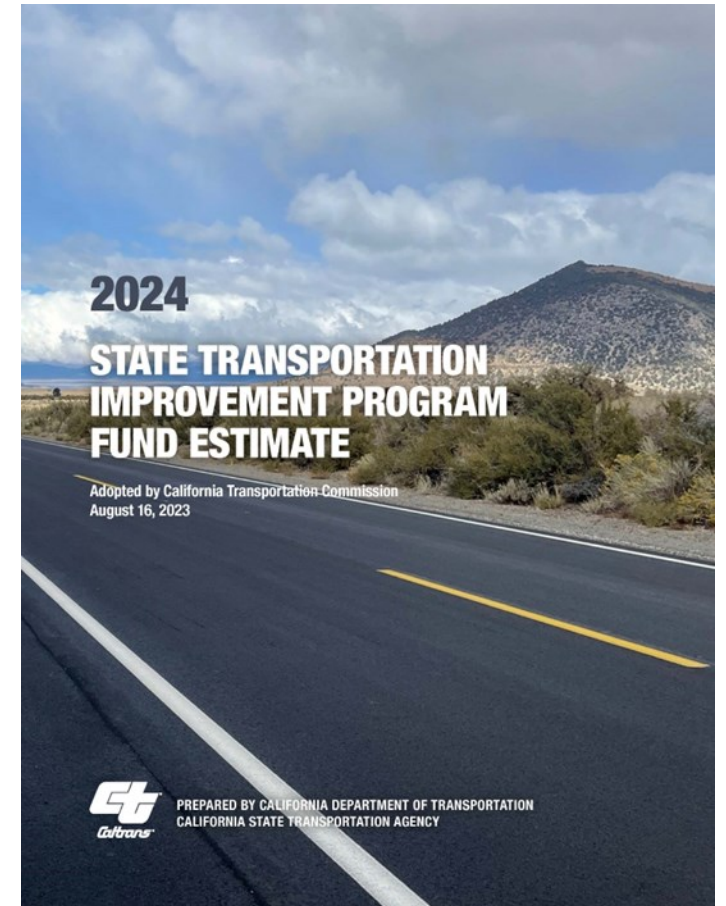




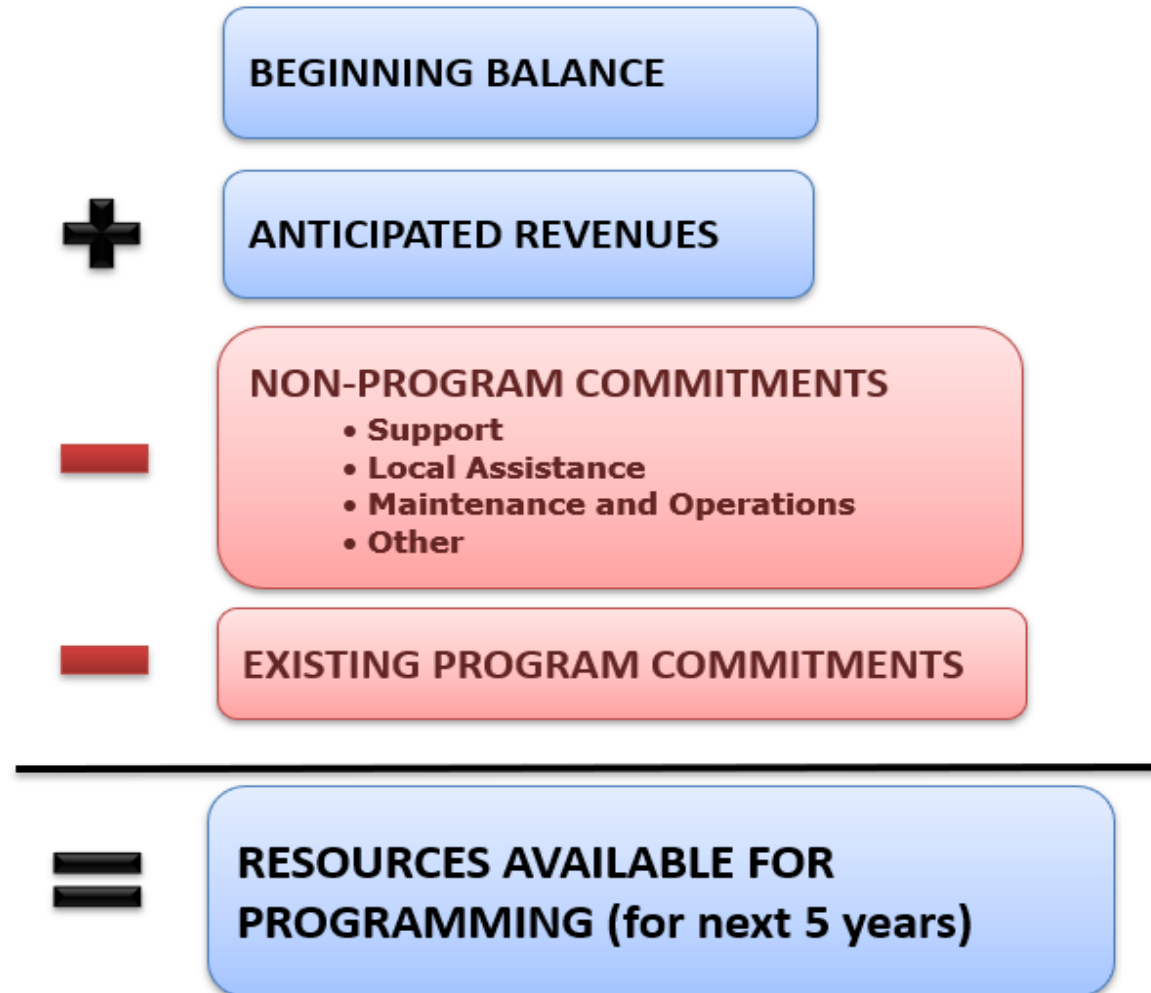
# **2026 State Transportation Improvement Program Fund Estimate Workshop**

