Transportation Funding in California

2011

The attached charts have been prepared as visual aids to show the sources and distribution of transportation funds in California. The dollar amounts, when readily available, have been provided to show the relative magnitudes of different programs. They are not necessarily official figures and are subject to change. The amounts were obtained from different sources which may not always be consistent. No accounting accuracy is intended here.

Economic Analysis Branch
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California Department of Transportation

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http://www.dot.ca.gov/hq/tpp/offices/eab/fundchrt.html
California Transportation System

The California Transportation System consists of a vast network of streets and highways, public transit (bus and passenger rail), airports and seaports as well as other modal services such as bicycle and ferry system, that provide for the mobility and accessibility of people, goods, services and information throughout the State. Jurisdiction over the operations and maintenance of the transportation system is shared between the State and regional agencies and local governments. The transportation system is funded from state, local and federal taxes, fees and assessments, and private investment.

State Highway System (SHS)

The California Department of Transportation (Caltrans) is the owner and operator of the State Highway System (SHS), which consist of the 15,000 miles (50,500 lane miles) of Interstate Freeways and State Routes and carries over half of the travel in the state. Caltrans is responsible for planning, designing, building, operating and maintaining the SHS.

Regional agencies and local governments operate and maintain approximately 146,000 miles of public streets and roads making up over three-quarters of the lane miles in the state. Planning, coordinating and financing for local projects rest with Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Agencies (RTPAs).

Public Transit

Public transit includes bus and rail service operated by local and regional agencies and Caltrans. There are approximately 70 operators providing fixed-route buses, city’s dial-a-ride programs, local and express commuter services, and paratransit services for the disabled. Commuter rail service such as Metro Link and Caltrain, and heavy rail systems like BART operate in large urban areas servicing daily commuters and inter-regional travelers. In addition, local and regional transit agencies operate five Light Rail systems in the state providing regional service for daily commuters. At the state level, Caltrans manages two intercity routes operated by Amtrak, the Pacific Surfliner and San Joaquin, and financially supports a third, the Capitol Corridor. Over one billion unlinked passenger trips are taken annually via public transit.
Other Modal Services

The remaining modal transportation services available in the state include airports and seaports, ferries and bicycle and pedestrian facilities. These systems of transportation are generally maintained and operated by local and regional agencies providing alternative means of mobility and accessibility to people and goods within the state and beyond.

The Transportation System Decision Makers

**Legislature:** Establishes overall policies, including determining funding sources and distribution, and spending priorities through state statutes such as *Revenue and Taxation Code, Streets and Highways Code,* and *Government Code.* The Legislature appropriates funds through the annual budget for transportation projects and has authority to designate transportation projects statutorily.

**California Transportation Commission (CTC):** The CTC consists of eleven voting members and two non-voting ex-officio members. Of the eleven voting members, nine are appointed by the Governor, one is appointed by the Senate Rules Committee, and one is appointed by the Speaker of the Assembly. The CTC reviews and adopts the state transportation programs and approves projects nominated by Caltrans and regional agencies for funding. The CTC recommends policy and funding priorities to the Legislature and is also responsible for project delivery oversight.

For more information, see [http://www.catc.ca.gov/](http://www.catc.ca.gov/)

**California Department of Transportation (Caltrans):** Caltrans owns, operates and maintains the SHS. Caltrans plans, designs, and nominates interregional capital improvement projects on the state highway system and also manages the intercity rail operation.
**Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Agencies (RTPAs):** MPOs and RTPAs are responsible for planning, coordinating and administering funds for regional transportation systems. In California, 18 MPOs and 26 RTPAs develop 20-year *Regional Transportation Plans (RTPs)* as well as 5-year *Regional Transportation Improvement Program (RTIP)*, which identify projects for the regional portion of the State Transportation Improvement Program (STIP).


**Other Players:** Cities and Counties set land-use policy and plans and nominate transportation projects for funding by the RTPA, and administer local roads and streets. County transportation authorities develop expenditure plans for voter-approved local option sales tax measures. Transit agencies (such as BART) nominate projects for funding and provide public transit services.

