

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 15-16, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.6, Action

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Subject: Adoption of the Fiscal Year 2026-27 Road Maintenance and Rehabilitation Account, Local Streets and Roads Funding Subsequent Report of Eligible Cities Resolution G-26-71

Recommendation:

Staff recommends the California Transportation Commission (Commission) adopt the Fiscal Year 2026-27 Road Maintenance and Rehabilitation Account, Local Streets and Roads Funding Subsequent Report of Eligible Cities (Subsequent Report) as provided in Attachment B, and direct staff to transmit the list of eligible jurisdictions to the State Controller (Controller).

Issue:

The Commission adopted the Initial Report of Eligible Cities and Counties (Initial Report) on August 20, 2026, and transmitted the report to the Controller on August 27, 2026. Those jurisdictions deemed eligible began receiving monthly apportionments in September 2026. The Initial Report reflected eligibility for 533 jurisdictions (475 cities and 58 counties) out of 540 total jurisdictions.

The Controller has held the monthly apportionments for the seven jurisdictions not included in the Initial Report pending the Commission's adoption of the Subsequent Report. The Commission must submit the adopted Subsequent Report to the Controller by October 31, 2026, for those jurisdictions to start receiving monthly formulaic apportionment disbursements from the Controller in November 2026.

The seven cities not included in the Initial Report did not provide a complete project list and resolution to the Commission by the initial deadline of July 1, 2026. The Commission has since received complete submittals from all seven remaining jurisdictions by the subsequent September 30, 2026 deadline in accordance with the adopted Local Streets and Roads Funding Program Guidelines. These jurisdictions, now deemed eligible for funding, are identified in the Subsequent Report (Attachment B).

With the adoption of the Subsequent Report, all 540 jurisdictions (482 cities and 58 counties) will be deemed eligible for fiscal year 2026-27 funding. This is the eighth consecutive year that 100 percent of jurisdictions have been deemed eligible for funding.

Background:

On April 28, 2017, Governor Brown signed Senate Bill 1 (Beall, Chapter 5, Statutes of 2017). A percentage of the Road Maintenance and Rehabilitation Account funding created by Senate Bill 1 is apportioned by formula and disbursed monthly by the Controller's Office to eligible cities and counties pursuant to Streets and Highways Code Section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Pursuant to Streets and Highways Code Section 2034, jurisdictions must submit a list of projects adopted by resolution each year to the Commission in order to be included in the initial eligibility report for consideration.

In June 2026, the Commission adopted the Local Streets and Roads Funding Program Reporting Guidelines to amend the 2021 Local Streets and Roads Funding Program Reporting Guidelines. Amendments made to the guidelines provided technical clarification for program terms and processes already in practice, provided clarification on the program's eligibility requirements, and modified the program's reporting schedule.

Cities and counties that receive program funds are required to submit an expenditure report to the Commission each year. Expenditure reports are due to the Commission by December 1, to account for all program funds received and spent in the fiscal year.

Attachments:

- Attachment A: Resolution G-26-71
- Attachment B: Fiscal Year 2026-27 Road Maintenance and Rehabilitation Account, Local Streets and Roads Funding Subsequent Report of Eligible Cities and County

CALIFORNIA TRANSPORTATION COMMISSION
Adoption of the Fiscal Year 2026-27 Road Maintenance and Rehabilitation
Account Local Streets and Roads Funding
Subsequent Report of Eligible Cities

