

2014

STATE TRANSPORTATION IMPROVEMENT PROGRAM FUND ESTIMATE

Adopted by California Transportation Commission
August 6, 2013



Prepared by California Department of Transportation
California State Transportation Agency



2014 STATE TRANSPORTATION IMPROVEMENT PROGRAM FUND ESTIMATE

Edmund G. Brown, Jr.
Governor
STATE OF CALIFORNIA

Brian P. Kelly
Secretary
California State Transportation Agency

Malcolm Dougherty
Director
California Department of Transportation



The 2014 State Transportation Improvement Program Fund Estimate Book was prepared by the California Department of Transportation, Division of Budgets, Revenue Forecasting and Financial Analysis Branch, and is available online at <http://www.dot.ca.gov/hq/transprog/ctcliaison.htm>

This page left blank for reprographic purposes.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
<i>Challenges</i>	<i>2</i>
INTRODUCTION.....	4
<i>The 2014 STIP Fund Estimate</i>	<i>4</i>
<i>Methodology</i>	<i>5</i>
<i>Changes to Legislation</i>	<i>7</i>
STATE TRANSPORTATION IMPROVEMENT PROGRAM FUND ESTIMATE	9
COUNTY AND INTERREGIONAL SHARE ESTIMATES	12
APPENDICES	20
<i>Appendix A – State Highway Account and Federal Trust Fund.....</i>	<i>21</i>
<i>Appendix B – Public Transportation Account.....</i>	<i>28</i>
<i>Appendix C – Proposition 1A and 1B Bonds.....</i>	<i>31</i>
<i>Appendix D – Toll Bridge Seismic Retrofit Program.....</i>	<i>44</i>
<i>Appendix E – 2014 STIP Fund Estimate Assumptions by Fund.....</i>	<i>46</i>
<i>Appendix F – Statutes Regarding the STIP Fund Estimate.....</i>	<i>53</i>
<i>Appendix G – Resolution to Adopt the 2014 STIP Fund Estimate</i>	<i>58</i>

This page left blank for reprographic purposes.

ACRONYMS AND ABBREVIATIONS

AB	Assembly Bill
ABX	Assembly Bill of an Extraordinary Session
Act	Federal Highway Act
ATP	Active Transportation Program
BATA	Bay Area Toll Authority
CMIA	Corridor Mobility Improvement Account
Commission/CTC Controller	California Transportation Commission State Controller's Office
COS	Capital Outlay Support
Department/Caltrans	California Department of Transportation
EPA	Environmental Protection Agency
FE	Fund Estimate
FTF	Federal Trust Fund
GARVEE	Grant Anticipation Revenue Vehicle(s)
GC	Government Code
GF	General Fund
GO	General Obligation
HBRR	Highway Bridge Replacement and Rehabilitation
HRCSA	Highway-Railroad Crossing Safety Account
HSRPA	Highway, Safety, Rehabilitation and Preservation Account
HUTA	Highway Users Tax Account
ITIP	Interregional Transportation Improvement Program
LA	Local Assistance
LBSRA	Local Bridge Seismic Retrofit Account
MAP-21	Moving Ahead for Progress in the 21st Century Act
NHTSA	National Highway Traffic Safety Agency
OA	Obligation Authority
PPM	Planning, Programming, and Monitoring
PTA	Public Transportation Account
PTMISEA	Public Transportation Modernization, Improvement & Service Enhancement Account
R&TC	Revenue & Taxation Code
R/W	Right-of-Way
S&HC	Streets & Highways Code
SB	Senate Bill
SHA	State Highway Account
SHOPP	State Highway Operation and Protection Program

ACRONYMS AND ABBREVIATIONS (CONTINUED)

SHS	State Highway System
SLPP	State-Local Partnership Program
SMIF	Surplus Money Investment Fund
SR 99	State Route 99 Account
STA	State Transit Assistance
STIP	State Transportation Improvement Program
STO	State Treasurer's Office
TAP	Transportation Alternatives Program
TBRA	Toll Bridge Retrofit Account
TBRF	Toll Bridge Retrofit Fund
TBSRA	Toll Bridge Seismic Retrofit Account
TBSRP	Toll Bridge Seismic Retrofit Program
TCIF	Trade Corridors Improvement Fund
TCRF	Traffic Congestion Relief Fund
TCRP	Traffic Congestion Relief Program
TDIF	Transportation Deferred Investment Fund
TE	Transportation Enhancements
TFA	Transportation Facilities Account
TIF	Transportation Investment Fund
TMS	Traffic Management Systems

EXECUTIVE SUMMARY

On August 6, 2013, the California Transportation Commission (Commission) adopted the 2014 State Transportation Improvement Program (STIP) Fund Estimate (FE). The STIP FE is a biennial estimate of all resources available for the state's transportation infrastructure over the next five-year period, and establishes the program funding levels for the STIP and the State Highway Operation and Protection Program (SHOPP). The 2014 STIP FE period covers state fiscal years 2014-15 through 2018-19.

STIP Capacity

STIP projects add capacity to the state's transportation infrastructure. The 2014 STIP FE includes a total estimate of \$3.5 billion in program capacity over the five-year FE period. Program capacity represents the total value of projects that can be funded each year, which includes construction, right-of-way (R/W), and support. Support consists of preliminary engineering, planning, design, and construction engineering. The 2014 STIP FE displays a new, estimated STIP program capacity of almost \$1.3 billion over the FE period. For comparison, the 2012 STIP FE forecasted \$1.5 billion in new STIP program capacity over the five-year period FE period. As a result of the new STIP program capacity forecasted in the 2014 STIP FE, some projects currently programmed in the STIP may need to be delayed (reprogrammed into a later year).

2014 STIP FE								
STIP Program Capacity								
(\$ in millions)								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
2014 STIP FE Target Capacity	\$739	\$755	\$680	\$675	\$675	\$670	\$3,455	\$4,194
2012 STIP Program	\$739	\$732	\$741	\$720	0	0	2,193	2,932
New STIP Program Capacity	\$0	\$23	(\$61)	(\$45)	\$675	\$670	\$1,262	\$1,262
Cumulative Difference	\$0	\$23	(\$38)	(\$83)	\$592	\$1,262		
Estimated Capital Allocation Capacity	\$620	\$635	\$560	\$550	\$560	\$550		

Note: Individual numbers may not add to total due to independent rounding.

- STIP capacity **does not** include federal commitments for Transportation Enhancements (TE) because Moving Ahead for Progress in the 21st Century (MAP-21), the current Federal Transportation Act, eliminated dedicated funding for TE.
- STIP capacity in the future will continue to depend primarily on retail prices and consumption of gasoline and diesel. Both of these sources are difficult to forecast with any certainty due to the current economic climate.



SHOPP Capacity

SHOPP projects consist of major rehabilitation work on the State Highway System (SHS). The 2014 STIP FE forecasts SHOPP program capacity of \$11.4 billion over the five-year FE period. Similar to the STIP, SHOPP program capacity represents the total value of projects that can be funded each year, and includes construction, R/W, and support. New SHOPP capacity of over \$7.3 billion is estimated over the FE period. In comparison, the 2012 STIP FE displayed a forecast of \$6.0 billion in new SHOPP program capacity.

2014 STIP FE SHOPP Program Capacity (\$ in millions)								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
2014 STIP FE SHOPP Target Capacity	\$2,000	\$2,200	\$2,300	\$2,300	\$2,300	\$2,300	\$11,400	\$13,400
2012 SHOPP Program	2,325	2,032	2,063	0	0	0	4,095	6,420
New SHOPP Program Capacity	(\$325)	\$168	\$237	\$2,300	\$2,300	\$2,300	\$7,305	\$6,980
Cumulative Difference	(\$325)	(\$157)	\$80	\$2,380	\$4,680	\$6,980		
Estimated Capital Allocation Capacity	\$1,490	\$1,650	\$1,700	\$1,700	\$1,700	\$1,700		

Note: Individual numbers may not add to total due to independent rounding.

- The State Highway Account (SHA), the primary funding source of the SHOPP, has a cash balance that is highly volatile in nature, fluctuating daily.
- The SHOPP is constrained over the entire FE period. While the 2014 STIP FE forecasts an average of \$2.3 billion of SHOPP program capacity each year over the FE period, the annual SHOPP goal-constrained need is roughly \$8.2 billion as identified in the 2013 Ten-Year SHOPP Plan. As a result of the approximately \$5.9 billion annual shortfall, potential impacts may include delays of needed projects, an inability to fix new and/or ongoing deterioration of the highways, and cost increases over the FE period.

Challenges

Various risks exist that may impact the forecasted program capacity for the SHOPP and the STIP, including:

- **Corporate Average Fuel Economy (CAFE) standards.** The National Highway Traffic Safety Administration and the Environmental Protection Agency issued a joint final rule, establishing a new national program, to regulate model year 2012 through 2025 passenger cars and light trucks. The intent of the new national program is to improve vehicle fuel economy and reduce greenhouse gas emissions. Under the CAFE standards, each light vehicle model produced for sale in the United States will have a fuel economy target (increasing over time through model year 2025). Consequently, vehicles will be able to drive greater distances while consuming less fuel over time. Due to the difficulty of estimating CAFE standard vehicle penetration rates into the market and their corresponding annual vehicle

miles traveled, any differences in fuel consumption from the projection levels contained herein have the potential to impact program capacity.

- **Alternative Fuel Vehicles.** The state's innovative vehicle standards have progressed to the point where alternative fuel vehicles are emerging in the market. Investments in alternative fuels and vehicle technologies include, but are not limited to, electric drive, hydrogen, natural gas, propane, biofuels, etc. The current fuel tax structure is based on vehicles operating using petroleum-based fuels. As alternative fuel vehicles gain greater market share, the state will need to explore a tax structure that is equitable to all fuel types in order to maintain current fuel tax revenue levels.
- **Federal Highway Act (Act) expiration.** On July 6, 2012, MAP-21 was signed into law. MAP-21 funds surface transportation programs for federal fiscal years (FFY) 2013 and 2014. However, MAP-21 is set to expire on September 30, 2014. Historically, Congress has issued continuing resolutions to keep transportation funding consistent. Without a new Act or continuing resolution, there is no assurance of federal funding levels, which could pose significant risks of over-programming resources as identified in the 2014 STIP FE.
- **Gasoline Excise Tax Revenue Neutrality.** On July 1, 2013, the excise tax on gasoline increased by 3.5 cents per gallon from a rate of 36 cents to 39.5 cents per gallon. Assembly Bill 6 of the Eighth Extraordinary Session of 2009-10 (ABX8 6), Ch. 11, and Senate Bill (SB) 70, Ch. 9, lowered the sales and use tax rate on gasoline and increased the excise tax rate on July 1, 2010. Furthermore, it required the annual sales and excise taxes paid on gasoline to remain revenue neutral, ensuring the state will receive the same amount of revenue despite changes in tax laws. Since excise tax revenues are dependent upon gasoline consumption and the price of gasoline, any significant increases or decreases in either could impact the revenue and capacity assumptions contained in the 2014 STIP FE.

INTRODUCTION

Section 14524 of the Government Code (GC) requires the California Department of Transportation (Department) to develop a biennial State Transportation Improvement Program (STIP) Fund Estimate (FE). The FE includes a forecast, in annual increments, of all federal and state funds available for programming in the next STIP and a plan to manage these funds over the subsequent five years. The 2014 STIP FE covers the period from 2014-15 through 2018-19, with 2013-14 included as the base year.

Sections 14524 and 14525 of the GC require the Department to present a FE to the California Transportation Commission (Commission) by July 15th, and the Commission to adopt a FE by August 15th of each odd-numbered year, respectively. Section 14529(d) of the GC requires the Commission to adopt a STIP based on the funding levels identified in the adopted FE by April 1 of each even-numbered year. On August 6, 2013, the Commission adopted the funding levels indicated in the 2014 STIP FE. Listed below are the dates and milestones used for the development of the 2014 STIP FE.

<u>Date</u>	<u>Milestone</u>
May 7, 2013	The Commission approved the 2014 STIP FE Assumptions.
June 11, 2013	The Department presented the Draft 2014 STIP FE.
August 6, 2013	The Commission adopted funding levels as identified in the Proposed 2014 STIP FE for the 2014 STIP.

The 2014 STIP Fund Estimate

The STIP and the State Highway Operation and Protection Program (SHOPP) comprise the major portion of the state's transportation infrastructure program. The primary source of funds for the STIP is a portion of the 21.5 cent/gallon excise tax on gasoline (also known as the price-based excise tax). The primary sources of funds for the SHOPP are excise tax on fuel and federal excise tax on motor vehicle fuels as well. Article XIX of the California Constitution currently protects both state excise tax on fuel and resources in the Public Transportation Account (PTA) that fund transit STIP, from diversions for non-transportation purposes.

Methodology

The Commission, in consultation with the Department, Regional Transportation Planning Agencies, and county transportation commissions, determined the methodology and assumptions used to develop the 2014 STIP FE. The Commission approved the methodologies and assumptions at its meeting on May 7, 2013. Listed below are significant methodologies included in the 2014 STIP FE. A summary of the approved assumptions are included in Appendix E.

- A cash flow model is used in the development of the FE tables. This model displays a forecast of new target program capacity based on the cash flow required to manage commitments and the allocation of capital projects. The Department developed program expenditure and cash flow estimates by working with each respective Division within the Department.
- Section 14524(c) of the GC requires the FE to display revenues that are based on current statutes and the most recently enacted state budget. Revenue estimates for future periods utilize historical trends and the economic outlook as a basis.
- Section 14525.1 of the GC requires the FE to forecast expenditures using the most recently enacted Budget, adjusted for annual inflation. The Department of Finance (DOF) Budget Letter (BL) 12-23 assumes a price escalation rate of 2.2 percent for select state operations expenditures, not including capital outlay support. Therefore, the FE reflects a 2.2 percent annual escalation for state operations covering 2014-15 through 2018-19.
- Per Section 47 of the “Draft 2014 STIP Guidelines,” the Department recommends that local agencies use an escalation rate of 2.2 percent per year for operational expenditures as indicated in the above bullet. The Department recommends that local agencies escalate capital costs by 3.7 percent per year, beginning in 2014-15. This is consistent with the ten-year California Price Index for Selected Highway Construction Items historic rate and the assumption for economic recovery, as noted in assumption SHA 23 and SHA 30 (see Appendix E).
- Senate Bill (SB) 45 (Chapter 622, Statutes of 1997) allows the Commission to leave current levels of programmed project development costs (i.e. pre-construction expenditures) unaltered if expenditures are within 20 percent of the amount programmed for this component. These allowances **are not** included in the 2014 STIP FE. The Department recommends that the Commission consider the impact of this allowance when developing the 2014 STIP.

- The FE contains a calculation whereby available cash balances are used to determine program capacity. Program capacity represents the total construction, right-of-way (R/W) and support costs necessary to fund new projects each year. The conversion to capacity optimizes funding based on historical component expenditures for each program, while taking into consideration the prudent cash balance and annual fluctuations of program levels.
 - The FE tables calculate commitments as project phases that are programmed to begin prior to June 30, 2014. The only exception to this rule is for capital outlay support (COS). The 2014 STIP FE methodology assumes that all pre-construction engineering programmed to begin in 2013-14 will have the accompanying construction engineering programmed in future years as well.

The FE tables **do not** display commitments of any other phases included in target (program) capacity for 2014-15 through 2018-19. These costs need to be considered during the programming process to ensure resources are not over-programmed.

