Memorandum

To: CHAIR AND COMMISSIONERS **CTC Meeting**: March 19-20, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.18, Information

Prepared By: Alicia Sequeira
Assistant Deputy Director

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Subject: Fiscal Year 2024-25 Local Streets and Roads Funding Program Expenditure Report Update

Summary:

As of January 2026, California Transportation Commission (Commission) staff have received 539 Annual Expenditure Reports for Fiscal Year 2024-25 from cities and counties in the Local Streets and Roads Funding Program. This marks the seventh consecutive year in which all jurisdictions submitted the required reports.

The Annual Expenditure Report tracks program funds spent and apportioned to jurisdictions in the reporting fiscal year in addition to unspent funds from prior years. Jurisdictions are required to report on how program funds were spent, account for previously proposed and reported projects, and provide specific project outcomes once a project has been completed.

Cities and counties were expected to account for approximately $3.3 billion in apportionments: $1.5 billion remaining from prior years and $1.8 billion from Fiscal Year 2024-25. Of the $3.3 billion apportioned, cities and counties reported spending $1.5 billion in program funds on over 3,695 projects that were either completed or in progress within Fiscal Year 2024-25. These projects are valued at approximately $10 billion.

Program funds were spent on the following:

- Approximately $765 million in program funds spent were for 1,471 completed projects:
  - 1,013 were construction projects that accounted for $608 million of the program funds spent on completed projects. Project improvements included: 302 miles of bicycle lane improvements, 7,168 ADA curb ramp improvements; 1,571 miles of safety improvements; and 8,323 lane miles of roadway maintenance and paving.
  - 458 pre-construction and operational need projects accounted for $157 million of the program funds spent on completed projects. Those projects' costs included: design, project management, environmental studies, feasibility studies, equipment, and public works maintenance materials.

- The remaining $639 million of the program funds were spent on an additional 2,218 projects that were in progress within the reporting fiscal year:
    - 1,097 were for construction
    - 1,121 were for pre-construction and operational needs.

Project status updates were provided for an additional 1,173 projects that were not active within the reporting fiscal year. Cities and counties retained $1.6 billion in program funds for use in a future fiscal year as allowed by statute.

Reports were due to the Commission by December 1, 2025. Of the 539 reports, 17 were submitted late after being approved for extensions by Commission staff. A copy of the detailed expenditures and project list can be found on the Commission's Local Streets and Roads Funding Program webpage and will be provided to the State Controller's Office. A summary of the report will be included in the Commission's 2026 Annual Report to the Legislature and is included in this book item as Attachment A.

Background:

On April 28, 2017, Governor Brown signed Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017). A percentage of the Road Maintenance and Rehabilitation Account funding created by SB 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(b), for each fiscal year in which Road Maintenance and Rehabilitation Account funds are received and expended, cities and counties must submit documentation to the Commission that details the expenditures. The documentation must include a description and location of each completed and in progress project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement.

Commission staff held two technical training webinars on October 8, 2025, to provide guidance to jurisdictions on how to complete the required Annual Expenditure Reports. In an effort to ensure timely submittals, Commission staff worked closely with all jurisdictions, Regional Transportation Planning Agencies, the California State Association of Counties, and the League of California Cities.

Fiscal Year 2026-27 Project List Submittals for program funding eligibility are due to the Commission by July 1, 2026.

Attachments:

- Attachment A: Fiscal Year 2024-25 Statewide Expenditure Report Summary

FY 2024-25 Local Streets and Roads Program
Statewide Expenditure Report Summary
(Project Expenditures as of June 30, 2025)

Total Funds Remaining From Prior Fiscal Years	Total Funds Received for FY 2024-25 (as of August 2025)	Total Funds Spent (in Fiscal Year 2024-25)
$1,500,381,699.40	$1,811,504,770.70	$ 1,502,861,564

The following detail reflects the information gathered on the 4,862 projects in the reports collected from the 539 recipient agencies:

Projects by Status	Program Funds Spent in Fiscal Year 2024-25	Total Project Cost (All Funds)
Completed: 1471	$765,208,603	$3,415,566,262
In Progress: 2218	$737,652,961	$7,207,983,126
Carried Over into FY 2025-26 or Later: 1173	N/A**	N/A**
All Projects*:	$1,502,861,564	$10,623,549,388

*In Fiscal Year 2024-25, in addition to the 4,862 projects reported on, agencies removed 262 previously proposed projects that will no longer be funded with Road Maintenance and Rehabilitation Account funds and will now be funded with other fund sources available to those agencies.

**Inactive projects within the reporting fiscal year and those forecasted for a future fiscal year, do not have expenditure and cost detail to provide.

Fiscal Year 2024-25 Local Streets and Roads Program Preliminary Statewide Expenditure Report Summary can be found on the Commission's website at:
www.catc.ca.gov/programs/sb1/local-streets-roads-program