Transportation Funding in California

The attached charts have been prepared as visual aids to show the sources and uses 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.

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Division of Transportation Planning
California Department of Transportation

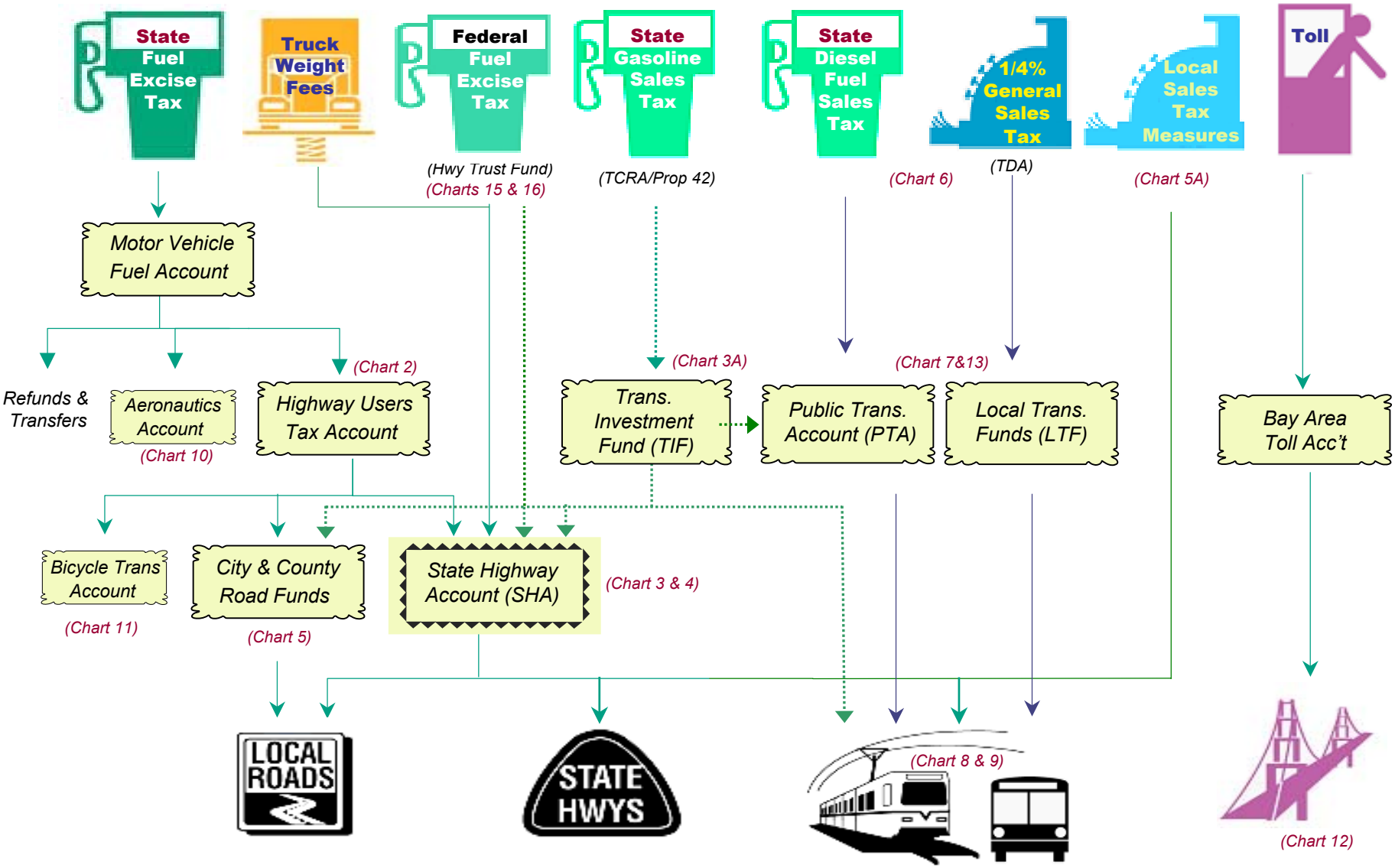
Phone: (916) 653-0709

November 2004

California Transportation Funding

Chart 1

OVERVIEW



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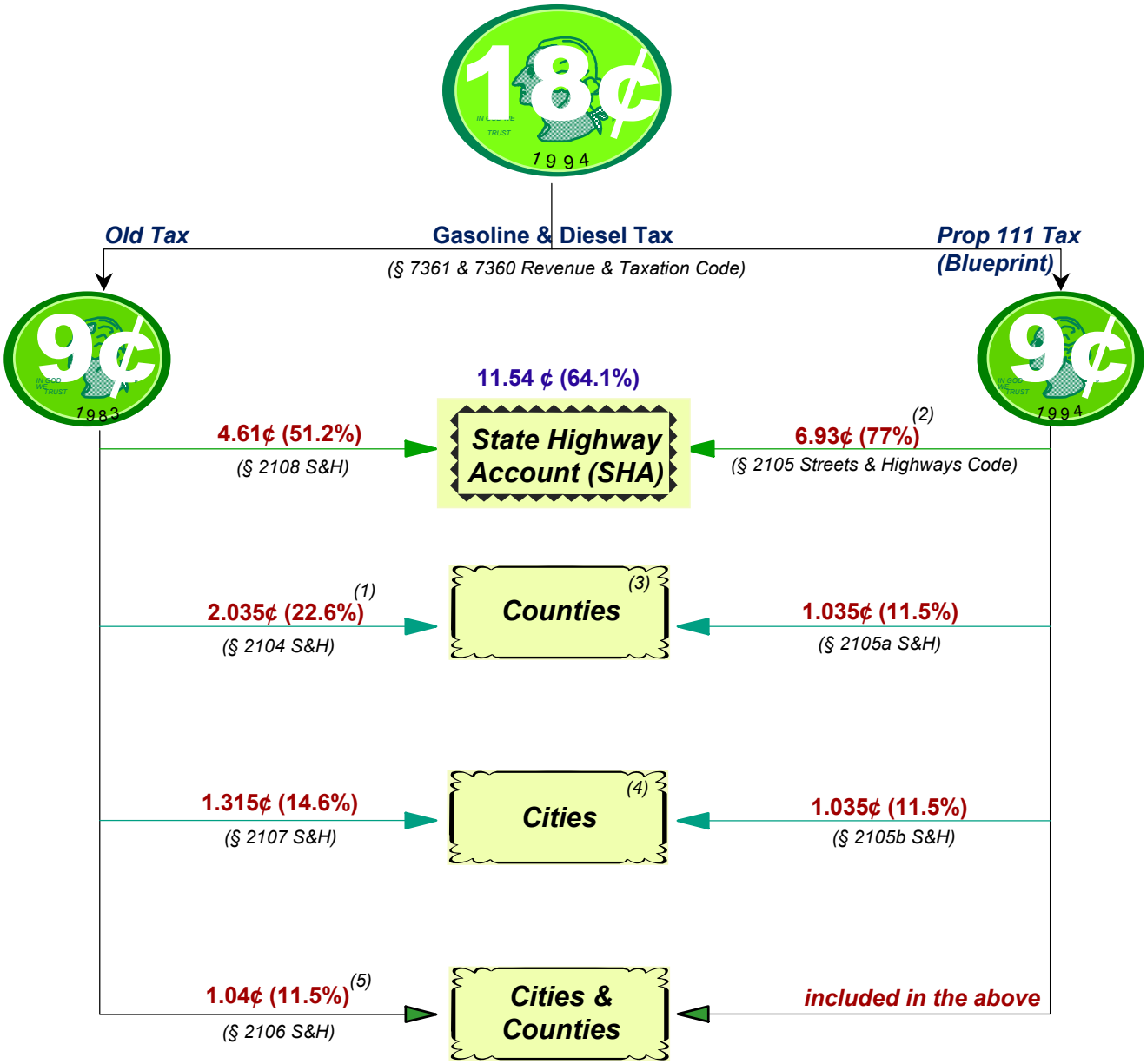
State Fuel Excise Tax Allocation



(1) The 4.39¢ local share of diesel fuel tax is allocated 1.8¢ to counties and 2.59¢ to cities.
(2) A major portion of funds in State Highway Account is allocated among counties and cities for Regional Transportation Improvement Programs (see Chart 4).
(3) The apportionment to each county is based on its share of registered vehicles & county road mileage.
(4) The money is apportioned based on city's share of the state population. To receive their share of the added tax (§2105), cities & counties must expend a certain amount from local general funds on streets & highways.
(5) §2106: funds are distributed based on registered vehicles, assessed property valuation, and population.