Changes to Legislation

Since the adoption of the 2012 STIP FE on August 10, 2011, enacted legislation has significantly changed state transportation funding. Below are four legislative changes that have impacted the methodology of the 2014 STIP FE.

Elimination of Transportation Enhancement Funding. On July 6, 2012, Moving Ahead for Progress in the 21st Century (MAP-21) was signed into law. MAP-21 funds surface transportation programs for federal fiscal years (FFY) 2013 and 2014, and is the first long-term federal highway authorization enacted since 2005. In addition, MAP-21 restructured the core highway formula programs. One area impacted by the restructuring is the Transportation Enhancements (TE) program. Historically, TE funding was added to STIP program capacity; however, MAP-21 eliminated the dedicated program funding starting in 2012-13. In place of TE, MAP-21 created a new Transportation Alternatives Program (TAP). The TAP is a competitive program and is not included in the STIP.

Gasoline Excise Tax Increase. July 1, 2013, the excise tax on gasoline increased by 3.5 cents per gallon from a rate of 36 cents to 39.5 cents per gallon. Assembly Bill 6 of the Eighth Extraordinary Session of 2009-10 (ABX8 6), Ch. 11, and SB 70, Ch. 9, lowered the sales and use tax rate on gasoline and increased the excise tax rate. The laws require the annual sales and excise taxes paid on gasoline to remain revenue neutral, ensuring the state will receive the same amount of revenue despite changes in tax laws. These laws also mandate that the California State Board of Equalization (BOE) adjust the excise tax rate by March 1 of each year in order to guarantee revenue neutrality.

Active Transportation Program (ATP). The 2013-14 Governor's Budget proposed a shift of approximately \$134 million in state and federal resources into the ATP, a new program, with the intention of reducing greenhouse gas emissions and promoting sustainable communities. However, the enacted budget contains provisional language to suspend the budget authority for the constituent sub-programs (Safe Routes to School, Bicycle Grants, Environmental Enhancement and Mitigation Grants and Transportation Alternatives Program funds), until the Secretary of Transportation convenes a stakeholder group and legislation is enacted to create a revised ATP.

Non-Article XIX transfers. On July 6, 2000, AB 2928 was signed into law, which among other items, added Section 183.1 to the Streets and Highways Code (S&HC). Section 183.1 of the S&HC requires that miscellaneous revenues not subject to Article XIX of the State Constitution should be deposited into the SHA. These revenues include, but are not limited to, the sale of documents, charges for miscellaneous services to the public, condemnation deposits fund investments, rental of state property, or any other miscellaneous uses of property or money.

Section 183.1 was originally created during a period when PTA funding was in short supply. The revenues associated with the statute were transferred from the SHA to the PTA to help the PTA remain solvent. Thereafter, ABX8 9 of 2009-10 was adopted, which eliminated the transfer of miscellaneous revenues from the SHA to the PTA, and instead transferred those



revenues to the Transportation Debt Service Fund (TDSF) for reimbursement to the General Fund (GF) for debt service payments on specified general obligation transportation bonds. Recently, SB 85 (Chapter 35, Statutes of 2013) was adopted to permanently continue the diversion of approximately \$67 million in SHA miscellaneous revenue to the TDSF.

Revenues

Section 14524(c) of the GC requires the FE to base revenue assumptions on existing state and federal statutes; however, existing law cannot guarantee that the Department will realize and/or retain certain revenues over the FE period, particularly in light of recent budgetary actions and proposals. If revenues fall short of projections, the SHA could be at risk to lose federal funding.

STATE TRANSPORTATION IMPROVEMENT PROGRAM FUND ESTIMATE

The State STIP FE is a five-year planning document that is adopted every two years and displays commitments of transportation funds for improving operations for rail, mass transportation, local roads, and the SHS. To develop the STIP, the Department is required to prepare a STIP FE to forecast the total federal and state resources available for transportation over the next STIP period. STIP program capacity is derived from the FE tables of the SHA and Federal Trust Fund (FTF), and the PTA. The SHA and FTF FE tables also display SHOPP capacity over the same five-year period.

- **State Highway Account and Federal Trust Fund** - The SHA and FTF are the sole funding sources for the constrained SHOPP, which is the Department's highest priority. The two accounts also fund STIP highway projects.
 - **SHOPP funding** – SHA revenues dedicated to the SHOPP are derived from the state excise tax on gasoline consumption statewide. The base portion of the excise tax is 18 cents/gallon and the SHA receives approximately 64 percent of the total revenue generated. The price-based portion of the excise tax is 21.5 cents/gallon, but is statutorily required to be adjusted each year based on revenue neutrality with state sales tax on gasoline. From the 21.5 cents/gallon price-based excise tax, the SHA receives a backfill amount equal to projected weight fee revenues, and 12 percent of the remaining balance (see Appendix A for further detail). In addition, the SHA receives a state excise tax on diesel of about 10 cents/gallon, which is also adjusted each year based on revenue neutrality with state sales tax on diesel.

FTF revenues are primarily generated through the state's apportionment of federal excise taxes on gasoline of 18.4 cents/gallon, and diesel of 24.4 cents/gallon. SHA and FTF resources are committed for maintaining and preserving the existing highway system, ensuring efficient operation on the SHS, improving highway safety, and improving the interregional road system.
 - **STIP funding** – SHA revenues dedicated to the STIP are primarily generated from a 44 percent apportionment of the of the 21.5 cents/gallon state price-based excise tax on gasoline (adjusted each year based on consistency with state sales on gasoline), less an estimation of revenues to backfill annual weight fees.
- **Public Transportation Account** - The Department uses the PTA to fund transportation planning, mass transportation, the Intercity Rail program, and transit STIP projects. PTA resources are primarily generated from the sales taxes on diesel fuel.



2014 STIP FE Program Capacity (Target Capacity)

STIP Program Capacity. The table below displays the total and annual program capacities available for the 2014 STIP. Target Capacity represents the total value of projects, including construction, R/W, and support, that can be funded each year. The 2012 STIP Program represents the annual amount of projects programmed each year in the 2012 STIP. “New STIP Program Capacity” is the difference between the 2014 STIP FE Target Capacity and the 2012 STIP, which also identifies any excess or shortage of capacity to fund the current program. Detailed information on resources and expenditures are available in the appendices by fund.

2014 STIP FE STIP Program Capacity (\$ in millions)								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
2014 STIP FE Target Capacity	\$739	\$755	\$680	\$675	\$675	\$670	\$3,455	\$4,194
2012 STIP Program	\$739	\$732	\$741	\$720	0	0	2,193	2,932
New STIP Program Capacity	\$0	\$23	(\$61)	(\$45)	\$675	\$670	\$1,262	\$1,262
Cumulative Difference	\$0	\$23	(\$38)	(\$83)	\$592	\$1,262		
Estimated Capital Allocation Capacity	\$620	\$635	\$560	\$550	\$560	\$550		

Note: Individual numbers may not add to total due to independent rounding.

STIP Highlights

- The 2014 STIP FE estimates STIP program capacity of \$3.5 billion over the five-year FE period. This covers the existing STIP program and adds almost \$1.3 billion in STIP capacity. However, some projects currently programmed in the STIP may need to be delayed (reprogrammed into a later year) until there is additional capacity to cover the shortfall.
- STIP program capacity **does not** include commitments for the federal TE program.
- In the future, new STIP program capacity will continue to depend on the price (due to the increase of excise tax on gasoline being subject to sales price) and the consumption of diesel and gasoline. These factors are difficult to predict with any certainty under current economic circumstances.

SHOPP Program Capacity. The table below displays the total and annual SHOPP program capacities over the FE period. Target Capacity represents the total value of SHOPP projects, including construction, R/W, and support, that can be funded each year after funding existing and ongoing commitments. The 2012 SHOPP Program line represents the SHOPP projects currently programmed each year in the four-year 2012 program. “New SHOPP Program Capacity” is the difference between the 2014 STIP FE Target Capacity and the 2012 SHOPP, and identifies any excess or shortage of program capacity to fund the current program.

2014 STIP FE SHOPP Program Capacity (\$ in millions)								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
2014 STIP FE SHOPP Target Capacity	\$2,000	\$2,200	\$2,300	\$2,300	\$2,300	\$2,300	\$11,400	\$13,400
2012 SHOPP Program	2,325	2,032	2,063	0	0	0	4,095	6,420
New SHOPP Program Capacity	(\$325)	\$168	\$237	\$2,300	\$2,300	\$2,300	\$7,305	\$6,980
Cumulative Difference	(\$325)	(\$157)	\$80	\$2,380	\$4,680	\$6,980		
Estimated Capital Allocation Capacity	\$1,490	\$1,650	\$1,700	\$1,700	\$1,700	\$1,700		

SHOPP Highlights

- The 2014 STIP FE forecasts a SHOPP program capacity of \$11.4 billion over the five-year FE period. This covers the existing SHOPP program and adds \$7.3 billion in new SHOPP program capacity. In comparison, the 2012 FE displayed a forecast of \$6 billion in new SHOPP program capacity.
- Compared to the 2012 STIP FE, the SHA, which is the primary funding source of the SHOPP, is projected to remain solvent over the FE period.
- The SHOPP capacity does not include the \$500 million provided to the SHOPP from the bond-funded Highway Safety Rehabilitation, and Preservation Account within Proposition 1B. These resources have already been earmarked for specific projects. Information on this bond fund is included in Appendix C.
- The SHOPP will be constrained during the FE period. The target capacity is estimated at approximately \$2.3 billion per year, while the annual SHOPP goal-constrained need is roughly \$8.2 billion, as identified in the 2013 Ten-Year SHOPP Plan. The lower SHOPP levels can be attributed to several factors including, but not limited to:
 - AB 115 of 2010-11 delayed or eliminated almost \$1 billion in loan repayments from the GF to the SHA in order to keep the General Fund solvent.
 - Available SHOPP resources continue to be redirected from program capacity to fund highway maintenance and address a backlog of pavement preservation projects.

County and Interregional Share Estimates

The STIP consists of two broad programs, the regional program funded from 75 percent of new STIP funding and the interregional program funded from 25 percent of new STIP funding. The 75 percent regional program is further subdivided by formula into County Shares. County Shares are available solely for projects nominated by regions in their Regional Transportation Improvement Programs (RTIP). A detailed explanation of this methodology is included in the County Share portion of this document.

The 2014 STIP FE indicates that there are negative program capacities for the PTA and the federal TE Program; therefore, programming targets for the PTA and TE are not needed for the 2014 STIP cycle. PTA funds in the STIP are severely limited and will remain so in the future, and the TE program has been eliminated in the new federal transportation act, MAP-21, signed by the President on July 6, 2012. This means that many of the transit and TE projects currently programmed in the STIP will either have to be delivered with other funds (if the projects are eligible for other STIP fund types) or be unprogrammed. In particular, TE reserve amounts must be unprogrammed.

The following tables display STIP county and interregional shares and targets for the 2014 STIP.

Table 1. Reconciliation to County and Interregional Shares

This table lists the net changes to program capacity from the 2014 STIP FE to the capacity used in the County and Interregional Shares. This table also separates the program capacity by PTA, non-PTA (the SHA, FTF, and the Transportation Facilities Account), and TE capacity. The table is based on Commission actions through June 30, 2013.

Table 2. Summary of Targets and Shares

This table takes into account all county and interregional share balances through the June 2013 Commission meeting, as well as new statewide STIP capacity. For each county and the interregional share, the table identifies the following target amounts:

- **Total Target:** This target is determined by calculating the STIP formula share of all new capacity through 2018-19. The calculation of this target is shown in Table 3.
- **Maximum:** This target is determined by estimating the STIP formula share of all available new capacity through the end of the county share period in 2019-20. This represents the maximum amount that the Commission may program in a county, other than advancing future shares, pursuant to S&HC Section 188.8(j), to a county with a population of under 1 million. The calculation of this target is shown in Table 4.

Table 3. Calculation of New Programming Targets and Shares - Total Target

This table displays factors in the calculation of the Total Target.

- Net Carryover: These columns display the current share status, including STIP allocations and amendments through the June 23, 2013 Commission meeting. Positive numbers indicate unprogrammed shares, and negative numbers indicate shares that were advanced.
- 2014 STIP Target Through 2018-19: This section calculates the total target. The total target is the formula distribution of new capacity available through 2018-19 adjusted for carryover balances and lapses.
 - Formula Distribution: This is the 2014 STIP share through 2018-19. It is the formula distribution of program capacity available through 2018-19. The amount distributed is the new capacity less the unprogrammed shares, lapses, and the decrease in advances.
 - Add Back Lapses 11-12/12-13: This identifies the amount of projects lapsed in 2011-12 and 2012-13. These amounts are credited back in the 2014 STIP Fund Estimate to county and interregional shares for the four-year share period beginning 2016-17.
 - Net Share (Total Target): This is the 2014 STIP target through 2018-19. The Net Share (Total Target) is calculated by adding to the Formula Distribution the lapses and the Unprogrammed Balance or Balance Advanced. In cases where the distribution of new capacity is insufficient to cover prior advances (i.e., the Net Share would be less than zero), a zero appears in the Net Share column.
 - Net Advance: Numbers in this column represent advances against future capacity. This occurs when the distribution of new shares (through 2018-19) is insufficient to cover prior advances.

Table 4. Calculation of New Programming Targets and Shares – Maximum

This table calculates the maximum amount that the Commission may program in a county, other than advancing future shares, pursuant to S&HC Section 188.8(j), to a county with a population of under 1 million.

- Net Carryover: These columns display the current share status, including STIP allocations and amendments through the June 23, 2013 Commission meeting. Positive numbers indicate unprogrammed shares, and negative numbers indicate shares that were advanced.
- 2014 STIP Share Through 2019-20: This section estimates the maximum target. This is the formula distribution of estimated new capacity available through 2019-20 adjusted for carryover balances and lapses.

- Formula Distribution: This column estimates the STIP share of the estimated new capacity through the county share period ending in 2019-20. It is the formula distribution of estimated program capacity available through the county share period ending in 2019-20. The amount distributed is the new capacity less the unprogrammed shares, lapses, and the decrease in advances.
- Add Back Lapses 11-12/12-13: This identifies the amount of projects lapsed in 2011-12 and 2012-13. These amounts are credited back in the 2014 STIP FE to county and interregional shares for the four-year share period beginning 2016-17.
- Net Share (Maximum): This target is the STIP share of all available new capacity through the end of the county share period in 2019-20. This represents the maximum amount that the Commission may program in a county, other than advancing future shares, pursuant to S&HC Section 188.8(j), to a county with a population of under 1 million. The Net Share (Maximum) is calculated by adding to the Formula Distribution the lapses and the Unprogrammed Balance or Balance Advanced. In cases where the distribution of new capacity is insufficient to cover prior advances (i.e., the Net Share would be less than zero), a zero appears in the Net Share column.
- Net Advance: Numbers in this column represent advances against future capacity. This occurs when the distribution of new shares (through 2019-20) is insufficient to cover prior advances.

Table 5. Planning, Programming, and Monitoring (PPM) Limitations

State law provides that up to 5% of a county share may be expended for planning, programming, and monitoring (PPM). This limitation is applied separately to each four-year county share period.