**Programming and Funding Process**

- **State Transportation Improvement Program (STIP):** Funds new construction projects that add capacity to the transportation system. STIP consists of *Interregional Transportation Improvement Program (ITIP)* developed by Caltrans and *Regional Transportation Improvement Program (RTIP)*. STIP funding comes from a mix of state, federal and local taxes and fees. – *(Chart 4)*

- **State Highway Operation and Protection Plan (SHOPP):** SHOPP provides funds for pavement rehabilitation and operational and safety improvement of the state highways and bridges.

- **Local Assistance Program:** Caltrans' Local Assistance Program oversees more than one billion dollars in federal and state funds annually available to over 600 cities, counties and regional agencies for the purpose of improving their transportation infrastructure or providing transportation services.

For more information, see [http://www.dot.ca.gov/hq/LocalPrograms/public.htm](http://www.dot.ca.gov/hq/LocalPrograms/public.htm)
Transportation Funding Sources

The transportation system is funded from federal, state, and local taxes, fees and assessments, and private investment. – (Chart 1)

**Federal Funds** – The IRS collects the Federal fuel excise tax (18.4¢/gallon gasoline & 24.4¢/gallon diesel fuel) which are deposited in the **Highway Trust Fund (HTF)**.

- About 85% of the HTF revenues go to the **Highway Account** of the HTF and are apportioned by the Federal Highway Administration (FHWA) among the states as federal matching funds for projects on SHS. – (Chart 18)

- The remaining 15% of the revenues go to the **Transit Account** of the HTF and are allocated by the Federal Transit Administration (FTA) to regional agencies and local transit providers in each state. – (Chart 19)

For more information, see:  

**State Funds**-

- **State Fuel Excise Tax**: The State of California collects 18¢/gallon excise tax on gasoline and 13¢/gallon on diesel fuel, which historically has generated over $3.0 billion a year. State Fuel Excise Tax revenues are divided between the State Highway Account and cities and counties according to statutory formula. – (Chart 2)

- **Truck Weight Fees**: The state collects a fee on commercial vehicles based on the weight that represent compensation for the wear and tear on the roadways, generating about $1 billion a year. Legislation enacted in 2011 (AB 105 or Fuel Tax Swap Fix) redirects the Truck Weight Fee revenue from the State Highway Account to the General Fund for payment on current general obligation bond debt service for specified voter-approved transportation bonds. – (Chart 3)

- **Fuel Tax Swap**: Legislation enacted in 2011 (Fuel Tax Swap Fix), reenacted the provisions of the Fuel Tax Swap of 2010 addressing issues raised by the passage of Propositions 22 and 26. The Fuel Tax Swap eliminated the state sales tax on gasoline and instead imposed an additional excise tax on gasoline of 17.3¢ (July 2010). The increase in the excise tax would generate revenues equivalent to what would have been collected from the state sales tax on gasoline. These revenues are intended for new construction (STIP), highway maintenance and operations (SHOPP), and local roadways. – (Chart 5)
The legislation also increased the state sales tax on diesel fuel by 1.75 percent in 2014-15 (various rates are set for the intervening years), and reduced the state excise tax on diesel to 13¢, thus maintaining revenue neutrality. Revenue from the increased portion of the state sales tax is allocated to the State Transit Assistance (STA) through the Public Transportation Account (PTA) to maintain funding to local transit. – (Chart 7)

The Board of Equalization is required to annually adjust both the gasoline and diesel state excise tax rates so they are consistent with the estimated revenues loss from the sales tax changes on gasoline and diesel.