RESOLUTION G-26-71

- 1.1 **WHEREAS**, on April 28, 2017, Governor Brown signed Senate Bill 1 (Beall, Chapter 5, Statutes of 2017), known as the Road Repair and Accountability Act of 2017, to address basic road maintenance, rehabilitation, and critical safety needs on both the state highway and local streets and road system; and
- 1.2 **WHEREAS**, beginning November 1, 2017, portions of new funding from increases to certain fuel excise and sales taxes and vehicle registration fees were deposited into the Road Maintenance and Rehabilitation Account, and a percentage of this new funding is apportioned monthly by formula by the California State Controller pursuant to paragraph (2) of subdivision (h) of Section 2032 of the Streets and Highways Code to eligible cities and counties for basic road maintenance, rehabilitation, and critical safety projects on local streets and roads; and
- 1.3 **WHEREAS**, Streets and Highways Code Section 2034(a)(1) requires that prior to receiving an apportionment of Road Maintenance and Rehabilitation Account funds, an eligible city or county shall submit to the California Transportation Commission (Commission) a list of projects proposed to be funded with these funds pursuant to an adopted resolution; and
- 1.4 **WHEREAS**, Streets and Highways Code Section 2034(a)(2) requires that the Commission report to the California State Controller the cities and counties that have submitted a list of projects as described in this subdivision and that are therefore eligible to receive an apportionment of funds under the program for the applicable fiscal year. The California State Controller, upon receipt of the report, shall apportion funds to eligible cities and counties; and
- 1.5 **WHEREAS**, Streets and Highways Code Section 2034(a)(1) specifies that the project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities, so long as the projects are consistent with Streets and Highways Code Section 2030(b); and
- 1.6 **WHEREAS**, the Commission, in consultation with cities, counties, and their representatives, as well as the California State Controller's Office and other stakeholders, developed the Local Streets and Roads Funding Program Annual Reporting Guidelines adopted by the Commission on June 26, 2026, revising the detail and process for the project list submittal and project expenditure reporting; and

- 1.7 **WHEREAS**, Commission staff collected the Fiscal Year 2026-27 project list resolution submittals from cities and counties as required by Streets and Highways Code Section 2034(a)(1); and
- 1.8 **WHEREAS**, Commission staff, pursuant to Streets and Highways Code Section 2034(a)(1), reviewed submittals for completeness. Commission staff did not select or authorize the projects listed; and
- 1.9 **WHEREAS**, on August 20, 2026, the Commission adopted the Initial Report of Eligible Cities and Counties including 475 cities and 58 counties. The eligible cities and counties provided complete project list resolution submittals and were therefore deemed eligible by the Commission to receive Fiscal Year 2026-27 monthly formula apportionments of Road Maintenance and Rehabilitation Account Local Streets and Roads Funding; and
- 1.10 **WHEREAS**, there were seven cities whose complete project list resolution submittals were not received by the July 1, 2026 deadline and whose eligibility to receive Fiscal Year 2026-27 monthly formulaic program apportionments could not be determined; and
- 1.11 **WHEREAS**, these remaining seven cities provided the Commission their complete project list resolution by September 30, 2026 and were found eligible to receive Fiscal Year 2026-27 monthly formula apportionments, as reflected in the Subsequent Report of Eligible Cities (Attachment B); and
- 1.12 **WHEREAS**, Attachment B is intended to serve as the subsequent report of eligible cities and county as required by Streets and Highways Code Section 2034(a)(2), for transmittal to the California State Controller.
- 2.1 **NOW, THEREFORE, BE IT RESOLVED**, that the Commission adopts the attached Fiscal Year 2026-27 Road Maintenance and Rehabilitation Account Local Streets and Roads Funding Subsequent Report of Eligible Cities; and
- 2.2 **BE IT FURTHER RESOLVED**, that Commission staff is authorized to make minor technical changes as needed to the report; and
- 2.3 **BE IT FURTHER RESOLVED**, that the Commission directs staff to transmit the report to the California State Controller as required by Streets and Highways Code Section 2034(a)(2).

**CALIFORNIA TRANSPORTATION COMMISSION
FISCAL YEAR 2026-27
ROAD MAINTENANCE AND REHABILITATION ACCOUNT
LOCAL STREETS AND ROADS FUNDING PROGRAM
SUBSEQUENT REPORT OF ELIGIBLE
CITIES**

Pursuant to Streets and Highways Code Section 2034, the cities listed below provided the Commission their complete project list resolution submittals by September 30, 2026, and are deemed eligible for Fiscal Year 2026-27 funding.

A list of projects submitted by all eligible cities and counties is available on the Commission's website at: www.catc.ca.gov/programs/sb1/local-streets-roads-program

ELIGIBLE CITIES

City	County	Project Count
City of Plymouth	Amador	1
City of Lynwood	Los Angeles	3
City of Riverside	Riverside	1
City of Montclair	San Bernardino	4
City of Yucaipa	San Bernardino	1
City of Montague	Siskiyou	1
City of Dixon	Solano	1

SUMMARY OF ALL ELIGIBLE CITIES AND COUNTIES

Total Fiscal Year 2026-27 Eligibility (Initial and Subsequent Eligibility)

Cities Eligible	Proposed Projects	Counties Eligible	Proposed Projects	Total Cities & Counties	Total Proposed Projects
482	1405	58	1129	540	2534