- Total: This section identifies the shares for the 2016-17 through 2018-19 share period, based upon the 2012, and 2014 Fund Estimates. These are the amounts against which the 5% is applied.
- 5% PPM Limitation: These are the PPM limitations for the 2016-17 through 2018-19 share period. The PPM limitations for the 2012-13 through 2015-16 are not shown here. They have not changed since the 2012 STIP.

2014 STIP Fund Estimate County and Interregional Shares

Table 1. Reconciliation to County and Interregional Shares
(\$ in millions)

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
Public Transportation Account (PTA)								
2014 FE PTA Target Capacity	\$25	\$65	\$0	\$0	\$0	\$0	\$65	\$90
Total 2014 STIP FE PTA Target Capacity	\$25	\$65	\$0	\$0	\$0	\$0	\$65	\$90
2012 STIP Program¹	\$68	\$84	\$101	\$97	\$0	\$0	\$282	\$350
Extensions	\$11	\$43	\$0	\$0	\$0	\$0	\$43	\$54
Delivered But Not Allocated	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Advances	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net PTA STIP Program	\$79	\$127	\$101	\$97	\$0	\$0	\$325	\$404
PTA Capacity for County Shares	(\$54)	(\$62)	(\$101)	(\$97)	\$0	\$0	(\$260)	(\$314)
Cumulative	(\$54)	(\$116)	(\$217)	(\$314)	(\$314)	(\$314)		
SHA								
2014 FE Non-PTA Target Capacity	\$798	\$774	\$691	\$686	\$686	\$681	\$3,518	\$4,316
2014 FE Non-PTA GARVEE Debt Service	(\$84)	(\$84)	(\$11)	(\$11)	(\$11)	(\$11)	(\$128)	(\$212)
TE State Match (Estimated program totals)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total 2014 STIP FE Non-PTA Capacity	\$714	\$690	\$680	\$675	\$675	\$670	\$3,390	\$4,104
2012 STIP Program¹	\$462	\$516	\$569	\$531	\$0	\$0	\$1,616	\$2,078
Extensions	\$120	\$2	\$0	\$0	\$0	\$0	\$2	\$122
Delivered But Not Allocated	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Advances	\$0	(\$5)	\$0	\$0	\$0	\$0	(\$5)	(\$5)
Net Non-PTA STIP Program	\$581	\$512	\$569	\$531	\$0	\$0	\$1,613	\$2,194
Non-PTA Capacity for County Shares	\$133	\$178	\$111	\$144	\$675	\$670	\$1,777	\$1,910
Cumulative	\$133	\$310	\$421	\$565	\$1,240	\$1,910		
Transportation Enhancements (TE)								
2014 STIP FE TE Capacity (Federal)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TE State Match (Estimated program totals)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total 2014 STIP FE TE Capacity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2012 STIP Program¹	\$81	\$95	\$72	\$94	\$0	\$0	\$260	\$341
Extensions	\$4	\$1	\$0	\$0	\$0	\$0	\$1	\$5
Advances	(\$6)	(\$3)	(\$1)	(\$1)	\$0	\$0	(\$6)	(\$12)
Net TE	\$79	\$92	\$70	\$92	\$0	\$0	\$255	\$334
TE Capacity for County Shares	(\$79)	(\$92)	(\$70)	(\$92)	\$0	\$0	(\$255)	(\$334)
Cumulative	(\$79)	(\$171)	(\$241)	(\$334)	(\$334)	(\$334)		
Total Capacity	\$0	\$23	(\$61)	(\$45)	\$675	\$670	\$1,262	\$1,262

Notes:

General note: Numbers may not add due to rounding.

¹ 2013 Orange Book



2014 STIP Fund Estimate
County and Interregional Shares
 Table 2. Summary of Targets and Shares
 (\$ in thousands)

County	2014 STIP Programming		
	Total Target	Maximum	TE Target
	Target through 2018-19	Estimated Share through 2019-20	Target through 2018-19
Alameda	33,785	51,301	0
Alpine	2,200	2,720	0
Amador	2,495	3,677	0
Butte	18,830	22,325	0
Calaveras	2,556	3,964	0
Colusa	2,501	3,436	0
Contra Costa	26,752	38,739	0
Del Norte	0	0	0
El Dorado LTC	0	0	0
Fresno	17,193	30,384	0
Glenn	3,581	4,561	0
Humboldt	776	4,297	0
Imperial	18,028	24,247	0
Inyo	18,946	23,787	0
Kern	30,131	47,913	0
Kings	0	0	0
Lake	7,673	9,203	0
Lassen	5,616	7,855	0
Los Angeles	177,779	283,706	0
Madera	0	0	0
Marin	0	0	0
Mariposa	3,203	4,118	0
Mendocino	7,049	10,338	0
Merced	19,514	23,845	0
Modoc	3,773	4,968	0
Mono	15,130	18,726	0
Monterey	14,726	20,961	0
Napa	6,822	8,979	0
Nevada	0	1,101	0
Orange	65,610	98,266	0
Placer TPA	0	0	0
Plumas	5,348	6,683	0
Riverside	69,696	98,571	0
Sacramento	48,239	64,831	0
San Benito	0	0	0
San Bernardino	54,392	87,590	0
San Diego	38,207	75,320	0
San Francisco	13,305	22,194	0
San Joaquin	24,614	33,606	0
San Luis Obispo	8,035	14,657	0
San Mateo	21,145	30,191	0
Santa Barbara	2,674	10,131	0
Santa Clara	19,158	39,966	0
Santa Cruz	5,893	9,476	0
Shasta	14,588	18,424	0
Sierra	2,315	2,949	0
Siskiyou	7,549	10,179	0
Solano	11,108	16,537	0
Sonoma	0	0	0
Stanislaus	15,364	22,016	0
Sutter	4,109	5,642	0
Tahoe RPA	3,062	3,877	0
Tehama	6,439	8,389	0
Trinity	3,154	4,537	0
Tulare	9,139	17,355	0
Tuolumne	11,399	12,926	0
Ventura	30,969	42,064	0
Yolo	13,469	16,673	0
Yuba	5,234	6,407	0
Statewide Regional	953,273	1,434,608	0
Interregional	309,124	477,789	0
TOTAL	1,262,397	1,912,397	0

	New Capacity
Statewide Flexible Capacity	1,909,730
Statewide PTA Capacity	(313,695)
Statewide TE Capacity	(333,638)
Total STIP Capacity	1,262,397

2014 STIP Fund Estimate County and Interregional Shares

Table 3. Calculation of New Programming Targets and Shares - Total Target
(\$ in thousands)

County	Net Carryover		2014 STIP Share through 2018-19			
	Unprogrammed Balance	Balance Advanced	Formula Distribution	Add Back Lapses 11-12/12/13	Net Share (Total Target)	Net Advance
Alameda	2,000	0	31,785	0	33,785	0
Alpine	1,255	0	945	0	2,200	0
Amador	350	0	2,145	0	2,495	0
Butte	12,488	0	6,342	0	18,830	0
Calaveras	0	0	2,556	0	2,556	0
Colusa	673	0	1,698	130	2,501	0
Contra Costa	5,000	0	21,752	0	26,752	0
Del Norte	0	(11,560)	1,585	0	0	(9,975)
El Dorado LTC	0	(9,478)	4,448	0	0	(5,030)
Fresno	0	(8,176)	23,939	1,430	17,193	0
Glenn	1,802	0	1,778	1	3,581	0
Humboldt	0	(5,655)	6,391	40	776	0
Imperial	6,741	0	11,287	0	18,028	0
Inyo	9,824	0	8,784	338	18,946	0
Kern	0	(2,711)	32,269	573	30,131	0
Kings	0	(17,941)	4,735	0	0	(13,206)
Lake	4,665	0	2,776	232	7,673	0
Lassen	652	0	4,064	900	5,616	0
Los Angeles	0	(17,809)	192,230	3,358	177,779	0
Madera	0	(14,078)	4,405	0	0	(9,673)
Marin	0	(39,820)	5,945	245	0	(33,630)
Mariposa	1,541	0	1,662	0	3,203	0
Mendocino	1,081	0	5,968	0	7,049	0
Merced	11,655	0	7,859	0	19,514	0
Modoc	1,373	0	2,168	232	3,773	0
Mono	8,439	0	6,526	165	15,130	0
Monterey	0	(6,844)	11,314	10,256	14,726	0
Napa	2,678	0	3,914	230	6,822	0
Nevada	0	(4,118)	3,365	0	0	(753)
Orange	0	(1,653)	59,263	8,000	65,610	0
Placer TPA	0	(45,878)	8,070	0	0	(37,808)
Plumas	2,925	0	2,423	0	5,348	0
Riverside	15,380	0	52,400	1,916	69,696	0
Sacramento	17,630	0	30,109	500	48,239	0
San Benito	0	(6,819)	2,084	0	0	(4,735)
San Bernardino	0	(5,969)	60,246	115	54,392	0
San Diego	0	(29,142)	67,349	0	38,207	0
San Francisco	0	(2,827)	16,132	0	13,305	0
San Joaquin	7,957	0	16,319	338	24,614	0
San Luis Obispo	0	(4,624)	12,017	642	8,035	0
San Mateo	3,728	0	16,417	1,000	21,145	0
Santa Barbara	0	(12,288)	13,532	1,430	2,674	0
Santa Clara	0	(19,262)	37,760	660	19,158	0
Santa Cruz	0	(611)	6,504	0	5,893	0
Shasta	7,628	0	6,960	0	14,588	0
Sierra	1,043	0	1,151	121	2,315	0
Siskiyou	2,470	0	4,772	307	7,549	0
Solano	1,256	0	9,852	0	11,108	0
Sonoma	0	(21,840)	12,113	1,204	0	(8,523)
Stanislaus	3,292	0	12,072	0	15,364	0
Sutter	1,327	0	2,782	0	4,109	0
Tahoe RPA	1,585	0	1,477	0	3,062	0
Tehama	2,422	0	3,538	479	6,439	0
Trinity	586	0	2,508	60	3,154	0
Tulare	0	(6,022)	14,911	250	9,139	0
Tuolumne	8,626	0	2,773	0	11,399	0
Ventura	9,335	0	20,134	1,500	30,969	0
Yolo	6,739	0	5,815	915	13,469	0
Yuba	3,004	0	2,130	100	5,234	0
Statewide Regional	169,150	(295,125)	918,248	37,667	953,273	(123,333)
Interregional	0	(13,246)	306,083	16,287	309,124	0
TOTAL	169,150	(308,371)	1,224,331	53,954	1,262,397	(123,333)
Statewide Flexible Capacity					1,909,730	
Statewide PTA Capacity					(313,695)	
Statewide TE Capacity					(333,638)	
Total					1,262,397	



2014 STIP Fund Estimate County and Interregional Shares

Table 4. Calculation of New Programming Targets and Shares - Maximum
(\$ in thousands)

County	Net Carryover		2014 STIP Share through 2019-20			
	Unprogrammed Balance	Balance Advanced	Formula Distribution	Add Back Lapses 11-12/12-13	Net Share (Maximum)	Net Advance
Alameda	2,000	0	49,301	0	51,301	0
Alpine	1,255	0	1,465	0	2,720	0
Amador	350	0	3,327	0	3,677	0
Butte	12,488	0	9,837	0	22,325	0
Calaveras	0	0	3,964	0	3,964	0
Colusa	673	0	2,633	130	3,436	0
Contra Costa	5,000	0	33,739	0	38,739	0
Del Norte	0	(11,560)	2,458	0	0	(9,102)
El Dorado LTC	0	(9,478)	6,899	0	0	(2,579)
Fresno	0	(8,176)	37,130	1,430	30,384	0
Glenn	1,802	0	2,758	1	4,561	0
Humboldt	0	(5,655)	9,912	40	4,297	0
Imperial	6,741	0	17,506	0	24,247	0
Inyo	9,824	0	13,625	338	23,787	0
Kern	0	(2,711)	50,051	573	47,913	0
Kings	0	(17,941)	7,345	0	0	(10,596)
Lake	4,665	0	4,306	232	9,203	0
Lassen	652	0	6,303	900	7,855	0
Los Angeles	0	(17,809)	298,157	3,358	283,706	0
Madera	0	(14,078)	6,833	0	0	(7,245)
Marin	0	(39,820)	9,221	245	0	(30,354)
Mariposa	1,541	0	2,577	0	4,118	0
Mendocino	1,081	0	9,257	0	10,338	0
Merced	11,655	0	12,190	0	23,845	0
Modoc	1,373	0	3,363	232	4,968	0
Mono	8,439	0	10,122	165	18,726	0
Monterey	0	(6,844)	17,549	10,256	20,961	0
Napa	2,678	0	6,071	230	8,979	0
Nevada	0	(4,118)	5,219	0	1,101	0
Orange	0	(1,653)	91,919	8,000	98,266	0
Placer TPA	0	(45,878)	12,517	0	0	(33,361)
Plumas	2,925	0	3,758	0	6,683	0
Riverside	15,380	0	81,275	1,916	98,571	0
Sacramento	17,630	0	46,701	500	64,831	0
San Benito	0	(6,819)	3,232	0	0	(3,587)
San Bernardino	0	(5,969)	93,444	115	87,590	0
San Diego	0	(29,142)	104,462	0	75,320	0
San Francisco	0	(2,827)	25,021	0	22,194	0
San Joaquin	7,957	0	25,311	338	33,606	0
San Luis Obispo	0	(4,624)	18,639	642	14,657	0
San Mateo	3,728	0	25,463	1,000	30,191	0
Santa Barbara	0	(12,288)	20,989	1,430	10,131	0
Santa Clara	0	(19,262)	58,568	660	39,966	0
Santa Cruz	0	(611)	10,087	0	9,476	0
Shasta	7,628	0	10,796	0	18,424	0
Sierra	1,043	0	1,785	121	2,949	0
Siskiyou	2,470	0	7,402	307	10,179	0
Solano	1,256	0	15,281	0	16,537	0
Sonoma	0	(21,840)	18,787	1,204	0	(1,849)
Stanislaus	3,292	0	18,724	0	22,016	0
Sutter	1,327	0	4,315	0	5,642	0
Tahoe RPA	1,585	0	2,292	0	3,877	0
Tehama	2,422	0	5,488	479	8,389	0
Trinity	586	0	3,891	60	4,537	0
Tulare	0	(6,022)	23,127	250	17,355	0
Tuolumne	8,626	0	4,300	0	12,926	0
Ventura	9,335	0	31,229	1,500	42,064	0
Yolo	6,739	0	9,019	915	16,673	0
Yuba	3,004	0	3,303	100	6,407	0
Statewide Regional	169,150	(295,125)	1,424,243	37,667	1,434,608	(98,673)
Interregional	0	(13,246)	474,748	16,287	477,789	0
TOTAL	169,150	(308,371)	1,898,991	53,954	1,912,397	(98,673)
Statewide Flexible Capacity					2,559,730	
Statewide PTA Capacity					(313,695)	
Statewide TE Capacity					(333,638)	
Total					1,912,397	

2014 STIP Fund Estimate County and Interregional Shares

Table 5 – Planning, Programming, and Monitoring (PPM) Limitations
(\$ thousands)