# Fund Estimate Overview

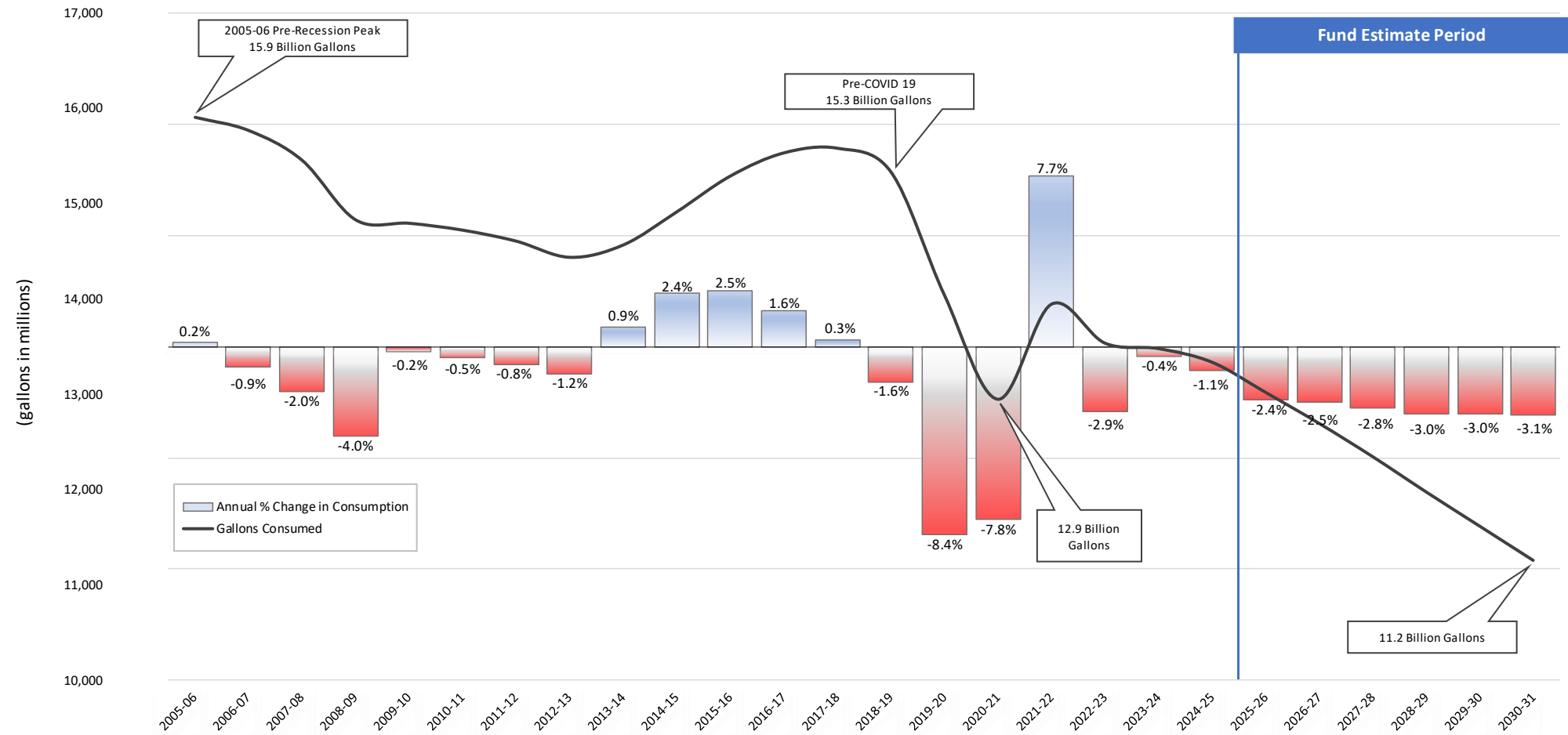
- Five-year projection of available resources
  - Required by statute
  - Prepared biennially
  - Estimates State Transportation Improvement Program (STIP) and State Highway Operation and Protection Program (SHOPP) programming capacity
- Role of the California Transportation Commission
  - Provides guidance on the Fund Estimate
  - Adopts FE in August of each odd-numbered year
  - Adopts STIP consistent with Fund Estimate
  - Submits STIP by April 1 of each even-numbered year



