*Includes the original award amount and the 2023 Cycle 6 General Fund Augmentation and/or other CalSTA-approved reprogramming of funds between the Cycles.

On June 30, 2026, a $590,000,000 loan to MTC was executed in accordance with AB 117. As of July 1, 2026, the total amount of awarded but unallocated TIRCP MTC regional funds is $1,391,200,000.

Background:

Signed by the Governor on February 19, 2026, AB 117 requires that, on or before July 1, 2026, CalSTA, subject to various requirements, loan MTC up to $590,000,000 of funding approved under the TIRCP program of projects within the San Francisco Bay Area. AB 117 further requires MTC to use the proceeds of that loan to offer, subject to certain conditions, loans for public transit operating purposes to the San Francisco Bay Area Rapid Transit District, the San Francisco Municipal Transportation Agency, the Peninsula Corridor Joint Powers Board, and the Alameda-Contra Costa Transit District.

If the amount of awarded but unallocated TIRCP funds for the region, after accounting for any outstanding loan balances, falls below $350,000,000, the Commission is required to notify CalSTA and MTC. In consultation with CalSTA, the Commission must evaluate information provided by MTC and regional project sponsors to determine whether sufficient funding remains to support anticipated allocation requests and project cash flow needs over the following two years. If an evaluation indicates insufficient funding remains, the Commission, in consultation with CalSTA, must develop an allocation plan for the region's awarded TIRCP projects. The plan could adjust or defer future allocations while the loan to MTC remains outstanding.

The loan must be repaid by MTC to CalSTA in quarterly installments over a 12-year period, calculated from the original loan issuance date, with the first two years of the repayment period consisting of interest-only payments. After two years, repayment shall consist of quarterly payments based on an amortization schedule that fully repays both outstanding interest and principal over the remaining loan term. The rate of interest applied to a loan made pursuant to this section shall be the same rate earned on investments in the Surplus Money Investment Fund during the loan repayment period.

MTC is expected to make its first quarterly payment on September 3, 2026. Commission staff will continue to monitor MTC’s regional TIRCP balances and provide updates to CalSTA at each regularly scheduled Commission meeting, consistent with the requirements of AB 117 and Public Resources Code Section 75227.