County	Total		5% PPM Limitation	
	2012 STIP FY 2016/17	2014 STIP 16/17-18/19	Total 16/17-18/19	FY 2016/17-2018-19
Alameda	20,348	31,785	52,133	2,607
Alpine	602	945	1,547	77
Amador	1,383	2,145	3,528	176
Butte	4,031	6,342	10,373	519
Calaveras	1,623	2,556	4,179	209
Colusa	1,081	1,698	2,779	139
Contra Costa	13,881	21,752	35,633	1,782
Del Norte	1,011	1,585	2,596	130
El Dorado LTC	2,806	4,448	7,254	363
Fresno	15,366	23,939	39,305	1,965
Glenn	1,132	1,778	2,910	146
Humboldt	4,066	6,391	10,457	523
Imperial	7,218	11,287	18,505	925
Inyo	5,617	8,784	14,401	720
Kern	20,698	32,269	52,967	2,648
Kings	3,035	4,735	7,770	389
Lake	1,769	2,776	4,545	227
Lassen	2,585	4,064	6,649	332
Los Angeles	122,728	192,230	314,958	15,748
Madera	2,810	4,405	7,215	361
Marin	3,792	5,945	9,737	487
Mariposa	1,058	1,662	2,720	136
Mendocino	3,799	5,968	9,767	488
Merced	5,004	7,859	12,863	643
Modoc	1,379	2,168	3,547	177
Mono	4,180	6,526	10,706	535
Monterey	7,227	11,314	18,541	927
Napa	2,497	3,914	6,411	321
Nevada	2,146	3,365	5,511	276
Orange	37,971	59,263	97,234	4,862
Placer TPA	5,140	8,070	13,210	661
Plumas	1,542	2,423	3,965	198
Riverside	33,370	52,400	85,770	4,289
Sacramento	19,227	30,109	49,336	2,467
San Benito	1,328	2,084	3,412	171
San Bernardino	38,336	60,246	98,582	4,929
San Diego	43,126	67,349	110,475	5,524
San Francisco	10,283	16,132	26,415	1,321
San Joaquin	10,407	16,319	26,726	1,336
San Luis Obispo	7,729	12,017	19,746	987
San Mateo	10,617	16,417	27,034	1,352
Santa Barbara	8,644	13,532	22,176	1,109
Santa Clara	24,115	37,760	61,875	3,094
Santa Cruz	4,164	6,504	10,668	533
Shasta	4,436	6,960	11,396	570
Sierra	732	1,151	1,883	94
Siskiyou	3,036	4,772	7,808	390
Solano	6,277	9,852	16,129	806
Sonoma	7,819	12,113	19,932	997
Stanislaus	7,718	12,072	19,790	990
Sutter	1,775	2,782	4,557	228
Tahoe RPA	942	1,477	2,419	121
Tehama	2,269	3,538	5,807	290
Trinity	1,595	2,508	4,103	205
Tulare	9,531	14,911	24,442	1,222
Tuolumne	1,780	2,773	4,553	228
Ventura	12,867	20,134	33,001	1,650
Yolo	3,691	5,815	9,506	475
Yuba	1,357	2,130	3,487	174
Statewide	586,696	918,248	1,504,944	75,247

Note: Limitation amounts include amounts already programmed.



APPENDICES

APPENDIX A – STATE HIGHWAY ACCOUNT & FEDERAL TRUST FUND.....	21
<i>SHA Fund Estimate.....</i>	24
<i>SHA Fund Estimate Detail.....</i>	26
APPENDIX B – PUBLIC TRANSPORTATION ACCOUNT	28
APPENDIX C – PROPOSITION 1A & 1B BONDS	31
APPENDIX D – TOLL BRIDGE SEISMIC RETROFIT PROGRAM.....	44
APPENDIX E – 2014 STIP FUND ESTIMATE ASSUMPTIONS BY FUND	46
<i>SHA Assumptions.....</i>	46
<i>PTA Assumptions.....</i>	50
<i>Bond Assumptions.....</i>	52
APPENDIX F – STATUTES REGARDING THE STIP FUND ESTIMATE	53
<i>Government Code.....</i>	53
<i>Streets & Highways Code.....</i>	56
APPENDIX G – RESOLUTION TO ADOPT THE STIP 2014 FUND ESTIMATE	58

APPENDIX A – STATE HIGHWAY ACCOUNT AND FEDERAL TRUST FUND

The SHA is the primary funding source for California's highway transportation programs. Historically, the main sources of revenue for the SHA have been state excise taxes on motor vehicle fuels and truck weight fees. However, AB 105 (Statutes of 2011) authorized the diversion of weight fee revenues from the SHA to the GF for debt service and loan purposes in 2010-11 and thereafter.

In order to replace this loss of funding, AB 105 requires the Controller to make a transfer from the increase of excise tax on fuel revenues (21.5 cents/gallon in 2013-14), that were once earmarked for debt service on transportation bonds and loans to the GF (through the fuel tax swap of 2010). These funds will be transferred to the SHA for the maintenance program and the SHOPP. In addition, after the earmark for debt service is subtracted from the increase to the excise tax on gasoline, 12 percent of the remaining balance will also be transferred to the SHA for the maintenance program and the SHOPP.

The enactment of ABX8 6 and 9 eliminated the state portion of sales tax on gasoline and swapped it with an increase to excise tax on gasoline. This legislation eliminated the only traditional revenue source for the Transportation Investment Fund (TIF) that had been used to fund the highway and transit STIP. However, ABX8 9 and AB 105, Statutes of 2010, required that 44 percent of the increase to excise tax on gasoline (21.5 cents in 2013-14), less the annual estimate of weight fee backfill, be transferred to the SHA for highway STIP, thus mitigating the impact of the loss of the state portion of sales tax on gasoline. Since 2010-11, the SHA has been used as the funding source for new STIP projects.

Federal funds are also used to reimburse the SHA for expenditures on federally eligible projects. Both resources constitute the primary funding sources for the maintenance program and the SHOPP, which is a program that rehabilitates, improves safety, and preserves lane miles on the SHS. In addition, federal resources are subtracted to pay for existing Grant Anticipation Revenue Vehicle(s) (GARVEE) debt service payments programmed in the STIP.

The FTF is a major source of funding for SHOPP. The state receives appropriations set by the Federal Highway Act in the form of Obligation Authority (OA). This is based on a percentage of California's total contribution (federal excise tax on gasoline and diesel of 18.4 cents and 24.4 cents per gallon, respectively) into the FTF. Furthermore, the FTF no longer commits resources to TE projects programmed in the STIP.



Resources Available for Programming

The table below lists the total and annual program capacity available for highway STIP and the SHOPP. Target capacity represents the total level of projects the SHA can fund, including construction, R/W, and support, while attempting to maintain a prudent operating cash balance. The target program levels are reduced by SHA program commitments to determine the amount of SHA capacity available for new SHOPP and highway STIP.

2014 STIP FE SHOPP Program Capacity (\$ in millions)								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
2014 STIP FE SHOPP Target Capacity	\$2,000	\$2,200	\$2,300	\$2,300	\$2,300	\$2,300	\$11,400	\$13,400
2012 SHOPP Program	2,325	2,032	2,063	0	0	0	4,095	6,420
New SHOPP Program Capacity	(\$325)	\$168	\$237	\$2,300	\$2,300	\$2,300	\$7,305	\$6,980
Cumulative Difference	(\$325)	(\$157)	\$80	\$2,380	\$4,680	\$6,980		
Estimated Capital Allocation Capacity	\$1,490	\$1,650	\$1,700	\$1,700	\$1,700	\$1,700		

Note: Individual numbers may not add to total due to independent rounding.

2014 STIP FE STIP Program Capacity (\$ in millions)								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
2014 STIP FE Target Capacity	\$739	\$755	\$680	\$675	\$675	\$670	\$3,455	\$4,194
2012 STIP Program	\$739	\$732	\$741	\$720	0	0	2,193	2,932
New STIP Program Capacity	\$0	\$23	(\$61)	(\$45)	\$675	\$670	\$1,262	\$1,262
Cumulative Difference	\$0	\$23	(\$38)	(\$83)	\$592	\$1,262		
Estimated Capital Allocation Capacity	\$620	\$635	\$560	\$550	\$560	\$550		

Note: Individual numbers may not add to total due to independent rounding.

The SHA & FTF FE table displays approximately \$11.4 billion in SHOPP program capacity, which funds the 2014 SHOPP and adds \$7.3 billion in new SHOPP target capacity. The SHA and FTF FE table also includes almost \$1.3 billion in new STIP program capacity, which is only available for highway STIP projects. Detailed resource and expenditure information are included in the FE for the SHA and FTF in the chart on pages 29-30.

SHA Highlights

- SHA resources remaining, after existing commitments have been deducted, will be used to fund the SHOPP and highway STIP in the 2014 STIP FE. In addition, the SHOPP will be constrained in the FE, with annual target capacity of approximately \$2.3 billion per year falling well below SHOPP needs of roughly \$8.2 billion per year.
- Per assumption SHA 2, consumption of gasoline and diesel fuels are estimated to increase by an average annual escalation factor of 0.7 percent from 2013-14 through 2018-19.

- Per assumption SHA 9 and 10, transportation loan repayments will occur in the year consistent with state statute. Currently, there is approximately \$849 million in outstanding loans from the SHA to the GF (weight fees).
- Per assumption SHA 11, federal resources are based on the estimated amount of 2012-13 OA received and remain constant each year over the FE period.
- AB 20 of the Third Extraordinary Session of 2009-10 (Chapter 21, Statutes of 2009) authorized up to \$310 million in loans of federal stimulus funds to backfill the freeze on Proposition 1B funding and obligate projects within 120 days of apportionment. Assumption SHA 10 states that reimbursement is forecasted to occur in 2013-14. This repayment coincides with the Department's financial contribution to the Bay Area Toll Authority (BATA) for demolition of the San Francisco-Oakland Bay Bridge.



2014 STIP FUND ESTIMATE
STATE HIGHWAY AND FEDERAL TRUST FUND ACCOUNTS
(\$ millions)

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
RESOURCES								
Beginning Balance	\$445							\$445
Fuel Excise Taxes (Base)	\$1,777	\$1,781	\$1,784	\$1,785	\$1,783	\$1,783	\$8,916	\$10,693
Fuel Excise Taxes (Price-Based)	2,045	1,952	1,933	1,967	1,998	2,007	9,858	11,903
Net Weight Fees	0	0	0	0	0	0	0	0
Misc. Revenues	80	79	78	79	80	78	393	472
Loan Repayments from General Fund	50	135	100	0	0	0	235	285
Transportation Loans	250	(135)	(100)	0	0	0	(235)	15
Net Transfers - Others	(174)	(163)	(163)	(165)	(166)	(165)	(820)	(994)
Expenditures - Other Agencies	(97)	(94)	(101)	(103)	(102)	(105)	(504)	(602)
Subtotal - State Resources	\$4,375	\$3,555	\$3,532	\$3,564	\$3,593	\$3,598	\$17,842	\$22,217
Toll Bridge Seismic Retrofit Program	(\$300)	\$0	\$0	\$0	\$0	\$0	\$0	(\$300)
Total State Resources	\$4,075	\$3,555	\$3,532	\$3,564	\$3,593	\$3,598	\$17,842	\$21,917
Obligation Authority (OA)	\$3,157	\$3,157	\$3,157	\$3,157	\$3,157	\$3,157	\$15,785	\$18,942
August Redistribution	118	118	118	118	118	118	592	710
Other Federal Resources	(186)	(186)	(186)	(186)	(186)	(186)	(930)	(1,116)
Total Federal Resources	\$3,089	\$3,089	\$3,089	\$3,089	\$3,089	\$3,089	\$15,446	\$18,536
TOTAL STATE & FED RESOURCES	\$7,165	\$6,644	\$6,621	\$6,653	\$6,682	\$6,687	\$33,288	\$40,453
COMMITMENTS								
STATE OPERATIONS	(\$917)	(\$942)	(\$967)	(\$993)	(\$1,020)	(\$1,047)	(\$4,969)	(\$5,886)
MAINTENANCE	(\$1,269)	(\$1,297)	(\$1,325)	(\$1,354)	(\$1,384)	(\$1,415)	(\$6,775)	(\$8,043)
LOCAL ASSISTANCE (LA)								
Oversight (Partnership)	(\$122)	(\$127)	(\$123)	(\$120)	(\$118)	(\$115)	(\$603)	(\$725)
State & Federal LA	(1,258)	(1,249)	(1,246)	(1,247)	(1,245)	(1,244)	(6,233)	(7,490)
TOTAL LA	(\$1,380)	(\$1,377)	(\$1,370)	(\$1,367)	(\$1,363)	(\$1,359)	(\$6,836)	(\$8,216)
SHOPP CAPITAL OUTLAY SUPPORT (COS)								
SHOPP Major	(\$568)	(\$439)	(\$245)	(\$125)	(\$74)	(\$29)	(\$911)	(\$1,480)
SHOPP Minor	(38)	(40)	(40)	(40)	(40)	(40)	(201)	(240)
Stormwater	(46)	(46)	(46)	(46)	(46)	(46)	(230)	(276)
TOTAL SHOPP COS	(\$653)	(\$525)	(\$331)	(\$211)	(\$160)	(\$115)	(\$1,342)	(\$1,995)
SHOPP CAPITAL OUTLAY								
Major capital	(\$1,538)	(\$151)	(\$58)	(\$15)	(\$6)	\$0	(\$229)	(\$1,767)
Minor capital	(63)	(63)	(69)	(67)	(67)	(67)	(333)	(396)
R/W Project Delivery	(37)	(30)	(30)	(7)	(7)	(7)	(81)	(118)
Unprogrammed R/W	(18)	(18)	(18)	(18)	(18)	(18)	(90)	(108)
GARVEE Debt Service	(11)	(11)	(11)	(11)	(11)	(11)	(57)	(68)
TOTAL SHOPP CAPITAL OUTLAY	(1,668)	(273)	(186)	(118)	(109)	(103)	(789)	(2,457)
TOTAL SHOPP COMMITMENTS	(\$5,886)	(\$4,413)	(\$4,180)	(\$4,044)	(\$4,036)	(\$4,039)	(\$20,711)	(\$26,597)
STIP LA								
STIP Off-System	(\$45)	(\$48)	(\$24)	(\$15)	(\$12)	(\$6)	(\$105)	(\$149)
Oversight (Partnership)	(36)	(37)	(36)	(35)	(34)	(33)	(176)	(211)
TOTAL STIP LA	(\$80)	(\$86)	(\$60)	(\$49)	(\$46)	(\$39)	(\$280)	(\$361)
STIP COS								
STIP COS	(\$126)	(\$97)	(\$99)	(\$72)	(\$39)	(\$17)	(\$324)	(\$451)
STIP CAPITAL OUTLAY								
STIP On-System	(\$414)	(\$333)	(\$166)	(\$69)	(\$18)	\$0	(\$585)	(\$999)
R/W Project Delivery	(129)	(111)	(57)	(34)	(8)	(8)	(218)	(347)
Unprogrammed R/W	(11)	(11)	(11)	(13)	(12)	(12)	(59)	(70)
GARVEE Debt Service	(73)	(73)	0	0	0	0	(73)	(146)
TOTAL STIP CAPITAL OUTLAY	(\$626)	(\$528)	(\$234)	(\$116)	(\$38)	(\$20)	(\$935)	(\$1,561)
TOTAL STIP COMMITMENTS	(\$833)	(\$710)	(\$393)	(\$237)	(\$123)	(\$76)	(\$1,539)	(\$2,372)
TOTAL RESOURCES AVAILABLE	\$445	\$1,521	\$2,049	\$2,372	\$2,524	\$2,573	\$11,037	\$11,483
SHOPP TARGET CAPACITY	\$2,000	\$2,200	\$2,300	\$2,300	2,300	2,300	\$11,400	\$13,400
STIP TARGET CAPACITY	\$714	\$690	\$680	\$675	\$675	\$670	\$3,390	\$4,104

Note: Individual numbers may not add to total due to independent rounding.