For more information, see:
http://lao.ca.gov/handouts/transportation/2010/Trans_Funding_Proposals_01_21_10.pdf

- **State Sales Tax:** The state also collects 7.25% sales tax, certain portions of which are earmarked for transportation:
  - The 1971 *Transportation Development Act (TDA)* earmarked ¼ percent of the state sales tax for transit and created a *Local Transportation Fund (LTF)* in each county to receive the money ($1 billion). – (Chart 6)
  - The *Public Transportation Account (PTA)* receives revenue from the state sales tax on diesel fuel. Proposition 22 (passed by voters in 2010) requires revenues generated from the State’s portion of the sales tax on diesel fuel (4.75%) be split equally between State and local transit. The new 1.75% increase in the state sales tax on diesel fuel established by the Fuel Tax Swap is dedicated to STA. – (Chart 7)

  For more information, see:

- **Proposition 1B Bonds:** The 2006 bond act provides $19.9 billion to fund projects to relieve congestion, facilitate goods movement, improve air quality and enhance the safety and security of the transportation system. – (Chart 8)

**Local Funds**

- **Local Sales Tax Measures (Self-Help Counties):** Counties are authorized to adopt up to 1% sales tax increase for transportation programs, subject to 2/3 voter approval, and generally for 20 to 30 years. – (Chart 10)
  - Nineteen counties have approved sales tax measures for transportation.
  - Four Transit Authorities have approved permanent local tax measures.
• **Transit Fares**: Provide about $1.2 billion for local transit systems.

• **Local General Funds and Other Local Funds**: Include property taxes, developer fees, street assessments, bond revenues and fines and forfeitures. – *(Chart 9)*

**Motor Vehicle License and other Fees** – *(Chart 17)*

The state also collects vehicle license, registration and drivers license fees. The revenues are not earmarked for transportation projects; however, the bulk of the money is allocated to CHP and DMV for traffic law enforcement and regulations.

For additional information on California transportation funding, see:


The California Transportation Commission: [http://www.cutc.ca.gov/reports/annualreports.htm](http://www.cutc.ca.gov/reports/annualreports.htm)
California Transportation Funding

Simplified Overview

- **State Fuel Tax**
  - Motor Vehicle Fuel Account
  - Refunds & Transfers
- **State Fuel Tax Swap**
  - Highway Users Tax Account
  - Aeronautics Account
- **Federal Fuel Tax**
- **State Truck Weight Fees**
  - Transportation Debt Service Fund (General Fund)
- **State Diesel Sales Tax**
- **Toll**
  - Local Transp. Funds (LTF)
- **Bay Area Toll Account**
  - State Highway Account (SHA)
  - State Highway Account (PTA)

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Price at the pump includes federal and state excise taxes as well as applicable state and local sales taxes.
STATE & FEDERAL HIGHWAY FUNDING

(Billion Dollars)
FY 2009/10

Revenues and Expenditures provide historic reference only.

REVENUES

**Truck Weight Fees**
(Vehicle Code §3400. (c)(1))
$0.9

**State Fuel Excise Tax**
$2.0

**Other Revenues**
(Interest, rents, sale of property, etc.)
$0.2

**Federal Highway Trust Fund**

- Highway Acc’t Tax Shares
  - Gasoline/LPG: 15.45 ¢/gal
  - Diesel Fuel: 21.45 ¢/gal
  - Gasohol: 10.24-12.88 ¢/gal
  - Tire/Truck/Trailer Sales Taxes

  **Obligation Authority**
  $3.0

**Fuel Tax Swap**
(S & H Code 2103)
$1.3

EXPENDITURES

**Non-Capital Outlay**
- Mainten. & Operations: $1.5
- C/O Support: $1.2
- Other: $0.5

**State Highway Operation & Protection Plan (SHOPP)**
$1.5

**Local Assistance**
(State & Federal Programs)
$1.3

**Interregional Transportation Improvement Program (ITIP)**
$0.2

**Regional Transportation Improvement Program (RTIP)**
$0.7

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1. Assembly Bill 105 (Fuel Tax Swap) directs revenues from the Truck Weight Fees to pay transportation bond debt service and loans to the General Fund.

2. Includes Article XIX of the State Constitution restricted and non-restricted revenues.

3. The Fuel Tax Swap was originally enacted in 2010 as AB 6 X8/SB70 and re-enacted in 2011 through AB 105 in response to Propositions 22 and 26.