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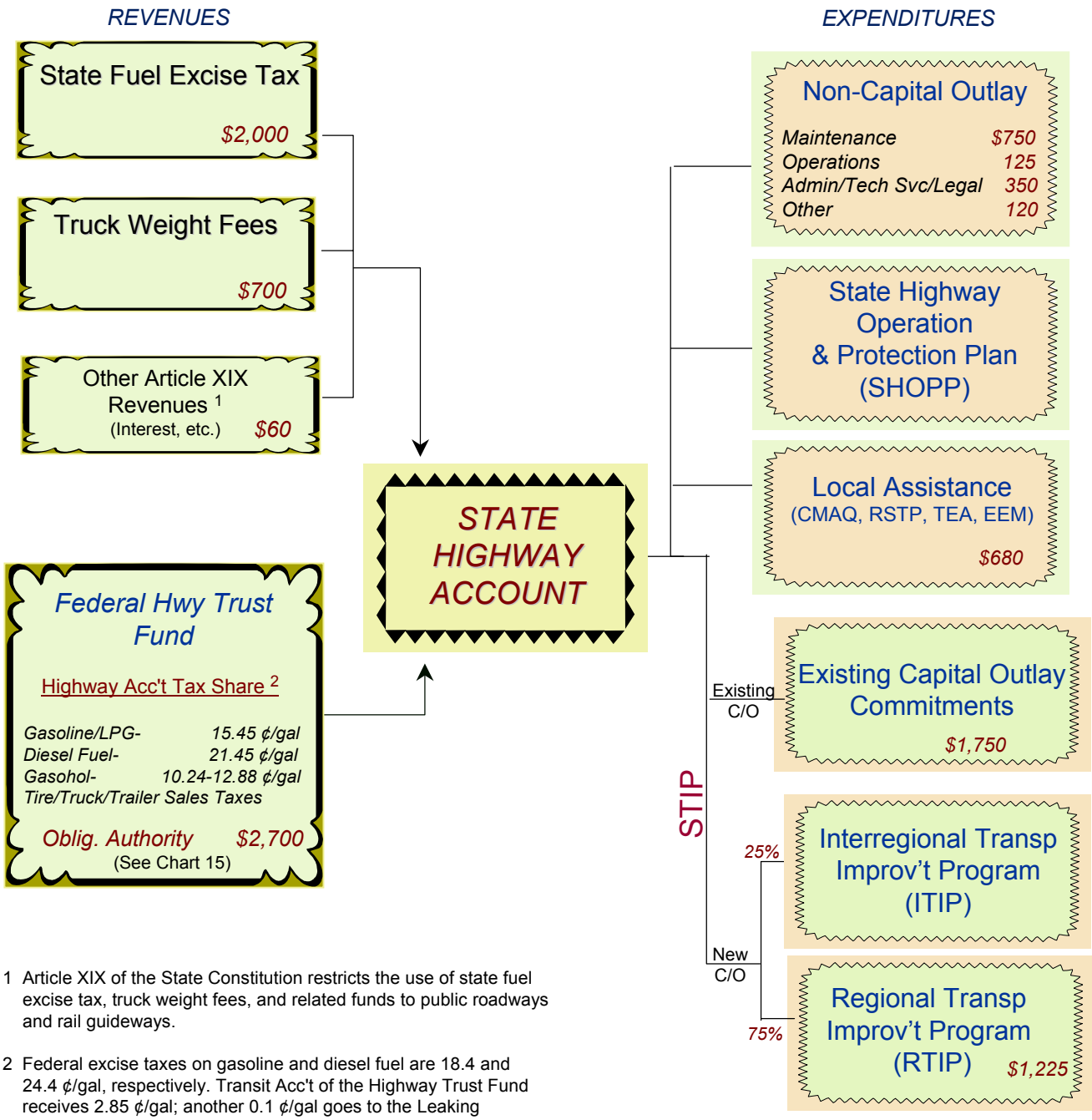
FEDERAL & STATE HIGHWAY FUNDING

(Million Dollars, 2001-2002)



1 Article XIX of the State Constitution restricts the use of state fuel excise tax, truck weight fees, and related funds to public roadways and rail guideways.

2 Federal excise taxes on gasoline and diesel fuel are 18.4 and 24.4 ¢/gal, respectively. Transit Acc't of the Highway Trust Fund receives 2.85 ¢/gal; another 0.1 ¢/gal goes to the Leaking Underground Storage Tank Trust Fund.

Sources: 2002-03 Governor's Budget
2002 STIP Fund Estimate

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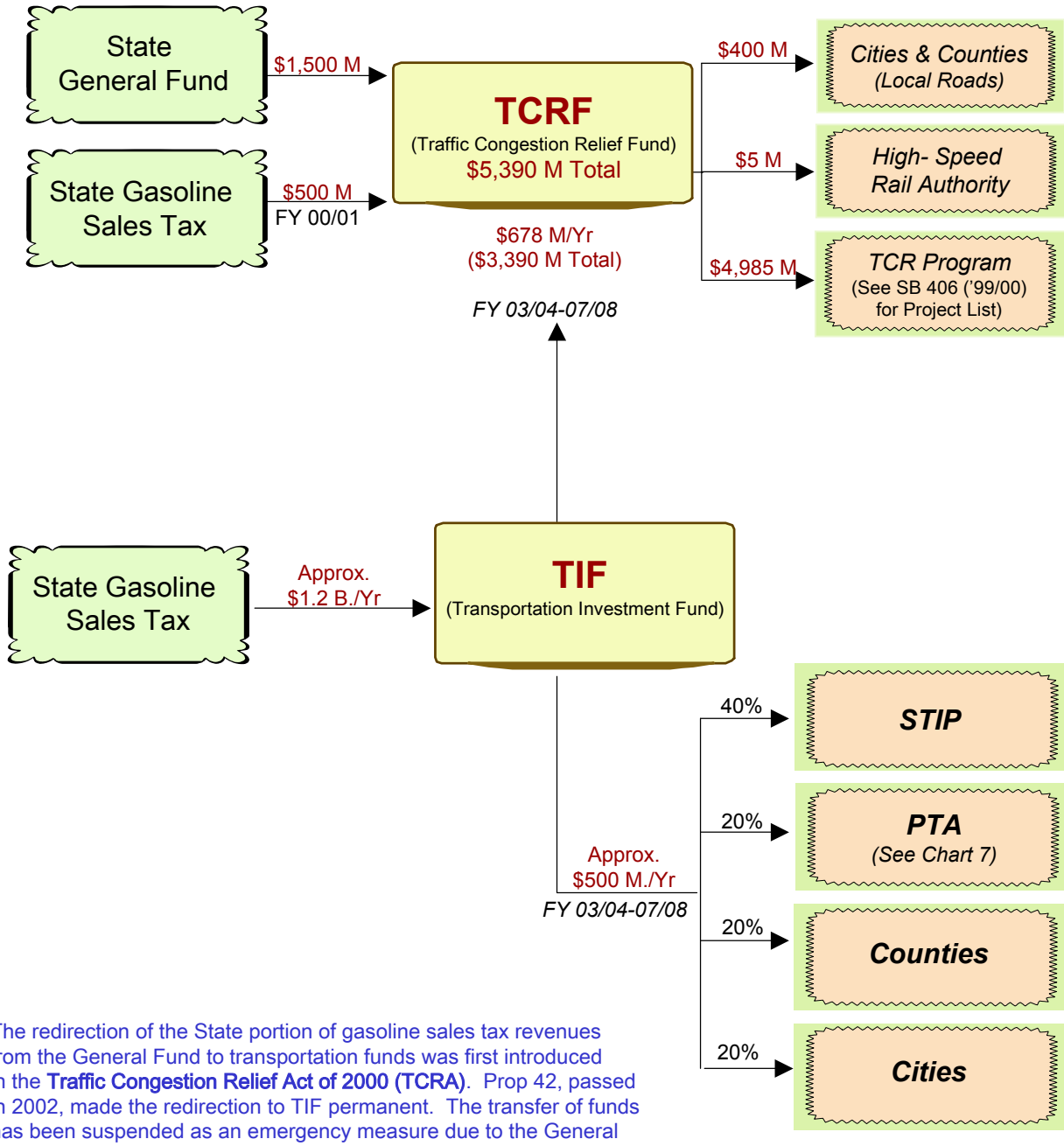
TCRA & PROPOSITION 42 *

(State Gasoline Sales Tax)



* The redirection of the State portion of gasoline sales tax revenues from the General Fund to transportation funds was first introduced in the **Traffic Congestion Relief Act of 2000 (TCRA)**. Prop 42, passed in 2002, made the redirection to TIF permanent. The transfer of funds has been suspended as an emergency measure due to the General Fund shortfalls (California State Constitution, Article XIX B).

