

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 4.3, Information Item

Prepared By: Keith Duncan, Chief
Division of Budgets

Subject: **DRAFT 2026 STATE TRANSPORTATION IMPROVEMENT PROGRAM AND AERONAUTICS ACCOUNT FUND ESTIMATES**

SUMMARY:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) accept the Draft 2026 State Transportation Improvement Program (STIP) Fund Estimate and the Draft 2026 Aeronautics Account Fund Estimate tables that will be provided at the Commission meeting on June 26-27, 2025. The Department will work with Commission staff to implement necessary changes prior to the scheduled adoption of the Fund Estimates at the Commission's August 2025 meeting. The 2026 STIP Fund Estimate and Guidelines Workshop will be held in July 2025. This will provide an opportunity for Commissioners, Commission staff, and other stakeholders to comment and suggest additional improvements to the Fund Estimates.

BACKGROUND:

Section 14524(a) of the Government Code (GC) requires the Department to submit the STIP Fund Estimate prior to July 15 of each odd-numbered year. The Department will meet this requirement by submitting the Draft 2026 STIP Fund Estimate at the June 2025 Commission meeting. Section 14525(a) of the GC requires the Commission to adopt the STIP Fund Estimate by August 15 of each odd-numbered year. The Commission may elect to delay adoption for up to 90 days after August 15 should it find that forthcoming legislation could significantly impact the Fund Estimate.

The Draft 2026 Fund Estimate program capacities are based on the assumptions approved by the Commission at its May 2025 meeting, and incorporates updated revenue projections included as part of the May Revision to the State's proposed budget released on May 14, 2025. After reviewing the Draft 2026 Fund Estimate, the Commission may choose to revisit the approved assumptions for possible adjustments or updates. The Department

requests that the Commission direct comments to Commission staff so the Department may incorporate feedback into the Fund Estimates.

The Department will continue to work with Commission staff between now and the August 2025 Commission meeting to update information and make any necessary changes to the 2026 Fund Estimates. In the event that budgetary action requires amendment of the assumptions prior to the scheduled August adoption, the Department will immediately inform Commission staff.

Attachment