Sources: 2009-10 Governor’s Budget
2010 STIP Fund Estimate

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STIP Fund Allocation
State/Region, North/South Splits & County Shares

STIP Funds
(State & Federal)

Caltrans 25% → ITIP
(Interregional Transp. Improvement Program)

RTPAs 75% → RTIP
(Regional Transp. Improvement Program)

S&H § 164
SB 45 (1997)

ITIP

40% North Counties

60% South Counties

IRRS Outside Urban Areas

15% Min. Intercity Rail

85% Max.

40% Subject to N/S Split

S&H § 164

40% S&H § 188

South Counties

Subject to County Share
- County Population (75%)
- St. Hwy Mileage (25%)

N/S Split

SB 45 (1997)
1. Enactment of the AB 105 (Fuel Tax Swap) effectively repealed the provisions of Proposition 42 and subsequent revenue allocation.

Although the revenues derived from the new excise tax cannot be used to pay bond debt service or loans to the General Fund, AB 105 still requires the Controller to transfer an amount equal to the amount of monthly debt service paid by the General Fund on transportation bonds, as determined by the Treasure’s Office, into the State Highway Account. Such revenues are to be held in this account for future appropriation by the Legislature. Remaining net revenues derived from the new excise tax are allocated as described above. (See Streets and Highways Code, Section 2103).
State Sales Tax

California Sales Tax
7.25%

TDA
(Gov.Code §29530)

1/4%
Local Transp. Funds (LTF)
(Counties)
(PUC § 99233-407)

5%
State Retail Sales Tax Fund
(R&T §7102)

2%
Local General Funds
(R&T §7202/ 6051.2/6051.6)

State General Fund

Diesel Fuel Sales Tax

State Sales Tax on Diesel Fuel
(4.75%)
R&T §7102(a)(3)

State Sales Tax on Diesel Fuel
(1.87%)
R&T §6051.8 (a)

PUBLIC TRANSPORTATION ACCOUNT (PTA)

STATE TRANSIT ASSISTANCE (STA)
Public Transportation Account (PTA)

PTA Revenues

- State Sales Tax on Diesel Fuel (Includes 4.75%)
  
  Proposition 22, Articles XIII and XIX

Caltrans
(State Transit Programs)

- Intercity Passenger Rail & Feeder Bus Operations
- Caltrans (planning/support)
- CTC
- ITS (research)
- PUC (passenger rail support)
- Public Transit Capital Projects (STIP)

RTPAs
State Transit Assistance (STA)

- County/City Mass Transit (based on population)
- Vehicles/Equipment/Terminals/Rail

Fuel Tax Swap Revenues

- State Sales Tax on Diesel Fuel (Includes 1.87%)
  
  Effective July 1, 2011

RTPAs
State Transit Assistance (STA)

- Allocated to transit operators (based on share of fare revenue)

Based on AB 105, the total diesel sales tax (4.75% + 1.87%) is allocated to Caltrans at 25% and STA at 75%.
## Proposition 1B

**Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006**
(Authorizes $19.9 Billion in General Obligation Bonds)

<table>
<thead>
<tr>
<th>Account/Program</th>
<th>$ Billion</th>
<th>Allocation Plan</th>
</tr>
</thead>
</table>
| **Corridor Mobility Improvement Account (CMIA)** | $4.5 | - Performance improvements on highly congested travel corridors  
- Projects are nominated by Caltrans & MPOs/RTPAs  
- CTC develops guidelines and approves projects |
| **Public Transp. Modernization, Improvment & Service Enhancement** | $4.0 | - InterCity Rail Improvements ($400 mil)  
- Commuter & Urban Rail Improvements ($3.6 bil)  
- Projects nominated by Caltrans/MPOs/RTPAs |
| **California Ports Infrastructure, Security, and Air Quality Improvement** | $3.1 | - Multimodal Improvements along federal trade corridors ($2 bil)  
- Emission reductions related to freight along trade corridors ($1 bil - ARB)  
- Grants for port, harbor, ferry terminals security ($100 mil) |
| **STIP Funding Augmentation** | $2.0 | Deposited in Transportation Facilities Account |
| **Local Streets and Road Improvement, Congestion Relief, and Traffic Safety** | $2.0 | |
| **State Route 99 Improvements** | $1.0 | |
| **State-Local Partnership Program** | $1.0 | State matching funds for local projects (5-year program) |
| **Transit System Safety, Security, and Disaster Response** | $1.0 | Allocated by Legislature |
| **Highway Safety, Rehabilitation, and Preservation** | $750 mil | - Augments SHOOP funding (CTC)  
- Includes $250 mil for traffic light synchronization projects |
| **Highway-Railroad Crossing Safety** | $250 mil | High-priority grade separation and RR crossings |
| **Schoolbus Retrofit & Replacement** | $200 mil | Reduction of air pollution & childrens' exposure to diesel exhaust |
| **Local Bridge Seismic Retrofit** | $125 mil | Provides the 11.5% required match for federal Bridge Program |
Chart 9