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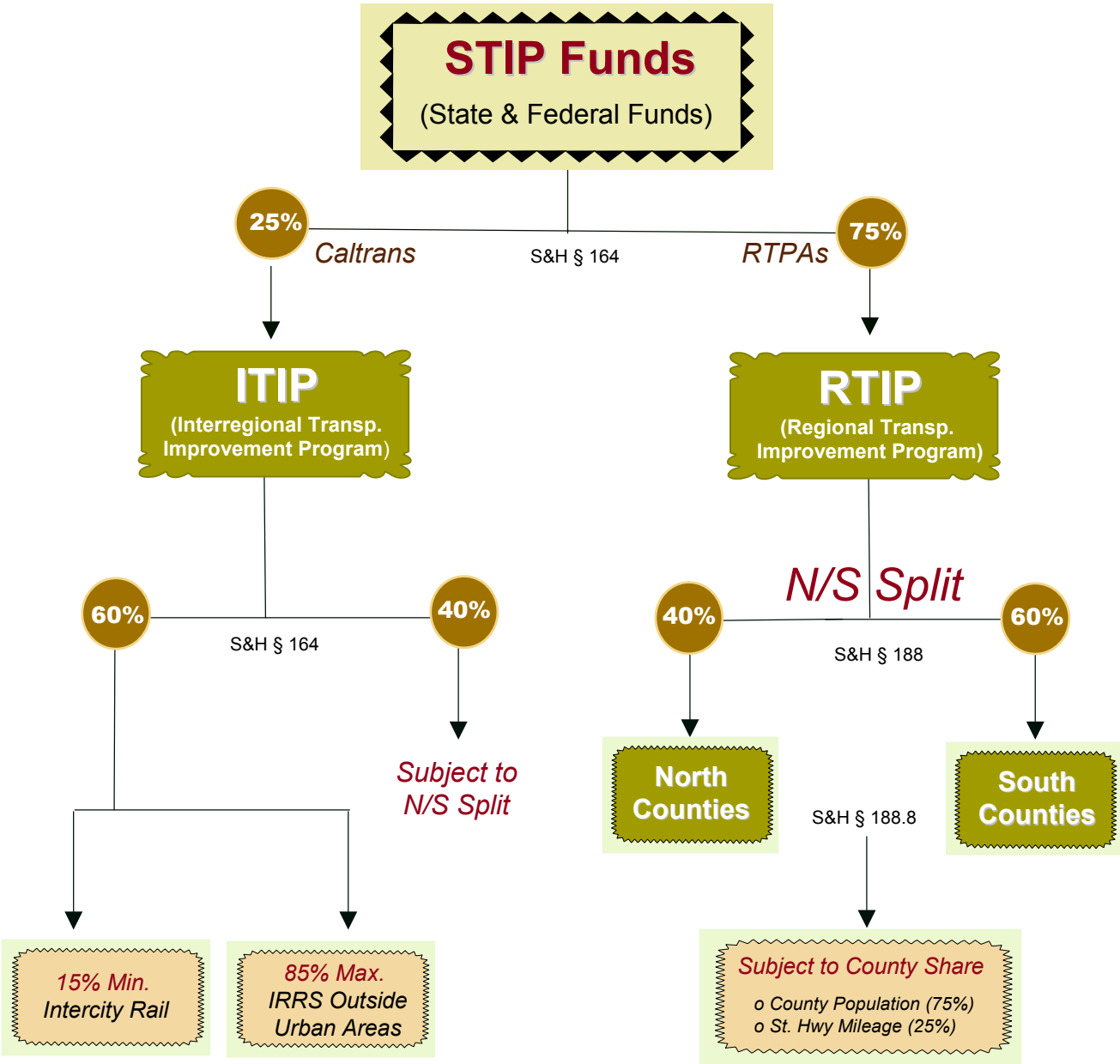
Chart 4

STIP Fund Allocation

State/Region, North/South Splits & County Shares



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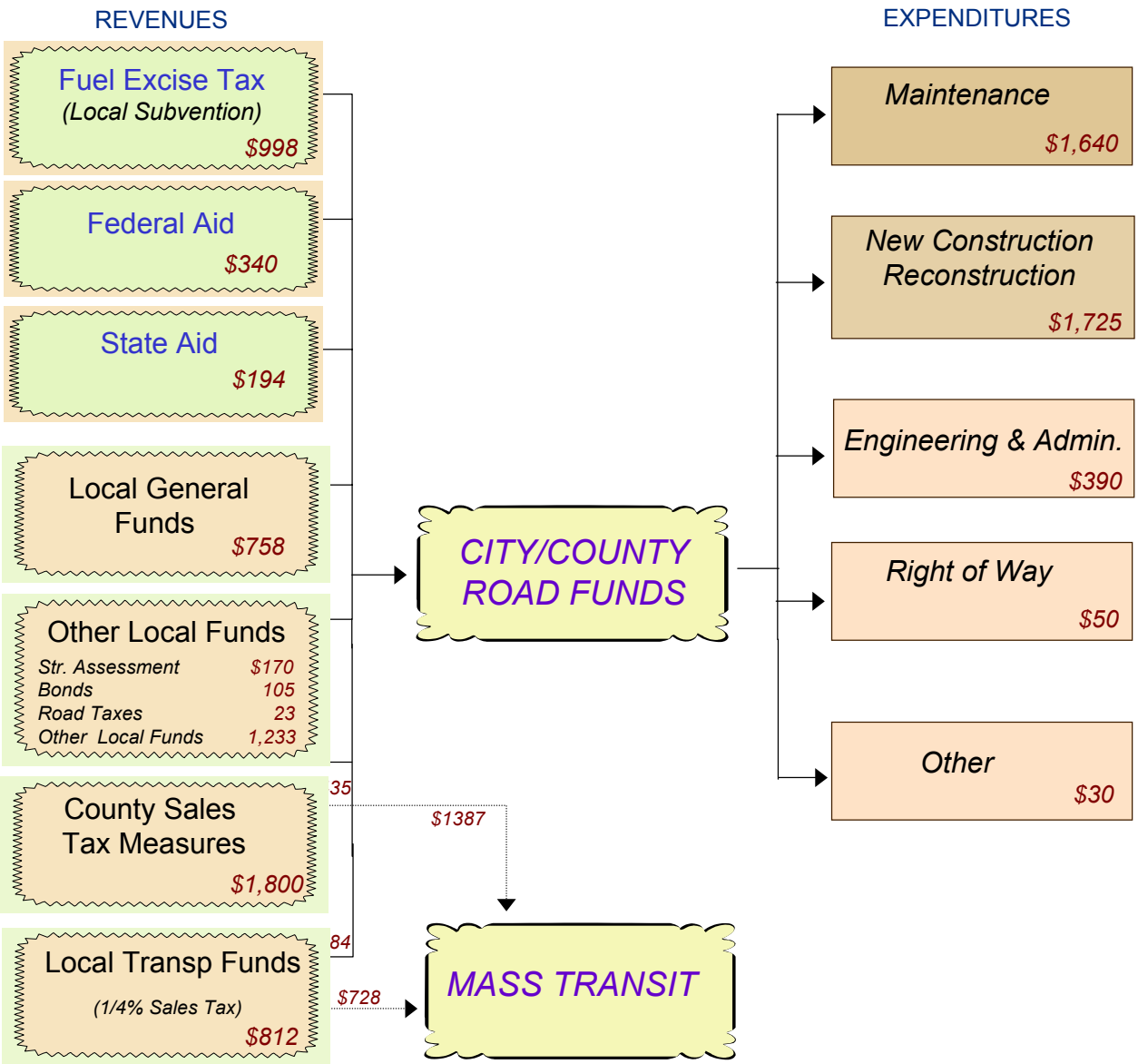
LOCAL STREET & ROAD FUNDING