# Fund Estimate Methodology

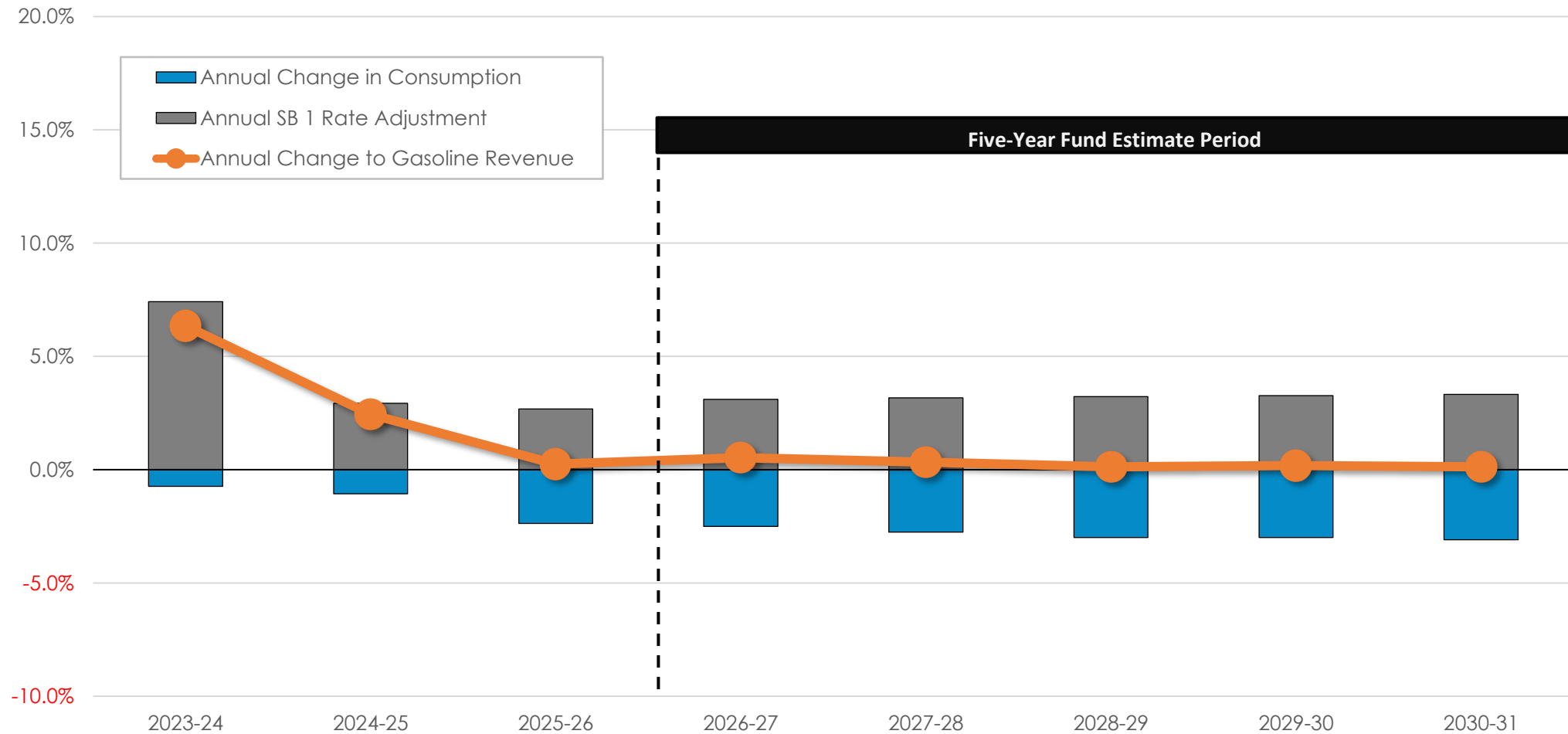


# Gasoline Consumption (25-Year Trend)



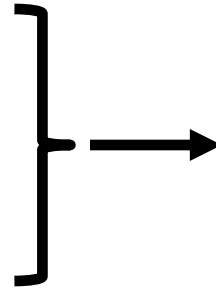
Notes: Consumption data from 2005-06 through 2017-18 from the California Department of Tax and Fee Administration  
Consumption data from 2018-19 through 2030-31 based on the Department of Finance actuals and projections

# Impacts to Gasoline Excise Tax Revenue



# STIP Resources

- Incremental Excise Tax
  - SB1 established the Incremental Excise Tax
  - Previously known as Price-Based
  - The tax was set at 17.3 cents per gallon in 2019-20 and is adjusted annually based on the California Consumer Price Index (CCPI)