LOCAL STREET & ROAD FUNDING

(Billion Dollars)
FY 2008/09

REVENUES

State Fuel Excise Tax
(Local Subvention) $1.0

Federal Aid $0.6

State Aid $0.7

Fuel Tax Swap $1.1

Local General Funds $1.4

Other Local Funds $2.3

County Sales Tax Measures $2.5

Local Transportation Funds (TDA) $1.2

CITY/COUNTY ROAD FUNDS

EXPENDITURES

Maintenance $2.7

New Construction Reconstruction $3.0

Engineering & Administration $0.8

Right of Way $0.098

Other $0.045

MASS TRANSIT

Source: State Controller, Annual Reports of Financial Transactions

- Streets and Roads
- Transit Operators
- Transportation Planning Agencies

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Article XIIIIB of the State Constitution provides the authority and requirements for the imposition of local sales tax measures subject to voter approval.
Transit & Rail Operations Funding

**REVENUES**

- **PTA Funds**
- **Fed Transit Grants** (Rural Areas) FTA Sec. 5311
- **State Transit Assistance (STA)**
- **County LTFs** (1/4% General Sales Tax)
- **County Sales Tax Measures**
- **Other Local Funds** Fares/Property Tax Private/Joint Development

**EXPENDITURES**

- **Intercity Rail Program**
  - Intercity Passenger Rail & Feeder Bus Operations
- **Rural Bus Service**
- **Transit Operations**
- **Transit Planning**

Flowchart:
- PTA Funds → Caltrans → Intercity Rail Program
- Fed Transit Grants (Rural Areas) → Rural Transit Agencies/Operators → Rural Bus Service
- State Transit Assistance (STA) → RTPAs/Transit Operators
- County LTFs (1/4% General Sales Tax) → Transit Operations
- County Sales Tax Measures → Transit Planning
- Other Local Funds (Fares/Property Tax Private/Joint Development)
In addition, Section 104(d)(2) of Fed Hwy Act (Title 23 US Code) provides funding for railway/highway crossing hazard elimination in existing and potential high-speed rail corridors.
State General Aviation Funding

18¢/gal Gen Av Gas Tax
[R&T § 8352.3]

2¢/gal GA Jet Fuel Tax
[R&T §7392-7398]

Federal Aid
(FAA Planning Grants to Airports)

Local Airport Loan Acc't
(Loan Repayments & Interest)
PUC § 21602(a)

Aeronautics Account
[PUC § 21680]

State Operations
Division of Aeronautics:
Avi Planning
Avi Engineering
Environmental
Airport/Heliport Safety/Permits
Airport Noise Regulation

PTA
($30,000/Year)
Aero. Planning
(PUC § 21682.5)

Local Assistance
(Cities, Counties, Airport & Community Services Dist).
AIP Matching Grants
Annual Grants ($10,000 per Airport)
A& D Grants

Local Airport Loans

18¢/gal Gen Av Gas Tax

2¢/gal GA Jet Fuel Tax

Federal Aid

Local Airport Loan Acc't

Aeronautics Account

State Operations
Division of Aeronautics:

PTA

Local Assistance

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California Department of Transportation  
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Bicycle/pedestrian projects are eligible for funding from federal NHS, STP, TEA, CMAQP, Fed Lands Hwy & Bridge programs. The State’s EEM program and county sales tax measures also provide funding for non-motorized transportation projects.
(*) Caltrans collects tolls and is responsible for the maintenance and capital improvements on all state-owned toll bridges (reimbursed by BATA).