(Million Dollars, 1998-99)



Source: State Controller, Annual Reports of Financial Transactions:
Streets and Roads
Transit Operators
Transportation Planning Agencies

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Countywide Transportation Sales Tax Measures

Transit Districts (Permanent ½% Taxes)

- BART *(S.F., Alameda, Contra Costa)*
- LACMTA *(1% Tax)*
- San Mateo
- Santa Clara
- Santa Cruz

"Self-Help" (Temporary ½% Taxes)

County	Duration	Est. Revenue*
Alameda	2002-2022	$2.8 billion
Contra Costa	1989-2034	$4.0 billion
Fresno	1987-2007	$900 million
Imperial	1990-2010	$150 million
Madera	1990-2005	$70 million
Marin	2005-2025	$500 million
Orange	1991-2011	$4.7 billion
Riverside	1989-2039	$12.6 billion
Sacramento	1989-2039	$7.5 billion
San Bernardino	1990-2040	$12.0 billion
San Diego	1988-2048	$24.0 billion
San Francisco	1990-2034	$3.0 billion
San Joaquin	1991-2011	$750 million
San Mateo	1989-2033	$3.0 billion
Santa Barbara	1990-2010	$500 million
Santa Clara	1996-2036	$7.8 billion
Sonoma (1/4%)	2005-2025	$550 million

* inflation adjusted

Article XIIIB of the State Constitution provides the authority and requirements for the imposition of local sales tax measures subject to voter approval.

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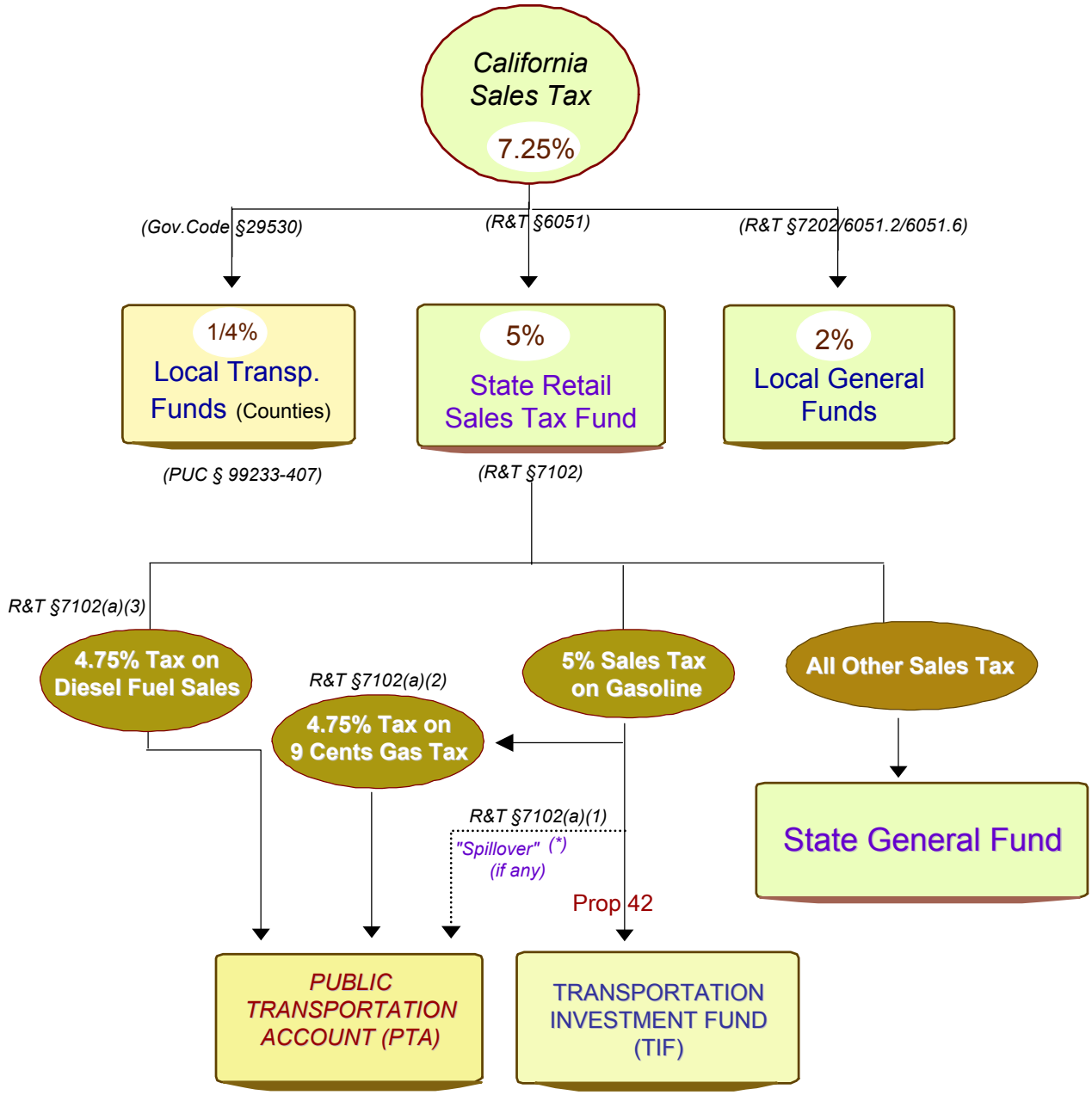
Allocation of General Sales Tax



(*) Gasoline "Spillover"= 4.75% x all taxable sales - 5% x all taxable sales except gasoline. This is the state portion of the gasoline sales tax revenues in excess of the ¼% general sales tax revenues earmarked for the Local Transportation Funds (LTF).

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Public Transportation Account (PTA)

R&T §7102

PTA

- State Sales Tax on Diesel Fuel
- Sales Tax on 9 cents Gas Tax
- Gasoline "Spillover" (*)
- SHA - Non-Article XIX Funds (per AB 2928 TCRA)
- TIF - (per Prop 42)

PUC §99312

25% *§99313* →

RTPAs

State Transit Assistance (STA)

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

25% *§99314* →

RTPAs

State Transit Assistance (STA)

- *o Allocate to transit operators (based on share of fare revenue)*

50% *§99315* →

Caltrans

(State Transit Programs)

- o *Intercity Passenger Rail & Feeder Bus Operations*
- o *Caltrans (planning/support)*
- o *CTC*
- o *ITS (research)*
- o *PUC (passenger rail support)*
- o *High-Speed Rail Authority*
- o *Rail Capital Projects (STIP)*

(*) Gasoline "Spillover"= 4.75% x All Taxable Sales - 5% x All Taxable Sales except Gasoline.