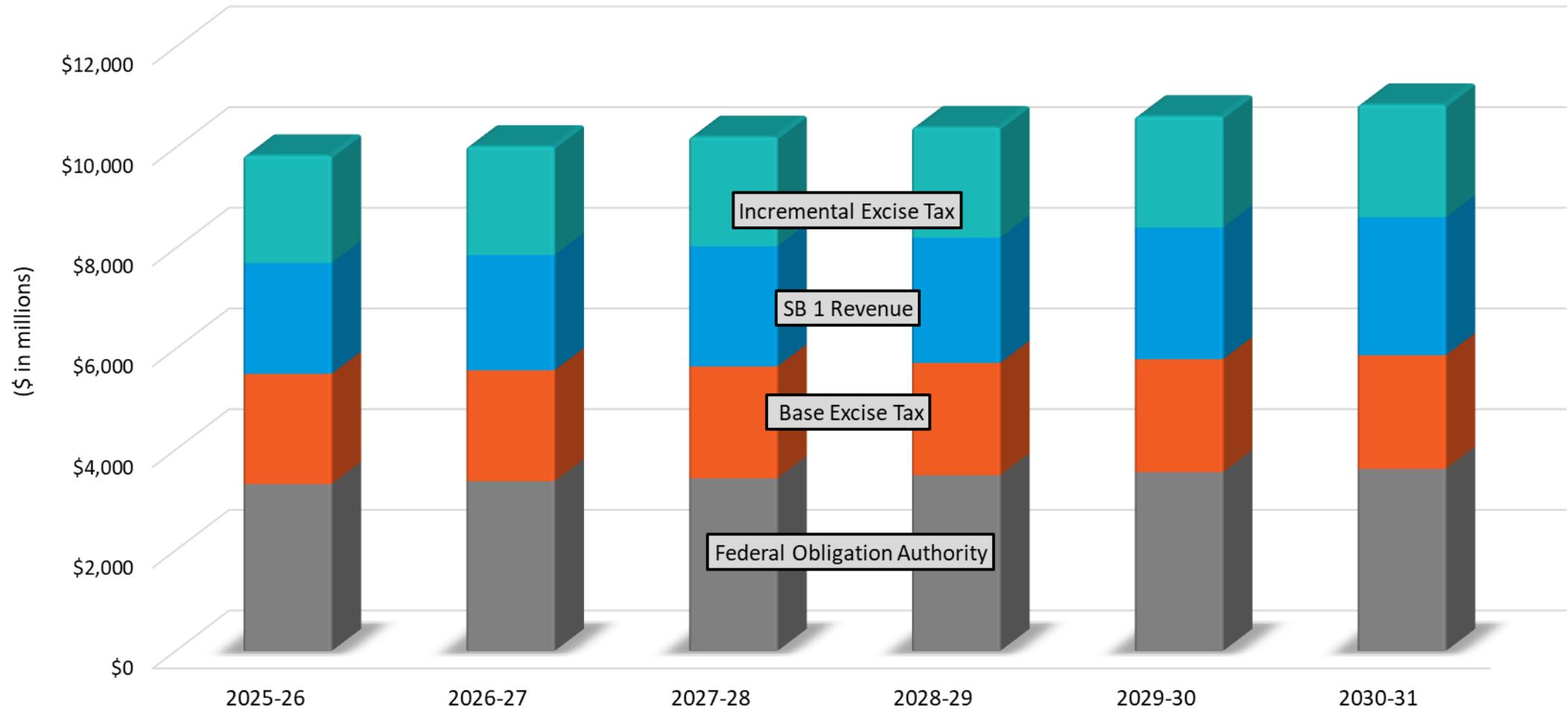


Fiscal Year	Inflation Adjustment	Tax per Gallon (cents)
2019-20	—	17.3
2020-21 <sup>1</sup>	6.94%	18.5
2021-22	1.04%	18.7
2022-23	5.56%	19.7
2023-24	7.27%	21.2
2024-25	3.18%	21.8
2025-26	2.51%	22.4

<sup>1</sup> Per statute, the first adjustment accounts for two years of inflation

**The STIP receives 44 percent of incremental excise tax revenue net of the weight-fee backfill**

# Primary Revenues for STIP & SHOPP



# PTA – Primary Revenues and Expenditures



## ANNUAL RESOURCES

- Diesel Sales Tax
- Transportation Improvement Fee



## SET-ASIDES IN STATUTE

- State Transit Assistance (73% of Diesel Sales Tax + 30% of TIF)
- Transit and Intercity Rail Capital Program (70% of TIF)
- State Rail Assistance (5% of Diesel Sales Tax)