Assembly Bill 144 (Chapter 71, 2005) provided additional funding of $3.6 billion from BATA for the Toll Bridge Seismic Retrofit Program.
Transportation Planning Funds

State Hwy Acc't  
(Hwy & Guideway Plng)  
[S&H § 194]

Aeronaut. Acc't  
(General Aviation Plng)  
[PUC § 21682.5]

PTA  
Planning Funds  
[PUC § 99315]

Federal Hwy Trust Fund  
(SPR/PL/FTA)

Regional Trans Plng  
(RTPAs/MPOs)

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08

Local Trans Funds  
[up to 3%]

PTA  
(Reimbursements)

Caltrans  
(Reimbursements)

* The remaining 25% of the SPR funds are used for research.
Vehicle Registration & Drivers License Fees

- Registration $34
- Driv.Lic. $31
- Off-Hwy Veh. $50
- CHP Hwy Patrol Fee $22

(Vehicle Code Sec. 9250.8 & 9250.13)

$2.8 B

Motor Vehicle Account

(Vehicle Code Sec. 42270)

Vehicle License Fees

(0.65% in-lieu property tax) *

(R&T Code, Sec. 10752)

$545 M

Motor Vehicle License Fee Account

(R&T Code Sec. 11001)

AIR RESOURCES BOARD

(Vehicle Code Sec. 42271)

$119 M

Dept. of Justice $25 M

Other Agencies $19 M

Local General Funds

R & T Code Sec. 11005 and Government Code Sec 30061(e) & 29553

$542 M

DMV

(Vehicle Code Sec. 42271 (b))

$908 M

CHP

(Vehicle Code Sec. 42271 (c))

$1.8 B

State Highway Account

(Vehicle Code Sec. 42273/5)

$3.1 M

* In 1998 the Legislature began a series of reductions in the statutory 2% vehicle license fee (AB 2797, Chapter 322) down to 0.65% effective January 2005.
<table>
<thead>
<tr>
<th>Program</th>
<th>CA Apportionments</th>
<th>Description/Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highway Bridge</td>
<td>$1,800</td>
<td>Funds for Bridge Repl., Rehab. &amp; Prev. Maint., including seismic retrofit, for all bridges, and sets aside $100 million per year for discretionary bridge projects. Up to 50% of State’s Bridge funds may be transferred to NHS or STP.</td>
</tr>
<tr>
<td>Interstate Maintenance</td>
<td>$2,200</td>
<td>Funds resurfacing, restoring, rehabilitating &amp; reconstruction of interstate system, including interchanges &amp; overcrossings along the system. Provides flexibility to the states to fully utilize remaining un-obligated balances of prior interstate construction authorizations.</td>
</tr>
<tr>
<td>National Highway System (NHS)</td>
<td>$2,800</td>
<td>Funds 163,000 mile National Highway System, to be designated consisting of Interstate highways &amp; major Primary roads. States may transfer up to 50% of NHS funds to other roads programs or transit (100% with Secretary’s approval in states with Clean Air Act non-attainment areas). NHS funds distributed based on a formula including each state’s lane-miles of principal arterials, vehicle miles, and diesel fuel use.</td>
</tr>
<tr>
<td>Surface Transportation (STP)</td>
<td>$3,200</td>
<td>Authorizes funds for highways, transit capital, bicycles &amp; traffic operations, management &amp; other projects on Fed-aid roads and all bridges. Funds distributed based on formula using lane miles, total VMT and contributions to the Highway Account, providing 80% matching funds. Off the top, 10% (or $75 million/year, whichever is) is set aside for Transp. Enhancement Activity (TEA); sub-state regions receive 62.5% of the remaining funds based on population, and Caltrans receives the remaining 37.5%.</td>
</tr>
<tr>
<td>Congestion Mitigation &amp; Air Quality (CMAQ)</td>
<td>$1,800</td>
<td>Funds projects and programs in air quality and maintenance areas which reduce transportation related emissions. Funds distributed to MPOs in each state according to a formula based on population and severity of non-attainment areas.</td>
</tr>
</tbody>
</table>
| Others                                               | $4,890            | • Equity Bonus (Formerly Minimum Guarantee)  
• High Priority Projects  
• Border Infrastructure, Safety Incentives  
• Planning and Research  
• Other Programs |