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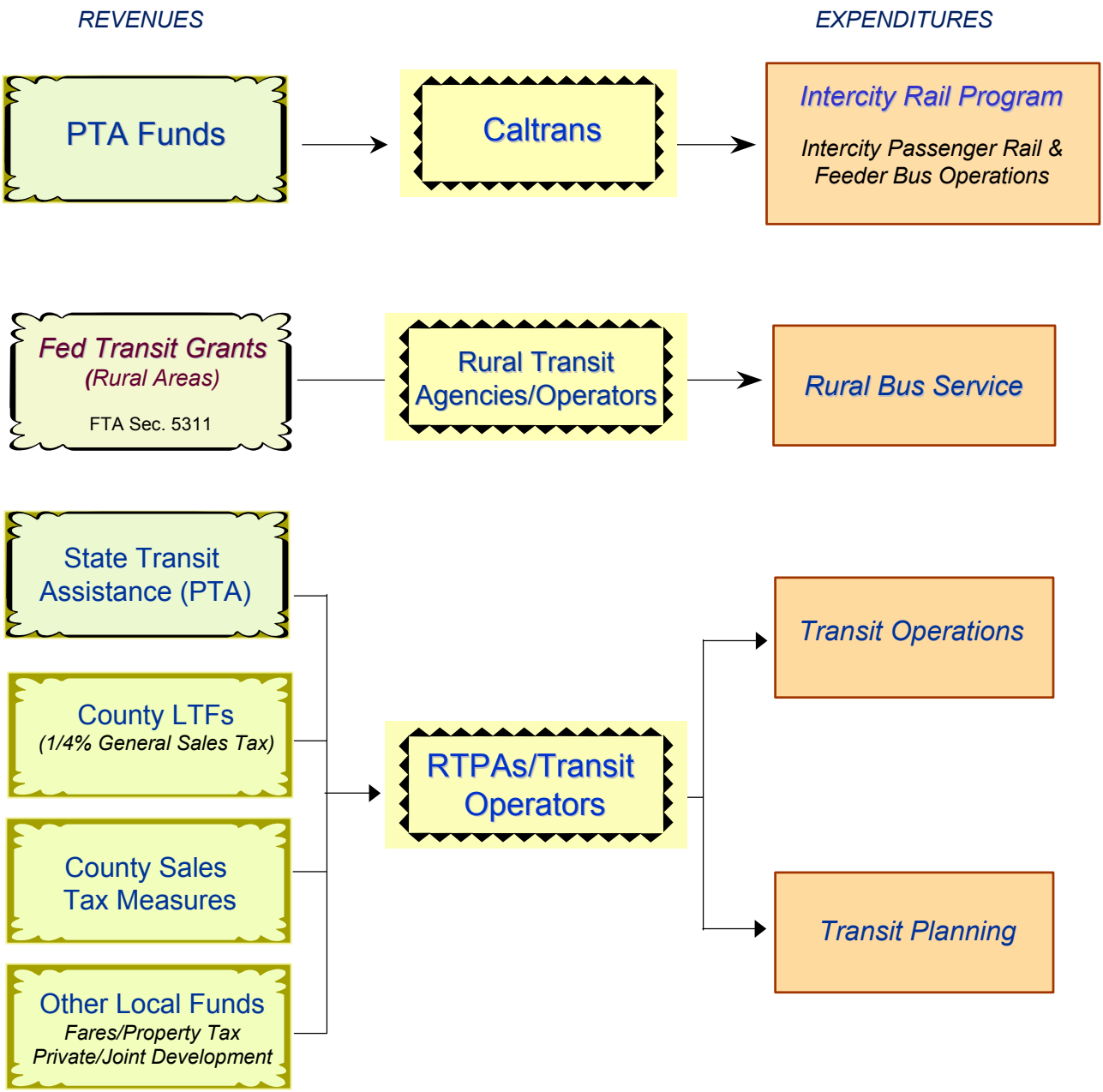
Transit & Rail Operations Funding



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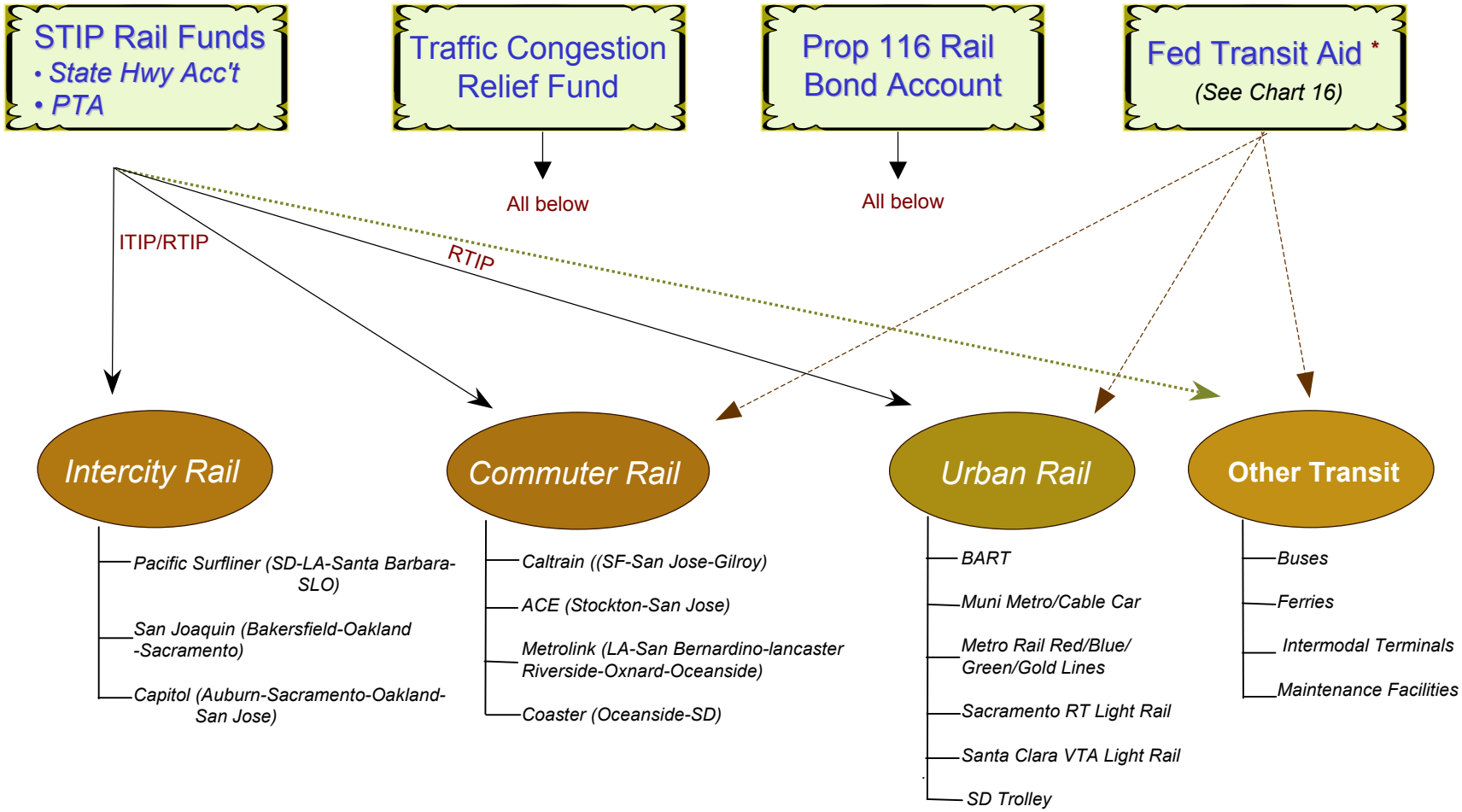
Transit & Rail Capital Funding



* *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.*

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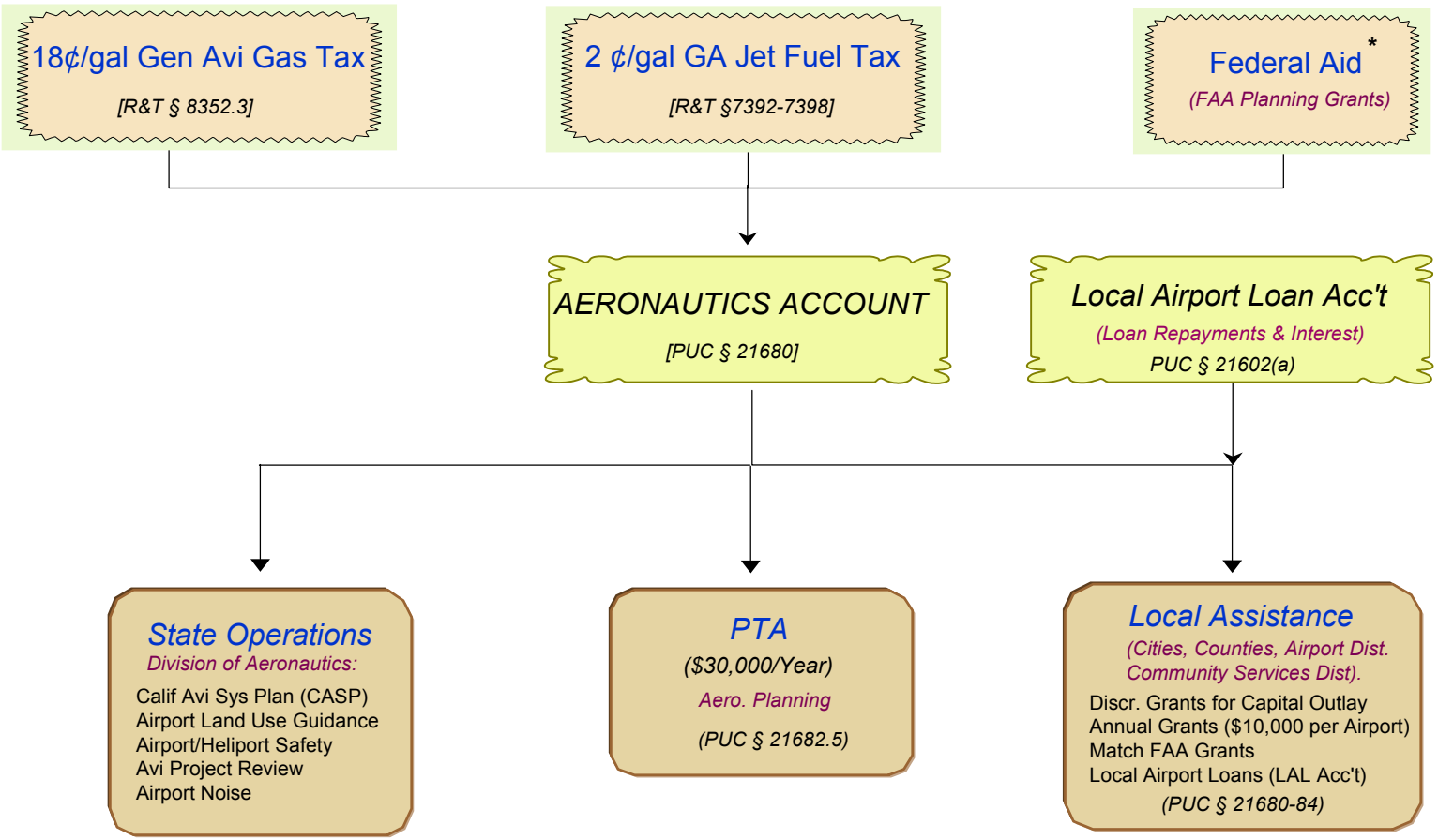
State Aviation Funding