This page left blank for reprographic purposes.

**The following two pages contain expanded detail of the
State Highway Account and Federal Trust Fund table on
page 24.**



2014 STIP FUND ESTIMATE
STATE HIGHWAY ACCOUNT & FEDERAL TRUST FUND DETAILS
(\$ in millions)

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Yr Total	6-Yr Total
RESOURCES								
BEGINNING BALANCE	\$445						\$0	\$445
FUEL EXCISE TAXES								
State Base Excise Taxes on Fuel	\$1,777	\$1,781	\$1,784	\$1,785	\$1,783	\$1,783	\$8,916	\$10,693
Price-Based Excise Taxes on Gasoline	1,182	1,178	1,191	1,216	1,239	1,258	6,082	7,263
Price-Based Excise Taxes on Gasoline (STIP)	864	774	743	751	759	749	3,776	4,639
Total Fuel Excise Taxes	\$3,822	\$3,733	\$3,717	\$3,752	\$3,781	\$3,789	\$18,773	\$22,595
NET WEIGHT FEES								
Weight Fees	\$946	\$967	\$988	\$1,011	\$1,032	\$1,054	\$5,052	\$5,998
Less Weight Fee Debt Service	(946)	(967)	(988)	(1,011)	(1,032)	(1,054)	(5,052)	(5,998)
Net Weight Fees	\$0	\$0						
MISCELLANEOUS REVENUES								
SMIF	\$1	\$1	\$1	\$1	\$1	\$1	\$6	\$7
Other Regulatory Lic. & Prmts	11	10	10	10	11	10	51	63
Rentals of State Property	43	43	42	42	42	42	211	253
Misc. Revenues	25	25	25	26	26	24	125	150
Total Miscellaneous Revenues	\$80	\$79	\$78	\$79	\$80	\$78	\$393	\$472
Loans and Loan Repayments								
From Highway Users Tax Account	\$50	\$0	\$100	\$0	\$0	\$0	\$100	\$150
From SHA	0	135	0	0	0	0	135	135
To Traffic Congestion Relief Fund	(50)	0	(100)	0	0	0	(100)	(150)
To Public Transportation Account (PTA)	0	(135)	0	0	0	0	(135)	(135)
From Proposition 1B (Recovery Act)	300	0	0	0	0	0	0	300
Total Loans and Loan Repayments	\$300	\$0	\$0	\$0	\$0	\$0	\$0	\$300
NET TRANSFERS - OTHERS								
Sec 194 of S&HC for PTA Planning	(\$26)	(\$27)	(\$27)	(\$28)	(\$29)	(\$29)	(\$140)	(\$167)
To Transportation Debt Service Fund	(79)	(77)	(77)	(78)	(78)	(77)	(387)	(466)
RSTP Exchange	(58)	(58)	(58)	(58)	(58)	(58)	(289)	(347)
MVA per Sec 16475 of the GC	0	0	0	0	0	0	2	2
MVA per Sec 42273 of the MVC	0	10	10	10	10	10	50	50
Environmental Enhancement & Mitigation*	(10)	(10)	(10)	(10)	(10)	(10)	(50)	(60)
Earthquake Risk Reduction Fund of 1996	(1)	(1)	(1)	(1)	(1)	(1)	(5)	(6)
Total Net Transfers - Others	(\$174)	(\$163)	(\$163)	(\$165)	(\$166)	(\$165)	(\$820)	(\$994)
OTHER DEPARTMENT EXPENDITURES								
DMV State Ops - Weight Fee Collection	(\$9)	(\$9)	(\$10)	(\$10)	(\$10)	(\$10)	(\$49)	(\$58)
CHP State Ops	(61)	(63)	(64)	(65)	(67)	(68)	(327)	(388)
State Controller	0	(4)	(5)	(5)	(5)	(4)	(24)	(24)
California Transportation Commission	(1)	(1)	(1)	(1)	(1)	(1)	(4)	(5)
Fi\$Cal	(21)	(13)	(17)	(17)	(15)	(16)	(78)	(100)
Miscellaneous Departments	(5)	(4)	(5)	(5)	(5)	(5)	(23)	(28)
Total Expenditures (Other Departments)	(\$97)	(\$94)	(\$101)	(\$103)	(\$102)	(\$105)	(\$504)	(\$602)
Toll Bridge Seismic Retrofit Program	(\$300)	\$0	\$0	\$0	\$0	\$0	\$0	(\$300)
TOTAL STATE RESOURCES	\$4,075	\$3,555	\$3,532	\$3,564	\$3,593	\$3,598	\$17,842	\$21,917
OBLIGATION AUTHORITY	\$3,157	\$3,157	\$3,157	\$3,157	\$3,157	\$3,157	\$15,785	\$18,942
AUGUST REDISTRIBUTION	\$118	\$118	\$118	\$118	\$118	\$118	\$592	\$710
OTHER FEDERAL RESOURCES								
Section 164 Penalties	(\$70)	(\$70)	(\$70)	(\$70)	(\$70)	(\$70)	(\$352)	(\$422)
Transportation Alternatives Program (TAP)*	(67)	(67)	(67)	(67)	(67)	(67)	(333)	(399)
Recreational Trails*	(5)	(5)	(5)	(5)	(5)	(5)	(26)	(32)
FTA Metro Planning	(44)	(44)	(44)	(44)	(44)	(44)	(219)	(263)
Total Other Federal Resources	(\$186)	(\$186)	(\$186)	(\$186)	(\$186)	(\$186)	(\$930)	(\$1,116)
TOTAL FEDERAL RESOURCES	\$3,089	\$3,089	\$3,089	\$3,089	\$3,089	\$3,089	\$15,446	\$18,536
TOTAL STATE & FEDERAL RESOURCES	\$7,165	\$6,644	\$6,621	\$6,653	\$6,682	\$6,687	\$33,288	\$40,453

Note: Individual number may not add to total due to independent rounding.

*Included in the proposed Active Transportation Program and does not impact SHOPP/STIP capacity.



	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Yr Total	6-Yr Total
COMMITMENTS								
STATE OPERATIONS								
State Planning and Research	(\$58)	(\$59)	(\$60)	(\$62)	(\$63)	(\$64)	(\$308)	(\$366)
Traffic Operations	(176)	(180)	(184)	(188)	(192)	(196)	(941)	(1,117)
Local Assistance	(31)	(31)	(32)	(33)	(34)	(34)	(164)	(195)
Program Development	(29)	(29)	(30)	(31)	(31)	(32)	(153)	(182)
Legal	(113)	(116)	(118)	(121)	(123)	(126)	(604)	(717)
Mass Transportation	(0)	(0)	(0)	(0)	(0)	(0)	(1)	(1)
Rail	(1)	(1)	(1)	(1)	(1)	(1)	(5)	(6)
Transportation Planning	(43)	(44)	(45)	(46)	(47)	(48)	(229)	(272)
Administration	(455)	(465)	(475)	(486)	(496)	(507)	(2,430)	(2,885)
BCP Reservation	0	(5)	(10)	(15)	(20)	(25)	(75)	(75)
PIDS	(11)	(11)	(12)	(12)	(12)	(12)	(59)	(71)
Total State Operations	(\$917)	(\$942)	(\$967)	(\$993)	(\$1,020)	(\$1,047)	(\$4,969)	(\$5,886)
MAINTENANCE								
State Maintenance	(\$1,151)	(\$1,176)	(\$1,202)	(\$1,228)	(\$1,255)	(\$1,283)	(\$6,144)	(\$7,294)
Federal Maintenance and Bridge	(118)	(121)	(123)	(126)	(129)	(132)	(631)	(749)
Total Maintenance	(\$1,269)	(\$1,297)	(\$1,325)	(\$1,354)	(\$1,384)	(\$1,415)	(\$6,775)	(\$8,043)
LOCAL ASSISTANCE (LA)								
State LA	(\$182)	(\$179)	(\$172)	(\$169)	(\$165)	(\$161)	(\$845)	(\$1,028)
Federal LA	(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(6,279)	(7,535)
RSTP Exchange	58	58	58	58	58	58	289	347
Total LA State	(\$1,380)	(\$1,377)	(\$1,370)	(\$1,367)	(\$1,363)	(\$1,359)	(\$6,836)	(\$8,216)
SHOPP CAPITAL OUTLAY SUPPORT (COS)								
SHOPP Major	(\$270)	(\$210)	(\$112)	(\$57)	(\$36)	(\$17)	(\$432)	(\$701)
SHOPP Minor	(38)	(40)	(40)	(40)	(40)	(40)	(201)	(240)
SHOPP Stormwater	(46)	(46)	(46)	(46)	(46)	(46)	(230)	(276)
Federal	(299)	(229)	(132)	(68)	(38)	(12)	(480)	(778)
Total SHOPP COS	(\$653)	(\$525)	(\$331)	(\$211)	(\$160)	(\$115)	(\$1,342)	(\$1,995)
SHOPP CAPITAL OUTLAY								
State R/W Project Delivery	(\$23)	(\$23)	(\$23)	\$0	\$0	\$0	(\$46)	(\$69)
Unprogrammed R/W	(18)	(18)	(18)	(18)	(18)	(18)	(90)	(108)
Federal Right-of-Way (Project Delivery)	(14)	(7)	(7)	(7)	(7)	(7)	(35)	(49)
Fed SHOPP GARVEE Debt Service	(11)	(11)	(11)	(11)	(11)	(11)	(57)	(68)
State minor capital	(54)	(52)	(59)	(57)	(57)	(57)	(281)	(335)
State major capital	(290)	(151)	(58)	(15)	(6)	0	(229)	(518)
Federal minor capital	(9)	(11)	(10)	(10)	(10)	(10)	(52)	(61)
Federal major capital	(1,248)	0	0	0	0	0	0	(1,248)
Total SHOPP Capital Outlay	(\$1,668)	(\$273)	(\$186)	(\$118)	(\$109)	(\$103)	(\$789)	(\$2,457)
TOTAL SHOPP COMMITMENTS	(\$5,886)	(\$4,413)	(\$4,180)	(\$4,044)	(\$4,036)	(\$4,039)	(\$20,711)	(\$26,597)
STIP LA								
Oversight (Partnership)	(\$36)	(\$37)	(\$36)	(\$35)	(\$34)	(\$33)	(\$176)	(\$211)
STIP Off-System	(45)	(48)	(24)	(15)	(12)	(6)	(105)	(149)
Total STIP LA	(\$80)	(\$86)	(\$60)	(\$49)	(\$46)	(\$39)	(\$280)	(\$361)
STIP COS								
	(\$126)	(\$97)	(\$99)	(\$72)	(\$39)	(\$17)	(\$324)	(\$451)
STIP CAPITAL OUTLAY								
State R/W Project Delivery	(\$98)	(\$94)	(\$47)	(\$24)	(\$4)	(\$4)	(\$173)	(\$271)
Unprogrammed R/W	(11)	(11)	(11)	(13)	(12)	(12)	(59)	(70)
Federal R/W Project Delivery	(31)	(17)	(10)	(10)	(4)	(4)	(45)	(76)
STIP On-System	(414)	(333)	(166)	(69)	(18)	0	(585)	(999)
GARVEE Debt Service	(73)	(73)	0	0	0	0	(73)	(146)
Total STIP LA	(\$626)	(\$528)	(\$234)	(\$116)	(\$38)	(\$20)	(\$935)	(\$1,561)
Total STIP COMMITMENTS	(\$833)	(\$710)	(\$393)	(\$237)	(\$123)	(\$76)	(\$1,539)	(\$2,372)
TOTAL CASH AVAILABLE	\$445	\$1,521	\$2,049	\$2,372	\$2,524	\$2,573	\$11,037	\$11,483

Note: Individual numbers may not add due to independent rounding.



APPENDIX B - PUBLIC TRANSPORTATION ACCOUNT

PTA resources are primarily derived from the sales taxes on diesel fuel. The PTA funds the Department's transportation planning, airport planning activities, mass transportation, Intercity Rail programs, and STIP transit projects.

Resources Available for Programming

The table below lists the total and annual transit STIP program capacities available for the 2014 STIP. After funding planning, operations, and program commitments, the PTA will not be able to fund \$314 million of program capacity identified in the 2012 STIP for the six-year period covering 2013-14 through 2018-19. Further details of the resources and expenditures are presented in the PTA FE table on page 30.

2014 STIP FE PTA STIP Program Capacity* (\$ in millions)								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
2014 STIP FE PTA Target Capacity	\$25	\$65	\$0	\$0	\$0	\$0	\$65	\$90
2012 PTA STIP Program	79	127	101	97	0	0	325	404
New PTA STIP Capacity	(\$54)	(\$62)	(\$101)	(\$97)	\$0	\$0	(\$260)	(\$314)

Note: Individual numbers may not add to total due to independent rounding.

*Included in the overall STIP Program Capacity.

PTA Highlights

- Per assumption PTA 2, consumption of diesel fuel will increase by 0.7 percent per year and the retail price of diesel will increase by one percent per year from 2013-14 through 2018-19.
- Expenditures for Intercity Rail operations are based on estimates from the Division of Rail and include Amtrak shared operating and capital costs.
- There are no AB 3090 cash reimbursements for PTA.
- A loan of \$135 million was transferred in 2009-10 to the SHA from the PTA to backfill a \$135 million loan to the General Fund. The loan repayment to the PTA is expected in fiscal year 2014-15.

AB 105

On March 24, 2011, AB 105 of 2011 re-enacted the fuel tax swap, and also implemented a new sales tax on diesel in addition to the 4.75 percent sales tax levied on each gallon of diesel fuel as follows:

- 1.87 percent in 2011-12
- 2.17 percent in 2012-13
- 1.94 percent in 2013-14
- 1.75 percent in 2014-15 and thereafter

Instead of requiring the transfer of proceeds from the new sales tax on diesel to the PTA, AB 105 will redirect the revenues for deposit in STA. As a result, STA receives approximately 63 percent (including half of the 4.75 percent sales tax on diesel) of the sales tax on diesel revenues over the FE period. The PTA only retains about 37 percent of the total revenues from the sales tax on diesel (one-half of the 4.75 percent sales tax on diesel).