Total California Apportionments: $17,145

**Safety**

<table>
<thead>
<tr>
<th>Program</th>
<th>CA Apportionments</th>
<th>Description/Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highway Safety Improvement Program</td>
<td>$384</td>
<td>Funds set aside from STP for construction and operational improvements on rural roads deemed high-risk due to high fatality and incapacitating injury accidents. Funds distributed based on lane miles, vehicle miles traveled and fatalities on Federal-aid system, after Railway-Highway Crossing program set aside.</td>
</tr>
<tr>
<td>Safe Routes to School</td>
<td>$68</td>
<td>Funds projects that improve safety, and reduce traffic, fuel consumption, and air pollution in the vicinity of schools. Funding based on relative share of total enrollment in primary and secondary schools, not less than $1 million.</td>
</tr>
</tbody>
</table>

Total California Apportionments: $452
### Federal-Aid Transit Programs 2005-2009

(Estimated California Apportionments in millions of dollars)

<table>
<thead>
<tr>
<th>Program</th>
<th>Description/Provisions</th>
</tr>
</thead>
</table>
| **Section 5309**  
(Capital Investment Grants/Fixed Guideway)  
$1,900 | Capital investment grant program for New Starts projects, fixed guideway, rail and bus modernization. |
| **Section 5303**  
(Metropolitan Planning)  
$54 | A program established to support the planning program for making transportation investment decisions in metropolitan areas. Apportionment by formula to States and MPOs in urbanized areas: requires 20% local match. |
| **Section 5307**  
(Urbanized Area Grant)  
$2,700 | A grant program for public transportation capital investment in urban areas, and transit operating assistance in areas below 200,000. Apportioned by legislative formulas based primarily on population and population density, and bus and fixed guideway revenue based on vehicle and passenger miles. |
| **Section 5310**  
(Elderly/Disabled Transit)  
$52 | A formula program to fund transportation services to elderly and disabled persons. Allocation is made on the basis of the number of elderly and persons with disabilities in each state. |
| **Section 5311**  
(Non-Urbanized)  
$85 | Provides formula grants for capital and operating services for rural and small urban public transportation systems. Includes new separate funding for Indian tribes. Establishes a new apportionment of funds: 20% are distributed by two tier-based formula based on land area, the remaining apportioned based on population in other-than-urbanized areas. |
| **Section 5313-14**  
(Planning and Research) | Grants for State Planning & Research Program. Funds are allocated on a discretionary basis. |
| **Section 5308**  
(Clean Fuels)  
$195 | Provides capital grants to purchase clean fuel vehicles and related facilities, although in the past funds were transferred to the Bus Discretionary program, through 2005. Funds distributed by formula requiring 2/3 for urban areas (over 1 million) and 1/3 for under one million population. |

### New Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Description/Provisions</th>
</tr>
</thead>
</table>
| **Section 5316**  
(Job Access & Reverse Commute)  
$86 | Formula program that funds local programs that offer job access and reverse commute services to provide transportation for low-income individuals. Discretionary: 60% to areas with pop. over 200,000, 20% each to areas under 200,000 and non-urbanized areas. Funds may be transferred between urban and non-urban areas. |
| **Section 5317**  
(New Freedom Program)  
$42 | Formula grant program to encourage services and facilities, beyond those required by ADA, to address the transportation needs of persons with disabilities. Funds are allocated by formula, based upon population of persons with disabilities. |
| **Section 5311(c)**  
(Public Transportation on Indian Reservations) | Provides public transportation on Indian reservations through a set aside of Other-Than-Urbanized Area Program (Section 5311) funds for direct grants to Indian Tribes before allocation to the States. |
| **Section 5320**  
(Alternative Transportation in Parks and Public Lands) | Funds public transportation projects in parks and public lands. Funded out of the Mass Transit Fund. |