## REMAINING ANNUAL RESOURCES

- 22% of Diesel Sales Tax



## BUDGET ACT APPROPRIATIONS

- Operations & Support, Local Assistance, Other

## EXISTING RAIL & MASS TRANSPORTATION PROGRAM COMMITMENTS



## RESOURCES AVAILABLE FOR STIP PROGRAMMING



# Draft 2026 Fund Estimate Program Capacity

Estimated Program Capacity Available, All Funds (\$ millions)								
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	5-Year Total	6-Year Total
<b>2026 Fund Estimate STIP Target Capacity</b>								
SHA Program Capacity	\$525	\$500	\$500	\$500	\$460	\$450	\$2,410	\$2,935
PTA Program Capacity	\$60	\$60	\$80	\$60	\$50	\$50	\$300	\$360
<b>Total 2026 Fund Estimate STIP Target Capacity</b>	<b>\$585</b>	<b>\$560</b>	<b>\$580</b>	<b>\$560</b>	<b>\$510</b>	<b>\$500</b>	<b>\$2,710</b>	<b>\$3,295</b>
2024 STIP Program <sup>1</sup>	\$718	\$528	\$580	\$517	\$0	\$0	\$1,625	\$2,343
<b>Net Difference</b>	<b>(\$133)</b>	<b>\$32</b>	<b>\$0</b>	<b>\$43</b>	<b>\$510</b>	<b>\$500</b>	<b>\$1,085</b>	<b>\$952</b>
<b>Cumulative Difference</b>	<b>(\$133)</b>	<b>(\$101)</b>	<b>(\$101)</b>	<b>(\$58)</b>	<b>\$452</b>	<b>\$952</b>		
<b>2026 Fund Estimate SHOPP Target Capacity</b>								
SHA Program Capacity	\$3,300	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$13,500	\$16,800
RMRA Program Capacity	1,800	1,600	1,600	1,600	1,700	1,700	8,200	10,000
<b>Total 2026 Fund Estimate SHOPP Target Capacity</b>	<b>\$5,100</b>	<b>\$4,300</b>	<b>\$4,300</b>	<b>\$4,300</b>	<b>\$4,400</b>	<b>\$4,400</b>	<b>\$21,700</b>	<b>\$26,800</b>
2024 SHOPP Program	5,240	5,240	5,340	0	0	0	10,580	15,820
<b>Net Difference</b>	<b>(\$140)</b>	<b>(\$940)</b>	<b>(\$1,040)</b>	<b>\$4,300</b>	<b>\$4,400</b>	<b>\$4,400</b>	<b>\$11,120</b>	<b>\$10,980</b>
<b>Cumulative Difference</b>	<b>(\$140)</b>	<b>(\$1,080)</b>	<b>(\$2,120)</b>	<b>\$2,180</b>	<b>\$6,580</b>	<b>\$10,980</b>		

## Notes:

General note: Program capacity includes construction, right-of-way, and capital outlay support.

<sup>1</sup> 2024 STIP Program estimates including time extensions and advances as of June 30, 2025 (provided by Commission staff).

# 2026 vs. 2024 Fund Estimates

## ● STIP Target Capacity

- 2026 FE STIP capacity is \$2.7 billion, \$155 million less than the 2024 FE
  - Primarily due to lower incremental fuel excise tax revenue available for Program
  - Diesel sales tax revenue is more volatile due to price variability

## ● SHOPP Target Capacity

- 2026 FE SHOPP capacity is \$21.7 billion, \$4 billion less than the 2024 FE
  - Primarily due to greater unprogrammed costs from emergencies and supplemental allocations
  - Fuel excise taxes are mostly outpacing forecasted declines in consumption

# STIP New Capacity Comparison

(\$ in millions)

		TOTAL	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
2020 Cycle Fund Estimate	Target Capacity	\$3,228	\$655	\$710	\$705	\$670	\$245	\$245						
	2018 Program <sup>1</sup>	\$2,659	\$494	\$793	\$678	\$695	\$0	\$0						
	New Capacity	\$569	\$162	(\$83)	\$26	(\$25)	\$245	\$245						
2022 Cycle Fund Estimate	Target Capacity	\$2,803			\$711	\$777	\$310	\$310	\$335	\$360				
	2020 Program <sup>1</sup>	\$2,007			\$723	\$753	\$269	\$261	\$0	\$0				
	New Capacity	\$796			(\$12)	\$24	\$41	\$49	\$335	\$360				
2024 Cycle Fund Estimate	Target Capacity	\$3,460					\$595	\$630	\$585	\$560	\$550	\$540		
	2022 Program <sup>1</sup>	\$1,787					\$639	\$533	\$350	\$265	\$0	\$0		
	New Capacity	\$1,673					(\$44)	\$97	\$235	\$295	\$550	\$540		
DRAFT 2026 Cycle Fund Estimate	Target Capacity	\$3,295							\$585	\$560	\$580	\$560	\$510	\$500
	2024 Program <sup>1</sup>	\$2,343							\$718	\$528	\$580	\$517	\$0	\$0
	New Capacity	\$952							(\$133)	\$32	(\$0)	\$43	\$510	\$500

<sup>1</sup> Beginning Year-Two of Program

# Aeronautics Account Fund Estimate

- Highlights

- Assumes full Annual Credit Program (\$1.5 million per year)

- Program Capacity

- Approximately \$8 million for allocation by the Commission over the five-year Fund Estimate Period

# Next Steps

- Changes and updates will be coordinated with Commission Staff
  - Department will work with CTC staff on any comments prior to the August meeting
  - The Department will update the 2026 Fund Estimates as necessary if changes occur before publishing
- Remaining schedule
  - Final 2026 Fund Estimates presented for adoption at the August 2025 Commission meeting

# Questions