* *FAA aid to airports goes directly to the airport sponsors.*

Source: Division of Aeronautics, Caltrans.

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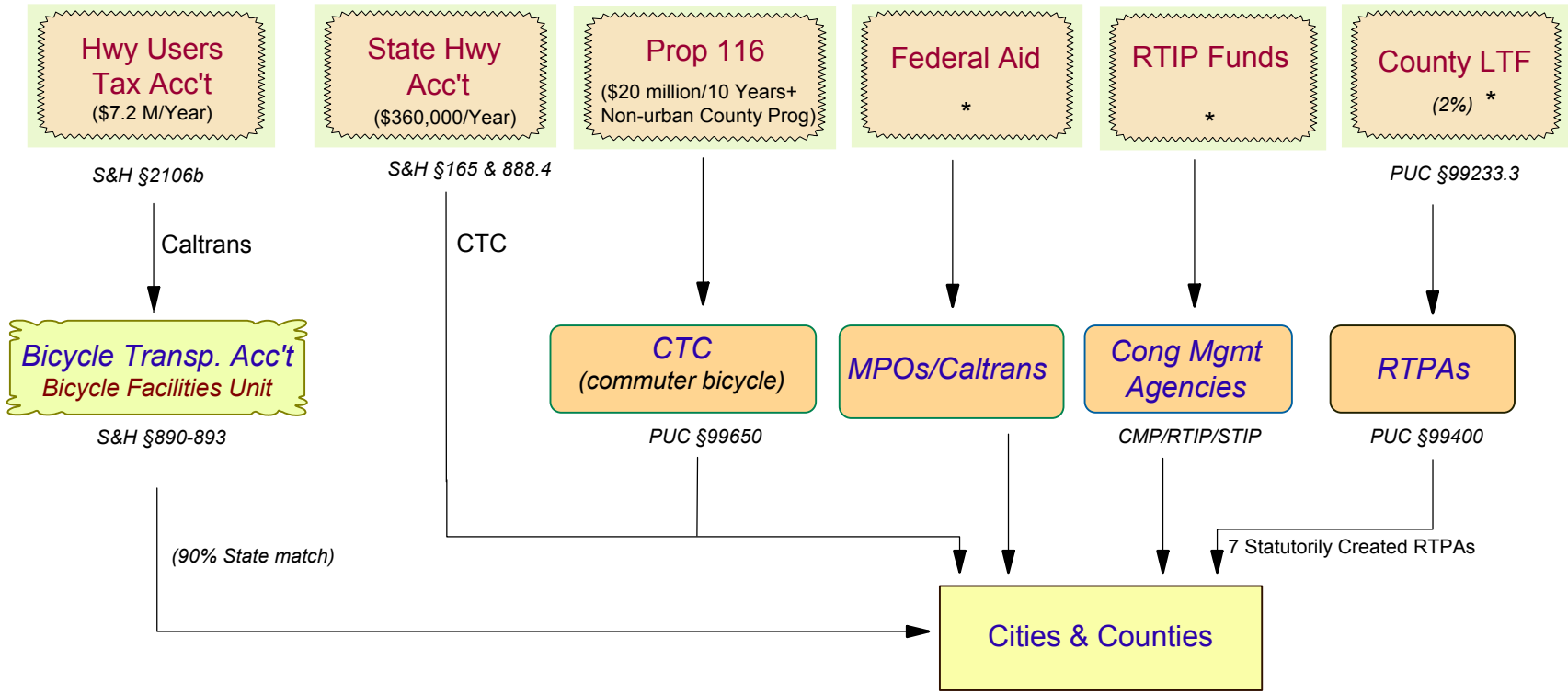
Non-Motorized Transportation Funding

(Bicycle/Pedestrian Facilities)



* 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.

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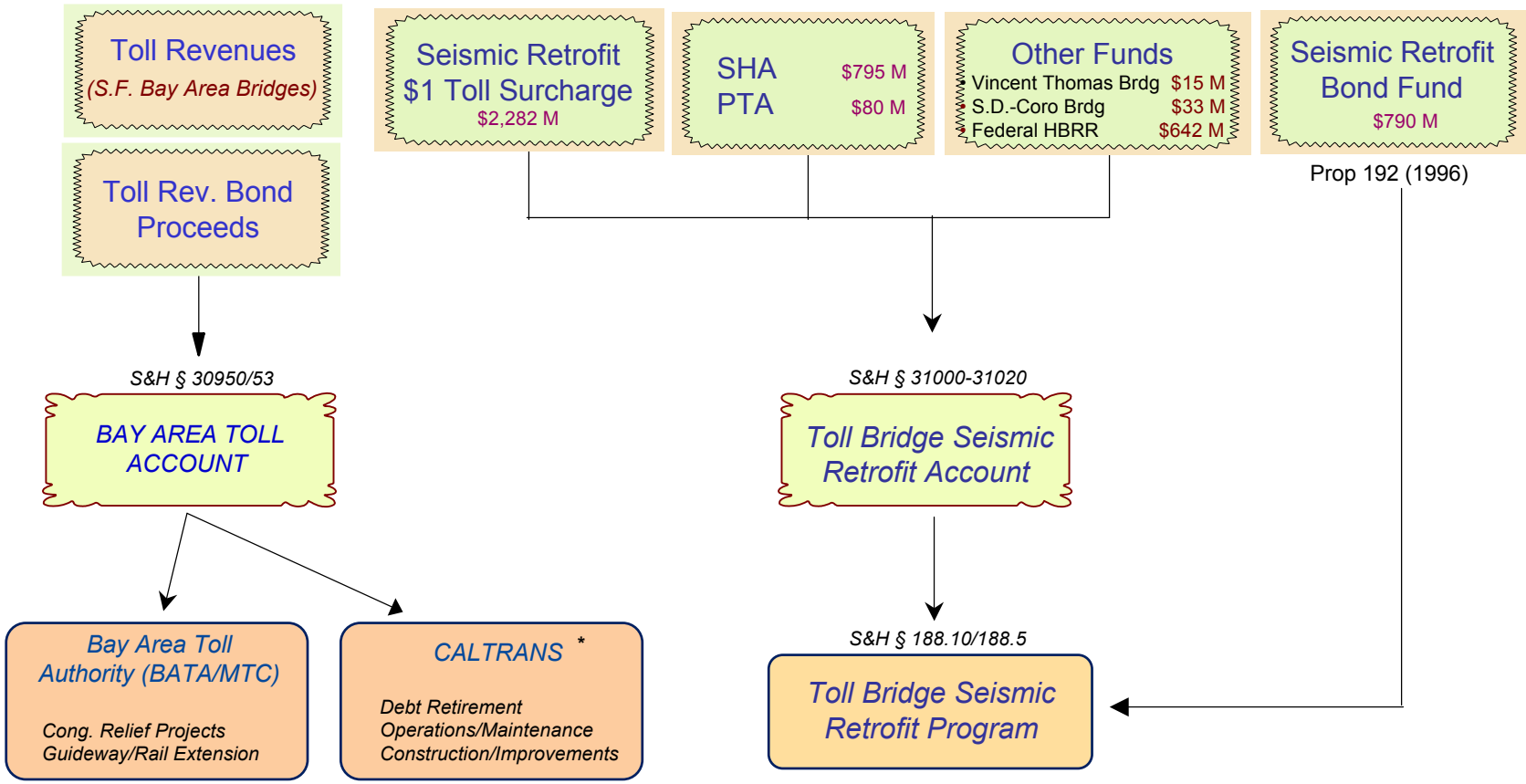
State Toll Bridge & Seismic Retrofit Funding



(*) Caltrans collects tolls and is responsible for the maintenance and capital improvements on all state-owned toll bridges.