**2014 STIP FUND ESTIMATE
PUBLIC TRANSPORTATION ACCOUNT
(\$ in thousands)**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	6-Year Total
RESOURCES								
Beginning Balance	\$391,169							\$391,169
Adjustment for STA Transfer Timing	(\$109,752)							(\$109,752)
Sales Tax on Diesel	610,777	601,344	601,753	602,162	602,572	602,982	3,010,813	3,621,590
SMIF Interest Earned	230	191	275	275	275	275	1,291	1,521
Transfer from Aeronautics Account	30	30	30	30	30	30	150	180
Loan Repayment from SHA	0	135,000	0	0	0	0	135,000	135,000
Loan Repayment from TDIF	2,054	0	0	0	0	0	0	2,054
Loan to High-Speed Rail (HSR)	(26,199)	0	0	0	0	0	0	(26,199)
Transfer from SHA (S&HC 194)	26,304	26,872	27,451	28,044	28,649	29,268	140,284	166,589
TOTAL RESOURCES	\$894,614	\$763,437	\$629,509	\$630,511	\$631,526	\$632,555	\$3,287,538	\$4,182,152
State Transit Assistance	(391,972)	(379,779)	(380,040)	(380,298)	(380,557)	(380,816)	(1,901,491)	(2,293,463)
SUBTOTAL AVAILABLE RESOURCES	\$502,642	\$383,658	\$249,469	\$250,213	\$250,969	\$251,739	\$1,386,047	\$1,888,689
COMMITMENTS								
STATE OPERATIONS								
Rail and Mass Transportation Support	(\$28,511)	(\$29,138)	(\$29,779)	(\$30,434)	(\$31,104)	(\$31,788)	(\$152,244)	(\$180,755)
Planning Staff and Support	(21,858)	(22,339)	(22,830)	(23,333)	(23,846)	(24,371)	(116,718)	(138,576)
California Transportation Commission	(1,403)	(1,434)	(1,465)	(1,498)	(1,531)	(1,564)	(7,492)	(8,895)
Institute of Transportation Studies	(980)	(980)	(980)	(980)	(980)	(980)	(4,900)	(5,880)
Public Utilities Commission	(5,434)	(5,554)	(5,676)	(5,801)	(5,928)	(6,059)	(29,017)	(34,451)
State Controller's Office	(19)	(19)	(20)	(20)	(21)	(21)	(101)	(120)
TOTAL STATE OPERATIONS	(\$58,205)	(\$59,464)	(\$60,751)	(\$62,066)	(\$63,409)	(\$64,783)	(\$310,472)	(\$368,677)
INTERCITY RAIL								
Intercity Rail and Bus Operations	(\$90,347)	(\$93,057)	(\$95,849)	(\$98,725)	(\$101,686)	(\$104,737)	(\$494,055)	(\$584,402)
Amtrak Funding Adjustment	(\$18,600)	(31,000)	(24,800)	(24,800)	(24,800)	(24,800)	(\$130,200)	(\$148,800)
San Joaquin Service Improvements (HSR Integration)	0	0	0	0	(27,210)	(28,026)	(55,236)	(55,236)
Coast Daylight - New Train Service	0	0	(5,000)	(5,150)	(5,305)	(5,464)	(20,918)	(20,918)
Capital Corridor - Service Change	0	0	0	0	0	0	0	0
Pacific Surfliner - Service Change	0	0	0	0	0	0	0	0
Heavy Equipment Overhaul	(16,800)	(16,800)	(16,800)	(16,800)	(17,800)	(17,800)	(86,000)	(102,800)
TOTAL INTERCITY RAIL	(\$125,747)	(\$140,857)	(\$142,449)	(\$145,475)	(\$176,801)	(\$180,827)	(\$786,409)	(\$912,156)
LOCAL ASSISTANCE								
Bay Area Ferry Operations/Waterborne	(\$3,148)	(\$3,179)	(\$3,211)	(\$3,243)	(\$3,276)	(\$3,309)	(\$16,219)	(\$19,367)
TOTAL LOCAL ASSISTANCE	(\$3,148)	(\$3,179)	(\$3,211)	(\$3,243)	(\$3,276)	(\$3,309)	(\$16,219)	(\$19,367)
CAPITAL OUTLAY								
STIP - Mass Transportation*	(\$127,400)	(\$100,750)	(\$57,200)	(\$33,800)	(\$3,900)	\$0	(\$195,650)	(\$323,050)
STIP - Rail*	(68,600)	(54,250)	(30,800)	(18,200)	(2,100)	0	(105,350)	(173,950)
TOTAL CAPITAL OUTLAY	(\$196,000)	(\$155,000)	(\$88,000)	(\$52,000)	(\$6,000)	\$0	(\$301,000)	(\$497,000)
CASH AVAILABLE FOR PROGRAMMING	\$119,542	\$25,157	(\$44,942)	(\$12,571)	\$1,483	\$2,821	(\$28,052)	\$91,489
PTA STIP TARGET CAPACITY	\$25,000	\$65,000	\$0	\$0	\$0	\$0	\$65,000	\$90,000

Note: Individual numbers may not add to total due to independent rounding.

*Cash flow adjusted for unliquidated encumbrances.

APPENDIX C – PROPOSITION 1A & 1B BONDS

Proposition 1A – Safe, Reliable, High-Speed, Passenger Train Bond Act for the 21st Century

[Section 2704.095 of the Streets and Highways Code]

Proposition 1A, approved by voters in November 2008 (not related to Proposition 1A of 2006), and codified as the Safe, Reliable, High-Speed, Passenger Train Bond Act for the 21st Century, authorized the issuance of \$9.95 billion in general obligation (GO) bonds to fund the construction of a high-speed train system that connects the state’s major rail terminals and links the state’s major population centers. Of the \$9.95 billion in proceeds, \$9 billion will fund the planning and engineering for the high-speed train system, and capital costs to be funded according to the High-Speed Rail Authority’s certified environmental impact reports.

The remaining \$950 million, less bond administration costs, will be allocated by the Commission (CTC) to eligible recipients for capital improvements to intercity and commuter rail lines, and urban rail systems, that provide direct connectivity to the high-speed train system, and its facilities, or are part of its construction.

REMAINING CAPACITY (\$ in thousands)

DESCRIPTION	INTERCITY RAIL TOTAL
Resources:	
Bond Authorization	\$950,000
Less Administrative Costs ¹	(1,867)
Commitments²:	
	(931,000)
Total Commitments:	(932,867)
REMAINING CAPACITY:	\$17,133

ALLOCATIONS (\$ in thousands)

Description	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$0	\$62,490	\$20,810	\$40,750	\$124,050
Local Assistance	0	38,500	7,000	417,789	463,289
Capital Outlay Support	0	0	0	0	0
Total Allocations³	\$0	\$100,990	\$27,810	\$458,539	\$587,339

ADMINISTRATIVE EXPENDITURES (\$ in thousands)

Description	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$0	\$0	\$4	\$58	\$62
CTC	0	0	0	0	0
Other Admin Expenses	0	0	0	0	0
Total Expenditures⁴	\$0	\$0	\$4	\$58	\$62

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ Total amounts allocated by CTC through June 30, 2013.

⁴ Actual costs allowed for in footnote #1 above.



**Proposition 1B – Highway Safety, Traffic, Reduction, Air Quality, and Port Security
Bond Act of 2006**

Proposition 1B, approved by voters in November 2006, authorized the issuance of approximately \$19.9 billion in state general obligation bonds under the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Of this amount, the Department and Commission are authorized to administrate and allocate approximately \$12 billion in funding. The objectives of Proposition 1B are to improve transportation, air quality, and port security through the creation of new transportation accounts and programs, and by providing new funding for existing programs.

Pages 33-43 display the status through June 30, 2013, of the following Proposition 1B accounts:

- Corridor Mobility Improvement Account
- Trade Corridors Improvement Fund
- Transportation Facilities Account
- Public Transit Modernization, Improvement & Service Enhancement Account
- State-Local Partnership Program Account
- Local Bridge Seismic Retrofit Account
- Highway-Railroad Crossing Safety Account
- Highway Safety, Rehabilitation, and Preservation Account
- State Route 99 Corridor Account

CORRIDOR MOBILITY IMPROVEMENT ACCOUNT

[Section 8879.23(a)(1) and 8879.23(a)(6)(b) of the Government Code]

The Corridor Mobility Improvement Account (CMIA) was established to fund performance improvements on the state highway system, or major access routes to the state highway system on the local road system that relieve congestion by expanding capacity, enhancing operations, or otherwise improving travel times within these high-congestion travel corridors. Projects were identified by Caltrans and regional or local transportation agencies and allocated by the Commission (CTC). The program had a December 31, 2012 deadline for allocating all project funds. The deadline was met and future funding will be for ongoing support activities.

REMAINING CAPACITY

(\$ in thousands)

DESCRIPTION	CMIA TOTAL
Resources:	
Bond Authorization	\$4,500,000
Less Administrative Costs ¹	(90,000)
Commitments²:	(4,410,000)
Total Commitments:	(4,500,000)
REMAINING CAPACITY:	\$0

ALLOCATIONS

(\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$471,399	\$938,187	\$623,567	\$497,566	\$1,141,009	\$280,474	\$3,952,202
Local Assistance	1,200	1,770	1,000	11,875	0	0	15,845
Capital Outlay Support	0	105,177	62,739	55,696	218,341	0	441,953
Total Allocations³	\$472,599	\$1,045,134	\$687,306	\$565,137	\$1,359,350	\$280,474	\$4,410,000

ADMINISTRATIVE EXPENDITURES

(\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$1,144	\$1,385	\$1,251	\$1,301	\$1,654	\$1,511	\$8,245
CTC	134	192	192	198	119	134	970
Other Admin Expenses	11	317	275	227	44	455	1,328
Total Expenditures⁴	\$1,290	\$1,894	\$1,718	\$1,725	\$1,816	\$2,100	\$10,543

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ Total amounts allocated by CTC through June 30, 2013.

⁴ Actual costs allowed for in footnote #1 above.



TRADE CORRIDORS IMPROVEMENT FUND
 [Section 8879.23(c)(1)(A) and 8879.52 of the Government Code]

The Trade Corridors Improvement Fund (TCIF) was established to fund infrastructure improvements along federally-designated “Trade Corridors of National Significance” in the state, and along other corridors within the state that have a high volume of freight movement, as determined by the Commission (CTC).

REMAINING CAPACITY
 (\$ in thousands)

DESCRIPTION	TCIF TOTAL
Resources:	
Bond Authorization	\$2,000,000
Less Administrative Costs ¹	(40,000)
Commitments²:	(1,960,000)
Total Commitments:	(2,000,000)
REMAINING CAPACITY:	\$0

ALLOCATIONS
 (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$0	\$24,031	\$102,926	\$56,344	\$627,923	\$87,812	\$899,036
Local Assistance	0	47,507	49,649	158,027	460,043	62,604	777,830
Capital Outlay Support	0	7,567	7,000	170	19,068	0	33,805
Total Allocations³	\$0	\$79,105	\$159,575	\$214,541	\$1,107,034	\$150,416	\$1,710,671

ADMINISTRATIVE EXPENDITURES
 (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$0	\$752	\$721	\$746	\$948	\$525	\$3,692
CTC	220	163	141	140	107	98	868
Other Admin Expenses	0	6	17	30	29	80	163
Total Expenditures⁴	\$220	\$921	\$878	\$916	\$1,084	\$704	\$4,723

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ Total amounts allocated by CTC through June 30, 2013.

⁴ Actual costs allowed for in footnote #1 above.

TRANSPORTATION FACILITIES ACCOUNT

[Section 8879.23(e) and 8879.54 of the Government Code]

The Transportation Facilities Account (TFA) was established to augment funding for the STIP. Funds are made available to Caltrans based on Legislative appropriation and allocation by the Commission (CTC), in the same manner as funds allocated for STIP projects under existing law.

REMAINING CAPACITY (\$ in thousands)

DESCRIPTION	TFA TOTAL
Resources:	
Bond Authorization	\$2,000,000
Less Administrative Costs ¹	(40,000)
Commitments²:	(1,973,870)
Total Commitments:	(2,013,870)
REMAINING CAPACITY³:	(\$13,870)

ALLOCATIONS (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$830,987	\$243,535	\$0	\$428,474	\$0	\$15,517	\$1,518,513
Local Assistance	7,131	181,399	0	6,889	0	0	195,419
Capital Outlay Support ⁴	155,412	74,201	28,732	0	19,480	(17,887)	259,938
Total Allocations⁵	\$993,530	\$499,135	\$28,732	\$435,363	\$19,480	(\$2,370)	\$1,973,870

ADMINISTRATIVE EXPENDITURES (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$1,850	\$2,082	\$1,546	\$725	\$1,072	\$1,093	\$8,368
CTC	37	10	0	130	109	85	372
Other Admin Expenses	18	363	77	103	32	59	653
Total Expenditures⁶	\$1,906	\$2,455	\$1,623	\$958	\$1,214	\$1,236	\$9,392

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Initial estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ The negative number is the result of allocations for projects and COS, plus the 2% of bond authority set-aside for administrative costs. Because administrative costs are running at a far lower rate, the program will not exceed its authorized amount.

⁴ There was no COS allocated in 2012-13. The negative number represents savings recorded at close-out of projects allocated in previous years.

⁵ Total amounts allocated by CTC through June 30, 2013.

⁶ Actual costs allowed for in footnote #1 above.



**PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT
AND SERVICE ENHANCEMENT ACCOUNT
INTERCITY RAIL PORTION (IRI)**

[Sections 8879.23(f)(2), 8879.23(f)(3) and 8879.55 of the Government Code]

The Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) was established to fund intercity rail improvements, including the procurement of additional intercity railcars and locomotives.

**REMAINING CAPACITY
(\$ in thousands)**

DESCRIPTION	IRI TOTAL
Resources:	
Bond Authorization	\$400,000
Less Administrative Costs ¹	(7,843)
Commitments²:	(392,157)
Total Commitments:	(400,000)
REMAINING CAPACITY:	\$0

**ALLOCATIONS
(\$ in thousands)**

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$55,152	\$35,500	\$3,750	\$0	\$94,304	\$0	\$188,706
Local Assistance	0	0	0	0	0	0	0
Capital Outlay Support	0	0	0	0	0	0	0
Total Allocations³	\$55,152	\$35,500	\$3,750	\$0	\$94,304	\$0	\$188,706

**ADMINISTRATIVE EXPENDITURES
(\$ in thousands)**

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$67	\$259	\$455	\$216	\$286	\$368	\$1,650
CTC	2	11	11	30	29	24	107
Other Admin Expenses	0	5	20	3	5	11	44
Total Expenditures⁴	\$69	\$275	\$485	\$249	\$320	\$404	\$1,801

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013. Commitments include \$203,541 not yet allocated by CTC.

³ Total amounts allocated by CTC through June 30, 2013.

⁴ Actual costs allowed for in footnote #1 above.

**PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT
AND SERVICE ENHANCEMENT ACCOUNT
LOCAL TRANSIT PORTION (TRANSIT)**

[Sections 8879.23(f)(1), 8879.23(f)(3) and 8879.55 of the Government Code]

The Public Transportation Modernization, Improvement and Service Enhancement Account (PTIMSEA) was established for intercity rail projects, commuter or urban rail operators, bus operators, waterborne transit operators and other transit operators for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus or rapid transit improvements, rolling stock procurement, rehabilitation, or replacement. The Transit portion of \$3.6 billion is to be allocated by formula to eligible agencies by the State Controller's Office - \$1.8 billion pursuant to Public Utilities Code (PUC) section 99313 and \$1.8 billion pursuant to PUC section 99314.

**REMAINING CAPACITY
(\$ in thousands)**

DESCRIPTION	TRANSIT TOTAL
Resources:	
Bond Authorization	\$3,600,000
Less Administrative Costs ¹	(12,240)
Commitments²:	(3,587,760)
Total Commitments:	(3,600,000)
REMAINING CAPACITY:	\$0

**ALLOCATIONS³
(\$ in thousands)**

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital							\$0
Local Assistance	390,594	418,993	381,013	304,971	402,484	552,898	2,450,953
Capital Outlay Support							0
Total Allocations⁴	\$390,594	\$418,993	\$381,013	\$304,971	\$402,484	\$552,898	\$2,450,953

**ADMINISTRATIVE EXPENDITURES
(\$ in thousands)**

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$593	\$681	\$808	\$743	\$875	\$682	\$4,381
CTC							0
Other Admin Expenses	157	168	153	122	161	223	984
Total Expenditures⁵	\$750	\$849	\$960	\$865	\$1,036	\$905	\$5,366

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total authorized bond amount available for local transit projects as of June 30, 2013.