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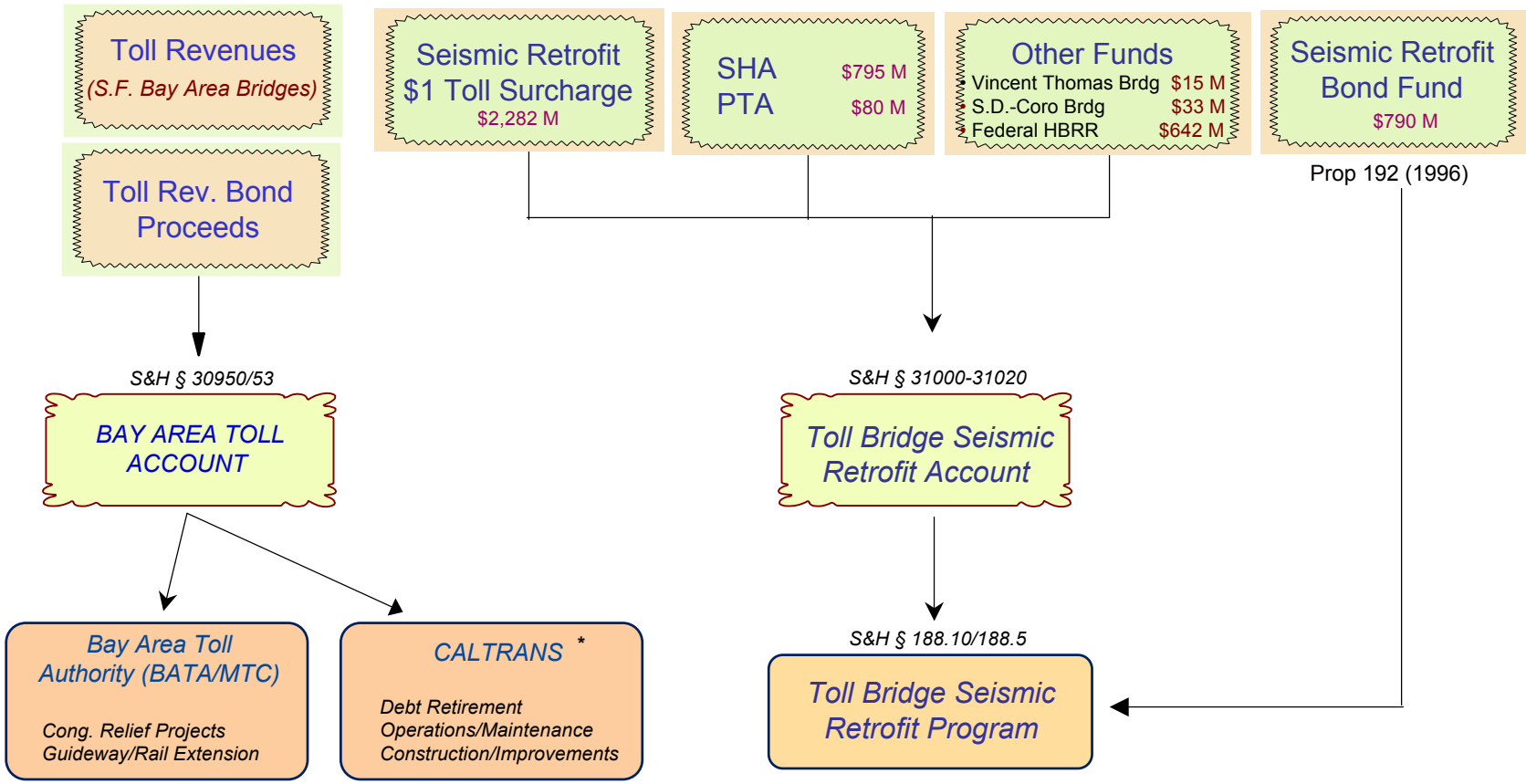
State Toll Bridge & Seismic Retrofit Funding



(*) Caltrans collects tolls and is responsible for the maintenance and capital improvements on all state-owned toll bridges.

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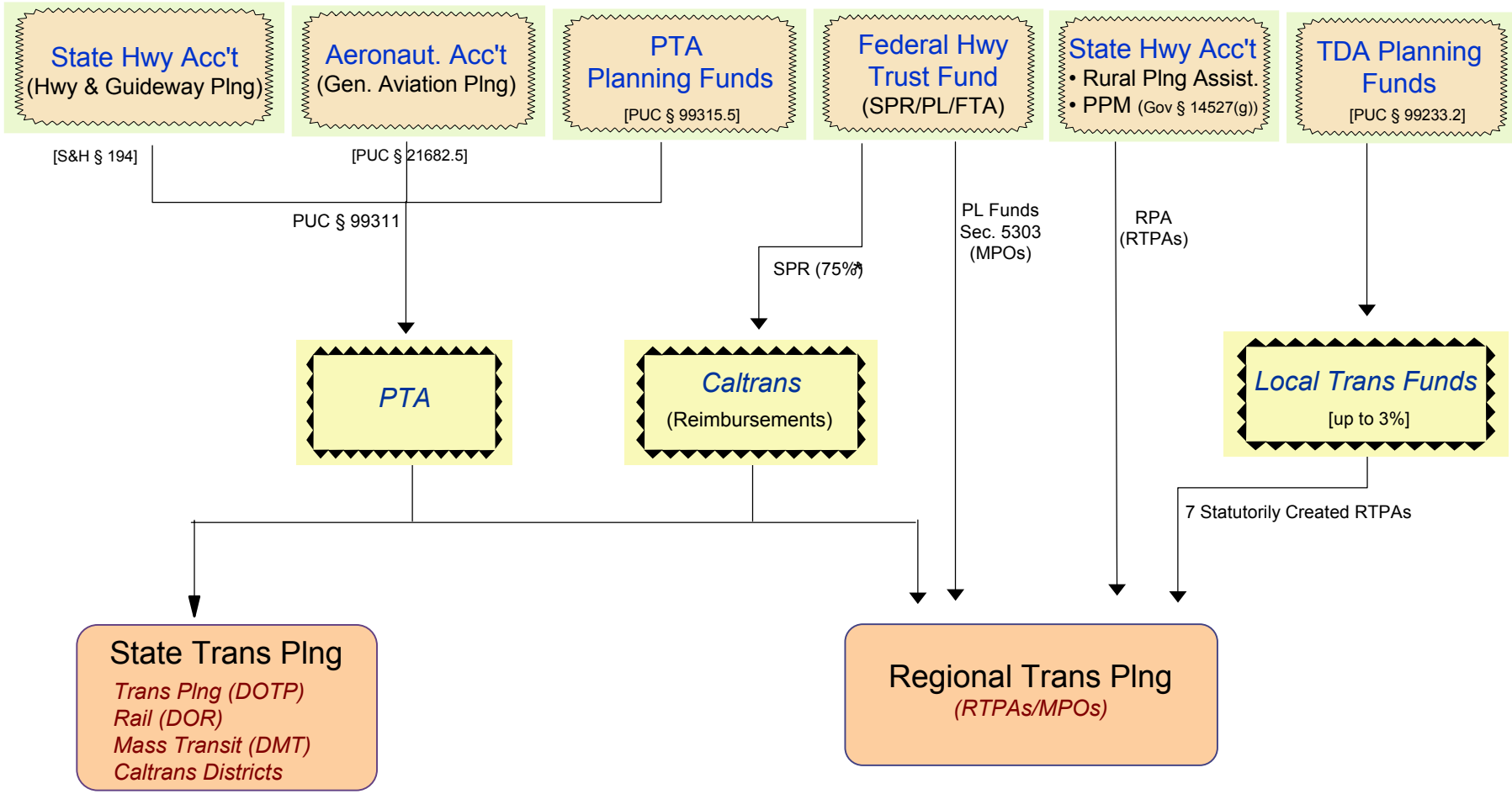
Transportation Planning Funds



* The remaining 25% of the SPR funds are used for research.