³ PTMISEA-Local Transit funds are not allocated by the CTC. They are allocated by Caltrans to local agencies based on a formula in statute.

⁴ Total amounts allocated to local transit projects through June 30, 2013.

⁵ Actual costs allowed for in footnote #1 above.



STATE-LOCAL PARTNERSHIP PROGRAM

[Section 8879.23(g) and Sections 8879.66 through 8879.76 of the Government Code]

The State-Local Partnership Program (SLPP) provides dollar-for-dollar matching funds for eligible transportation projects nominated by applicant transportation agencies and allocated by the Commission (CTC).

REMAINING CAPACITY (\$ in thousands)

DESCRIPTION	SLPP TOTAL
Resources:	
Bond Authorization	\$1,000,000
Less Administrative Costs ¹	(20,000)
Commitments²:	
	(980,992)
Total Commitments:	(1,000,992)
REMAINING CAPACITY³:	(\$992)

ALLOCATIONS (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$0	\$40,000	\$30,171	\$0	\$59,542	\$149,645	\$279,358
Local Assistance	0	9,138	13,839	209,005	104,157	355,045	691,184
Capital Outlay Support	0	0	0	0	0	10,450	10,450
Total Allocations⁴	\$0	\$49,138	\$44,010	\$209,005	\$163,699	\$515,140	\$980,992

ADMINISTRATIVE EXPENDITURES (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$0	\$238	\$280	\$312	\$715	\$538	\$2,082
CTC	0	30	0	58	53	64	205
Other Admin Expenses	0	0	18	33	21	120	191
Total Expenditures⁵	\$0	\$268	\$298	\$402	\$788	\$722	\$2,479

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ The negative number is the result of allocations for projects and COS, plus the 2% of bond authority set-aside for administrative costs. Because administrative costs are running at a far lower rate, the program will not exceed its authorized amount.

⁴ Total amounts allocated by CTC through June 30, 2013.

⁵ Actual costs allowed for in footnote #1 above.

LOCAL BRIDGE SEISMIC RETROFIT ACCOUNT

[Sections 8879.23(i) and 8879.62 of the Government Code]

The Local Bridge Seismic Retrofit Account (LSBRA) was established to provide the required match for federal Highway Bridge Replacement and Repair funds available to the state for seismic work on local bridges, ramps, and overpasses, as identified by Caltrans.

REMAINING CAPACITY

(\$ in thousands)

DESCRIPTION	LBSRA TOTAL
Resources:	
Bond Authorization	\$125,000
Less Administrative Costs ¹	(2,500)
Commitments²:	(122,500)
Total Commitments:	(125,000)
REMAINING CAPACITY:	\$0

ALLOCATIONS

(\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Local Assistance	13,326	4,424	12,200	0	5,151	4,041	39,142
Capital Outlay Support	0	0	0	0	0	0	0
Total Allocations³	\$13,326	\$4,424	\$12,200	\$0	\$5,151	\$4,041	\$39,142

ADMINISTRATIVE EXPENDITURES⁴

(\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans ⁴	\$43	\$83	\$96	\$1,260	\$1,646	\$529	\$3,657
CTC	0	0	0	7	5	5	17
Other Admin Expenses	0	3	2	6	4	6	21
Total Expenditures⁵	\$43	\$86	\$98	\$1,273	\$1,655	\$540	\$3,696

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ Total amounts allocated by CTC through June 30, 2013.

⁴ These costs include project engineering work that will be counted as part of the 98% of program funds available for projects as it is project-related work, rather than administrative. Administrative costs will not exceed the amount of bond funds available for program administration.

⁵ Actual costs allowed for in footnote #1 above.



HIGHWAY-RAILROAD CROSSING SAFETY ACCOUNT
 [Sections 8879.23(j)(1), 8879.23(j)(2) and 8879.63 of the Government Code]

The Highway-Railroad Crossing Safety Account (HRCSA) was established to fund the completion of high-priority grade separation and railroad crossing safety improvements pursuant to Chapter 10 (Sections 2450 through 2461) of Division Three of the Streets and Highways Code, except that a dollar-for-dollar matching of non-state funds shall be provided for each project.

REMAINING CAPACITY
 (\$ in thousands)

DESCRIPTION	HRCSA TOTAL
Resources:	
Bond Authorization	\$250,000
Less Administrative Costs ¹	(5,000)
Commitments²:	(236,951)
Total Commitments:	(241,951)
REMAINING CAPACITY:	\$8,049

ALLOCATIONS
 (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Local Assistance	86,478	36,436	0	73,310	0	15,390	211,614
Capital Outlay Support	0	0	0	0	0	0	0
Total Allocations³	\$86,478	\$36,436	\$0	\$73,310	\$0	\$15,390	\$211,614

ADMINISTRATIVE EXPENDITURES
 (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$158	\$304	\$464	\$350	\$254	\$665	\$2,196
CTC	2	18	11	30	21	19	101
Other Admin Expenses	0	2	24	21	3	10	59
Total Expenditures⁴	\$160	\$324	\$499	\$401	\$278	\$694	\$2,356

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ Total amounts allocated by CTC through June 30, 2013.

⁴ Actual costs allowed for in footnote #1 above.

HIGHWAY SAFETY, REHABILITATION, AND PRESERVATION ACCOUNT

[Sections 8879.23 (k)(1) and 8879.64 of the Government Code]

The Highway Safety, Rehabilitation, and Preservation Account (HSRPA) was established to fund the State Highway Operation and Protection Program (SHOPP) as described in Section 14526.5 of the Government Code (GC).

REMAINING CAPACITY (\$ in thousands)

DESCRIPTION	HSRPA TOTAL
Resources:	
Bond Authorization	\$500,000
Less Administrative Costs ¹	(10,000)
Commitments²:	
	(490,000)
Total Commitments:	(500,000)
REMAINING CAPACITY:	\$0

ALLOCATIONS (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$209,638	\$6,389	\$13,365	\$19,036	\$40,470	\$38,526	\$327,423
Local Assistance	0	0	0	0	0	0	0
Capital Outlay Support ³	62,454	8,958	12,484	19,607	1,900	(32,039)	73,364
Total Allocations⁴	\$272,092	\$15,347	\$25,848	\$38,643	\$42,370	\$6,487	\$400,787

ADMINISTRATIVE EXPENDITURES (\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$179	\$236	\$294	\$754	\$719	\$514	\$2,695
CTC	0	0	0	0	0	0	0
Other Admin Expenses	4	92	35	27	4	12	174
Total Expenditures⁵	\$183	\$328	\$329	\$781	\$723	\$525	\$2,869

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ There was no COS allocated in 2012-13. The negative number represents savings recorded at close-out of projects allocated in previous years.

⁴ Total amounts allocated by CTC through June 30, 2013.

⁵ Actual costs allowed for in footnote #1 above.



**HIGHWAY SAFETY, REHABILITATION, AND PRESERVATION ACCOUNT
TRAFFIC LIGHT SYNCHRONIZATION PROGRAM (TLSP) PORTION**

[Sections 8879.23 (k)(2) and 8879.64 of the Government Code]

The Highway Safety, Rehabilitation, and Preservation Account (HSRPA) was established to fund the SHOPP, as described in Section 14526.5 of the Government Code (GC), for the Traffic Light Synchronization Program (TLSP) and be used on other technology-based projects; and to improve safety, operations, and the effective capacity of local streets and roads.

**REMAINING CAPACITY
(\$ in thousands)**

DESCRIPTION	TLSP TOTAL
Resources:	
Bond Authorization	\$250,000
Less Administrative Costs ¹	(5,000)
Commitments²:	(245,000)
Total Commitments:	(250,000)
REMAINING CAPACITY:	\$0

**ALLOCATIONS
(\$ in thousands)**

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$0	\$0	\$0	\$4,545	\$0	\$6,970	\$11,515
Local Assistance	50,648	42,020	0	105,410	0	1	198,079
Capital Outlay Support	0	0	0	0	1,000	530	1,530
Total Allocations³	\$50,648	\$42,020	\$0	\$109,955	\$1,000	\$7,501	\$211,124

**ADMINISTRATIVE EXPENDITURES
(\$ in thousands)**

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$216	\$422	\$295	\$253	\$408	\$333	\$1,927
CTC	0	6	0	26	44	41	116
Other Admin Expenses	0	12	15	16	6	18	67
Total Expenditures⁴	\$216	\$440	\$310	\$295	\$458	\$392	\$2,111

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ Total amounts allocated by CTC through June 30, 2013.

⁴ Actual costs allowed for in footnote #1 above.

STATE ROUTE 99 ACCOUNT

[Sections 8879.23(b) and 8879.51 of the Government Code]

The State Route 99 Account (SR 99) was established to provide funding for safety, operational enhancements, rehabilitation, or capacity improvements for the SR 99 corridor that traverses approximately 400 miles of the central valley of this state.

REMAINING CAPACITY

(\$ in thousands)

DESCRIPTION	SR 99 TOTAL
Resources:	
Bond Authorization	\$1,000,000
Less Administrative Costs ¹	(20,000)
Commitments²:	
	(980,000)
Total Commitments:	(1,000,000)
REMAINING CAPACITY:	\$0

ALLOCATIONS

(\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Capital	\$2,379	\$20,935	\$155,705	\$60,711	\$495,391	\$57,956	\$793,077
Local Assistance	0	0	0	0	0	0	0
Capital Outlay Support ³	0	10,150	29,863	7,476	83,650	(8)	131,131
Total Allocations⁴	\$2,379	\$31,085	\$185,568	\$68,187	\$579,041	\$57,948	\$924,208

ADMINISTRATIVE EXPENDITURES

(\$ in thousands)

Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Caltrans	\$567	\$620	\$425	\$339	\$355	\$237	\$2,543
CTC	0	0	0	0	0	0	0
Other Admin Expenses	1	2	65	38	14	60	180
Total Expenditures⁵	\$567	\$622	\$490	\$377	\$369	\$297	\$2,723

Notes:

Individual numbers may not add to total due to independent rounding.

Remaining capacity exists for administrative expenditures only.

¹ Estimated total authorized costs of administration, subject to 2% limit over life of bond, for Caltrans and CTC support; costs of bond issuance; PMIA loan administration; and STO, SCO, and DOF accounting-related fees.

² Total amounts programmed through June 30, 2013.

³ Negative number is the result of de-allocations because of savings exceeding the amount allocated in 2012-13.

⁴ Total amounts allocated by CTC through June 30, 2013.

⁵ Actual costs allowed for in footnote #1 above.



APPENDIX D – TOLL BRIDGE SEISMIC RETROFIT PROGRAM

The Legislature enacted AB 144 in 2005 (Chapter 71, Statutes of 2005), which provided additional funding to meet the new program cost for the Toll Bridge Seismic Retrofit Program (TBSRP) of \$8.685 billion, including the \$5.085 billion previously identified in AB 1171 (Chapter 907, Statutes of 2001). AB 144 consolidated the administration of all toll revenues collected on the state-owned Bay Area toll bridges and financial management of the TBSRP solely under the jurisdiction of the BATA.

Prior to enactment of AB 144, the Department was responsible for the financial management of the one dollar seismic surcharge portion of toll revenue from state-owned bridges in the Bay Area and BATA was responsible for the remaining two dollars. AB 144 also gives BATA project level toll-setting authority as necessary to cover additional cost increases beyond the funded program contingency in order to complete the TBSRP. The Department will continue to provide capital outlay, administration and other support, and will now be performing these tasks on a reimbursement basis until all seismic retrofit projects are completed.

The funding provided in both AB 1171 and AB 144 is as follows:

Funding Provided in AB 1171 for TBSRP

(\$ in millions)

Fund Source	Amount
Seismic Bond Act of 1996	\$ 650
Surplus from Phase II (Seismic Bond Act of 1996)	\$ 140
Vincent Thomas TBRA	\$ 15
San Diego - Coronado TBRF	\$ 33
Seismic Surcharge (bond principal amount)	\$ 2,282
State Highway Account	\$ 1,437
- State: \$795	
- Federal (HBRR): \$642	
Public Transportation Account	\$ 80
ITIP/SHOPP/Federal Contingency	\$ 448
Total	\$ 5,085

Funding Provided in AB 144 for TBSRP

(\$ in millions)

Toll Revenue	\$ 2,150
BATA Consolidation	\$ 820
State Highway Account	\$ 430
Redirect of PTA Spillover	\$ 125
Motor Vehicle Account	\$ 75
Total	\$ 3,600
TBSRP Total	\$ 8,685

The Commission adopted a plan in December 2005, scheduling contributions to the TBSRP. The table below shows the current schedule of remaining contributions over the FE period as adopted in the Commission's plan.

Remaining TBSRP Contributions
(\$ in millions)

Source	Description	2011-12	2012-13	2013-14	2014-15	5-Year Total
AB 1171	HBRR Contribution (SHA)	\$0	\$0	\$0	\$0	\$0
	Contingency (SHA)	100	148	300	0	448
AB 144	Efficiency Savings	50	17	0	0	17
	Total	\$150	\$165	\$300	\$0	\$465



APPENDIX E – 2014 STIP FUND ESTIMATE ASSUMPTIONS BY FUND

The Commission adopted the assumptions used in the development of the 2014 STIP FE on May 7, 2013. A summary of the adopted assumptions are listed below. Any modifications to the approved assumptions are included in brackets and in italic font.

State Highway Account (SHA):

Operating Cash Balance

SHA 1. Based on an updated analysis of monthly SHA receipts less expenditures, a minimum level of operating cash of \$415 million would sufficiently cover 95 percent of the monthly volatility in the SHA.

SHA Revenues & Transfers

SHA 2. Assume consumption of gasoline and diesel fuels will increase by about 0.7 percent each year from 2013-14 through 2018-19.

SHA 3. Assume weight fee revenues will increase by rate given in the 2013-14 Governor's Budget. The average rate of growth over the FE period is 2.2 percent.

SHA 4. Revenues from Other Regulatory Licenses and Permits will total approximately \$51 million over the FE period based on revenue model projections.

SHA 5. Section 194 transfers are based on PTA state operations expenditures, which are subject to the Department of Finance's price letter. The transfers total approximately \$140 million over the FE period.

SHA 6. The Commission's December 2005 adopted plan scheduled transfers from the SHA to the TBSRA and contributions to the program. All seismic retrofit projects and scheduled contributions will be completed prior to the FE period.

SHA 7. Trailer Bill language was adopted to permanently continue the diversion of S&HC Section 183.1 revenues, not subject to Article XIX of the State Constitution. This will result in Section 183.1 revenues being transferred from the SHA to the TDSF in perpetuity.

SHA 8. Assume the Controller will transfer \$10 million from the Motor Vehicle Account to the SHA each year from 2014-15 through 2018-19.

Loan Repayments

SHA 9. The 2014 FE will display that no Pre-Proposition 42 loan repayments will occur over the FE period based on the 2011-12 Governor's Budget Summary and no statutory repayment schedule.

SHA 10. The 2014 FE will display that loan repayments will occur in the year consistent with state statute.