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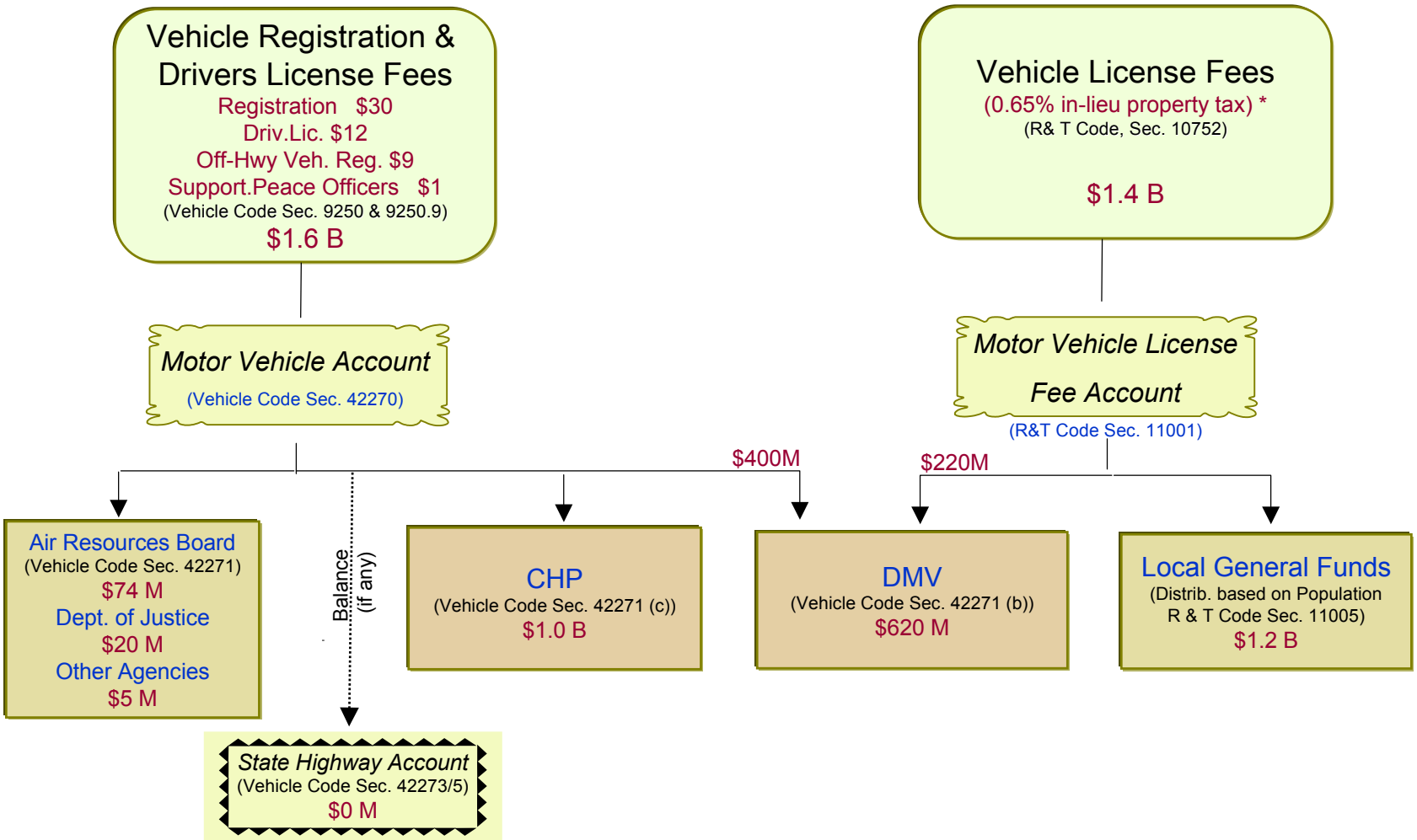
Motor Vehicle Fees



* 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.

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Transportation Equity Act of 1998 (TEA21)

Federal-Aid Highway Programs 1998-2003

(Estimated California Apportionments)

	PROGRAM	*DESCRIPTION/PROVISIONS*
1)	Bridge Program *($1,700 M)*	*Continues Bridge Repl. & Rehab. for all bridges and Discr. for on-system bridges; permits seismic retrofit as eligible.* *Up to 50% of State's Bridge funds may be transferred to NHS or STP.*
2)	Interstate Maintenance *($2,210 M)*	*Funds resurfacing, restoring, rehab. and reconstruction of Interstate system, interchanges, & overcrossings along the system also qualify.* *Provides flexibility to the states to fully utilize remaining unobligated balances of prior interstate construction authorizations.*
3)	National Highway System (NHS) *($2,860 M)*	*A 163,000 mile National Highway System, to be designated, consisting of Interstate highways & major Primary roads.* *States may transfer up to 50% of NHS funds to other road 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 lanes miles of principal arterials, vehicle miles, and diesel fuel type.*
4)	Surface Transp. Program (STP) *($3,465 M)*	*Authorizes funds for highways, transit capital, bicycles & traffic operations, management & other on Fed-aid roads and all bridges.* *Expands eligibility to reduce cold start emissions, sidewalks modifications, and infrastructure capital improvements.* *Funds distributed to states by formula, 10% for safety, 10% for TEA, and 15% may be spent on rural collectors.*
5)	Congestion Mitigation & Air Quality (CMAQ) *($1,800 M)*	*Funds returned to states by population in non-attainment areas adjusted by a pollution severity factor.* *Eligible projects limited to those that contribute to region's ability to attain federal Clean Air Act standards.*
6)	Other Programs *($1,560 M)*	o Federal/Public Lands Hwys, Recr. Trails o High Speed/Maglev Rail o Planning & Research o Border Infrastructure, Safety Incentives o High Priority Projects o Minimum Guarantee

Total California Apportionments *$13,620 Million*
Total Obligational Authority *$12,038 Million*

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Transportation Equity Act of 1998

Federal-Aid Transit Programs

	PROGRAM	DESCRIPTION/PROVISIONS
1)	Section 5309 (Capital Investment Grants)	*Capital investment grant program for New Starts projects, fixed guideway, rail and bus modernization.*
2)	Section 5303 (Metro. Planning)	*A General Fund program for development of plans and programs for urbanized areas (over 50,000 population).* *Apportionment's by formula to States for MPOs in urbanized areas; requires 20% local match.*
3)	Section 5307 (Urbanized Area Grant)	*91.23% of the grant program funding is for all urbanized areas 50,000 or more. Transit operating assistance continued only in areas below 200,000.* *All funds can be used for capital purposes. Operating assistance for larger areas is no longer an eligible expense.* *In areas over 200,000, at least 1% of the funds must be used for transit enhancement activities.*
4)	Section 5310 (Elderly/Disabled Transit)	*This program receives 2.4 percent of formula funding available for special needs of elderly and disable individuals.* *Funds statutorily apportioned to States (Governor) based on population of elderly & disabled.*
5)	Section 5311 (Non-Urbanized)	*A formula grant program available in proportion to each state's nonurbanized population.* *Funding may be used for capital, operating, state administration, and project administration expenses.*
6)	Section 5313-14 (Planning/Research)	*Grants for a new State Planning & Research program (funded by Mass Transit Acc't & Fed General Fund).*
7)	Section 5308 (Clean Fuels)	*This new program provides fund to purchase clean fuel vehicles.* *Funds distributed by formula requiring 2/3 for urban areas (over 1 million) and 1/3 for under 1 million population.*

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