Federal Revenues

SHA 11. Assume OA is equal to the 2012-13 estimated level of \$3.16 billion, the first year of MAP-21, and held constant each year over the FE period. This would result in \$15.79 billion in OA over the five-year FE period.

SHA 12. The 2014 FE assumes an August Redistribution of \$118 million per year based on the average amount received by California from 2007-08 through 2011-12. The state will retain \$72 million (61 percent) and locals will receive a \$46 million apportionment (39 percent).

SHA 13. The 2014 FE does not include any supplemental funding received under the Federal-aid Highway Emergency Relief Program (Emergency Relief). This program, commonly referred to as the emergency relief program, supplements the commitment of resources by states, their political subdivisions, or other federal agencies to help pay for unusually heavy expenses resulting from extraordinary conditions. *[No reservation for Emergency Relief was included as part of the methodology for the 2014 STIP FE. The Department averaged approximately \$150 million annually in Emergency Relief funding over the past 10 years.]*

Advanced Construction (AC)

SHA 14. The Department will gradually accumulate an AC level that is equivalent to one year's worth of OA by the end of the FE period. AC will be used as a cash management tool and as a reservation of federally eligible projects to hedge against increases to available federal resources.

Advanced Project Development Element (APDE)

SHA 15. The 2014 FE will not include the APDE because the 2014 FE is expected to show the need for the reprogramming of STIP projects.

State Expenditures

SHA 16. The 2014 FE will include a total budget change proposal reservation of \$75 million over the five-year FE period.



Local Assistance

SHA 17. State expenditures assume allocation for the Railroad Crossing Protection Maintenance Program at \$2 million per year over the FE period, consistent with Commission Resolution G-06-15.

SHA 18. The 2014 STIP FE will include a \$10 million transfer per year to the Environmental Enhancement and Mitigation Program fund as intended per Section 164.56(a) of the S&HC.

STIP

SHA 19. COS expenditures are based on programmed STIP projects allocated prior to 2012-13, construction engineering for programmed 2013-14 STIP projects, and pre-construction engineering and R/W support for projects currently programmed in 2013-14.

SHA 20. Capital expenditures are based on a continuation of all existing SHA STIP project allocations prior to 2012-13, allocations in 2012-13, projects programmed to begin in 2013-14, and STIP GARVEE debt service payments.

SHA 21. Prior R/W is defined as all R/W projects in the 2012 STIP that are programmed for 2013-14 and prior years.

SHA 22. Non-programmed SHA STIP R/W includes an annual estimate based on forecasted R/W lump sum allocations of non-programmed R/W components for post-certification, and project development costs.

SHA 23. Capital project costs shall be escalated at 3.7 percent according to the California Price Index for Selected Highway Construction Items.

GARVEE

SHA 24. The 2014 FE displays GARVEE debt service payments of about \$73 million for STIP and \$57 million for SHOPP for the entire FE period. GARVEE debt service payments for STIP proceeds will end in 2014-15. GARVEE debt service payments for SHOPP proceeds will end in 2019-20, which is outside of the 2014 FE period.

SHOPP

SHA 25. COS expenditures are based on programmed SHOPP projects allocated 2012-13 and prior, construction engineering for programmed 2013-14 SHOPP projects, and pre-construction engineering and R/W support for projects currently programmed in 2013-14.

SHA 26. Prior R/W commitments are defined as R/W projects in the SHOPP that are programmed for 2013-14 and prior years.

SHA 27. Non-programmed SHOPP R/W includes an annual estimate based on forecasted R/W lump sum allocations of non-programmed R/W components for inverse condemnation and post-certification costs.

SHA 28. Capital expenditures are based on a continuation of all SHOPP projects allocated in 2012-13 and prior, all programmed 2013-14 SHOPP projects, and SHOPP GARVEE debt service payments.

SHA 29. Total program capacity of the 2014 FE SHOPP will be based on total SHA resources remaining after existing commitments.

SHA 30. Capital project costs shall be escalated at 3.7 percent according to the California Price Index for Selected Highway Construction Items.



Public Transportation Account (PTA):

Operating Cash Balance

PTA 1. Based on historical data and projected expenditures from updated analysis of monthly PTA receipts less expenditures, a minimum level of operating cash of \$100 million would sufficiently cover 95 percent of the monthly volatility in the PTA.

Revenues

PTA 2. Consistent with assumption SHA 2, consumption of diesel is assumed to experience slight growth from 2013-14 through 2018-19 and will increase by less than one percent each year. The 2014 FE will display that retail diesel prices will increase by one percent each year over the FE period.

Transfers

PTA 3. Section 21682.5 of the Public Utilities Code requires an annual transfer of \$30,000 from the Aeronautics Account.

PTA 4. STA will receive \$1.9 billion in transfers from the PTA over the FE period.

State Operations

PTA 5. Assume no reservations for budget change proposals or finance letters over the FE period due to the implementation of zero-based budgeting.

- PTA 6.** Intercity Rail is part of state operations expenditures in the PTA.
- A. Intercity rail and bus operations base expenditures for existing services are forecast at ~~\$113 million~~ [*\$109 million*] for 2013-14, based on the 2013-14 Governor's Budget, and will increase to ~~\$117 million~~ [*\$124 million*] in 2014-15, incorporating Section 209 costs. Pursuant to Section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA), Amtrak and affected states developed a single, nationwide standardized methodology for establishing and distributing the operating and capital costs associated with the trains operated on state-supported Amtrak routes. Amtrak has assumed an annual escalation of 3 percent in ~~2015-16~~ [*2013-14*] and thereafter. Intercity rail and bus operations expenditures will total ~~\$620 million~~ [*\$624 million*] over the FE period.
 - B. The Department's estimated need for Rail equipment, heavy maintenance and overhaul over the FE period is \$86 million.
 - C. Maintenance and operations costs include the newly proposed blended system. Expenditures include two additional round trips

over the Initial Construction Segment (ICS) as outlined in the California High-Speed Rail Authority's 2012 Business Plan.

- D. Maintenance expenditures for the ICS were estimated using the following formula: 148 miles multiplied by the rate of maintenance cost per mile. *[The maintenance expenditure line item for the ICS was removed from the PTA table because the costs will be incurred by the California High-Speed Rail Authority.]*
- E. The ICS will include additional maintenance costs for ICS equipment. *[The maintenance expenditure line item for the ICS was removed from the PTA table because the costs will be incurred by the California High-Speed Rail Authority.]*
- F. The Coast Daylight new train service, on a new route, is anticipated to begin in 2015-16 and will total \$21 million over the FE period.

Local Assistance

PTA 7. Bay Area Ferry operations expenditures will escalate by one percent per year based on historical expenditures.

PTA 8. Capital expenditures are based on a continuation of all STIP projects allocated in 2012-13 and prior, all PTA programmed 2013-14 STIP projects, and non-highway AB 3090s.



Bonds

Allocations

Bond 1. The 2014 FE will display remaining capacity and a history of allocations and expenditures for all Proposition 1A and Proposition 1B general obligation bond funds administered by the Department. Bond funding is expected to be received semi-annually as the Treasurer's practice is to sell general obligation bonds in the Spring and Fall. It is assumed that the Department will continue to receive bond proceeds from future sales on an as needed basis, with the amount of proceeds received being based on projected cash needs for the ensuing six months.

APPENDIX F – STATUTES REGARDING THE STIP FUND ESTIMATE

California Government Code

§14524. (a) Not later than July 15, 2001, and July 15 of each odd-numbered year thereafter, the department shall submit to the commission a five-year estimate pursuant to Section 164 of the Streets and Highways Code, in annual increments, of all federal and state funds reasonably expected to be available during the following five fiscal years.

(b) The estimate shall specify the amount that may be programmed in each county for regional improvement programs pursuant to paragraph (2) of subdivision (a) of Section 164 of the Streets and Highways Code and shall identify any statutory restriction on the use of particular funds.

(c) For the purpose of estimating revenues, the department shall assume that there will be no changes in existing state and federal statutes. Federal funds available for demonstration projects that are not subject to federal obligational authority, or are accompanied with their own dedicated obligational authority, shall not be considered funds that would otherwise be available to the state and shall not be included in the fund estimate.

(d) The method by which the estimate is determined shall be determined by the commission, in consultation with the department, transportation planning agencies, and county transportation commissions.

§14525. (a) Not later than August 15, 2001, and August 15 of each odd-numbered year thereafter, the commission shall adopt a five-year estimate pursuant to Section 164 of the Streets and Highways Code, in annual increments, of all state and federal funds reasonably expected to be available during the following five fiscal years.

(b) The estimate shall specify the amount that may be programmed in each county for regional improvement programs under paragraph (2) of subdivision (a) of Section 164 of the Streets and Highways Code and shall identify any statutory restriction on the use of particular funds.

(c) For the purpose of estimating revenues, the commission shall assume that there will be no change in existing state and federal statutes. Federal funds available for demonstration projects that are not subject to federal obligational authority, or are accompanied with their own dedicated obligational authority, shall not be considered funds that would otherwise be available to the state and shall not be included in the fund estimate.

(d) If the commission finds that legislation pending before the Legislature or the United States Congress may have a significant impact on the fund estimate, the commission may postpone the adoption of the fund estimate for no more than 90 days. Prior to March 1 of each even-numbered year, the commission may amend the estimate following consultation with the department, transportation planning agencies, and county transportation commissions to account for unexpected revenues or other unforeseen circumstances. In the event the fund estimate is amended, the commission shall extend the dates for the submittal of improvement programs as specified in Sections 14526 and 14527 and for the adoption of the state transportation improvement program pursuant to Section 14529.

§14525.1. The department and the commission shall use an inflation rate that has been established by the Department of Finance. The Department of Finance shall consult with the Legislative Analyst and the Department of Transportation when calculating the inflation rate for this purpose.

§14529. (a) The state transportation improvement program shall include a listing of all capital improvement projects that are expected to receive an allocation of state transportation funds under Section 164 of the Streets and Highways Code, including revenues from transportation bond acts, from the commission during the following five fiscal years. It shall include, and be limited to, the projects to be funded with the following:

- (1) Interregional improvement funds.
- (2) Regional improvement funds.

(b) For each project, the program shall specify the allocation or expenditure amount and the allocation or expenditure year for each of the following project components:

- (1) Completion of all permits and environmental studies.
- (2) Preparation of plans, specifications, and estimates.
- (3) The acquisition of rights-of-way, including, but not limited to, support activities.
- (4) Construction and construction management and engineering, including surveys and inspection.

(c) Funding for right-of-way acquisition and construction for a project may be included in the program only if the commission makes a finding that the sponsoring agency will complete the environmental process and can proceed with right-of-way acquisition or construction within the five-year period. No allocation for right-of-way acquisition or construction shall be made until the completion of the environmental studies and the selection of a preferred alternative.

(d) The commission shall adopt and submit to the Legislature and the Governor, not later than April 1 of each even-numbered year thereafter, a state transportation improvement program. The program shall cover a period of five years, beginning July 1 of the year it is adopted, and shall be a statement of intent by the commission for the allocation or expenditure of funds during those five years. The program shall include projects which are expected to receive funds prior to July 1 of the year of adoption, but for which the commission has not yet allocated funds.

(e) The projects included in the adopted state transportation improvement program shall be limited to those projects submitted or recommended pursuant to Sections 14526 and 14527. The total amount programmed in each fiscal year for each program category shall not exceed the amount specified in the fund estimate adopted under Section 14525.

§14529.01. (a) It is the intent of the Legislature to facilitate project development work on needed transportation projects to produce a steady flow of construction projects by adding an advance project development element to the state transportation improvement program, beginning with the 2000 State Transportation Improvement Program.

(b) The advance project development element shall include only project development activities for projects that are eligible for inclusion in a state transportation improvement program.

(c) The fund estimate for each state transportation improvement program shall designate an amount to be available for the advance project development element, which shall be not

more than 25 percent of the programmable resources estimated to be available for the first and second years following the period of the state transportation improvement program, subject to the formulas in Sections 164, 188 and 188.8 of the Streets and Highways Code.

(d) The department, transportation planning agencies, and county transportation commissions may nominate projects to the commission for inclusion in the advance project development element through submission of the regional transportation improvement program and the interregional transportation improvement program.

(e) The funds programmed in the advance project development element may be allocated within the period of the state transportation improvement program without regard to fiscal year.

(f) The commission may develop guidelines to implement this section.

Streets and Highways Code

§163. The Legislature, through the enactment of this section, intends to establish a policy for the use of all transportation funds that are available to the state, including the State Highway Account, the Public Transportation Account, and federal funds. For the purposes of this section, "federal funds" means any obligational authority to be provided under annual federal transportation appropriations acts. The department and the commission shall prepare fund estimates pursuant to Sections 14524 and 14525 of the Government Code based on the following:

(a) Annual expenditures for the administration of the department shall be the same as the most recent Budget Act, adjusted for inflation.

(b) Annual expenditures for the maintenance and operation of the state highway system shall be the same as the most recent Budget Act, adjusted for inflation and inventory, or, when a maintenance plan has been enacted pursuant to Section 164.6, maintenance expenditures shall be based on planned expenditures in that plan.

(c) Annual expenditure for the rehabilitation of the state highway system shall be the same as the most recent Budget Act, or, when a long-range rehabilitation plan has been enacted pursuant to Section 164.6, shall be based on planned expenditures in that long-range plan.

(d) Annual expenditures for local assistance shall be the amount required to fund local assistance programs required by state or federal law or regulations, including, but not limited to, railroad grade crossing maintenance, bicycle transportation account, congestion mitigation and air quality, regional surface transportation programs, local highway bridge replacement and rehabilitation, local seismic retrofit, local hazard elimination and safety, and local emergency relief.

(e) After deducting expenditures for administration, operation, maintenance, local assistance, safety, and rehabilitation pursuant to subdivisions (a), (b), (c), and (d), and for expenditures pursuant to Section 164.56, the remaining funds shall be available for capital improvement projects to be programmed in the state transportation improvement program.

§164. (a) Funds made available for transportation capital improvement projects under subdivision (e) of Section 163 shall be programmed and expended for the following program categories:

(1) Twenty-five percent for interregional improvements.

(2) Seventy-five percent for regional improvements.

(b) Sixty percent of the funds available for interregional improvements under paragraph (1) of subdivision (a) shall be programmed and expended for improvements to state highways that are specified in Sections 164.10 to 164.20, inclusive, and that are outside the boundaries of an urbanized area with a population of more than 50,000, and for intercity rail improvements.

(c) Not less than 15 percent of the amount of funds programmed under subdivision (b) shall be programmed for intercity rail improvement projects, including separation of grade projects.

(d) Funds made available under paragraph (1) of subdivision (a) shall be used for transportation improvement projects that are needed to facilitate interregional movement of people and goods. The projects may include state highway, intercity passenger rail, mass transit guideway, or grade separation projects.

(e) Funds made available under paragraph (2) of subdivision (a) shall be used for transportation improvement projects that are needed to improve transportation within the region. The projects may include, but shall not be limited to, improving state highways, local roads, public transit, intercity rail, pedestrian, and bicycle facilities, and grade separation, transportation system management, transportation demand management, soundwall projects, intermodal facilities, safety, and providing funds to match federal funds.

**APPENDIX G – RESOLUTION TO ADOPT
THE 2014 STIP FUND ESTIMATE**

PASSED BY

CTC

AUG 6 2013

**CALIFORNIA
TRANSPORTATION COMMISSION**

CALIFORNIA TRANSPORTATION COMMISSION

ADOPTION OF THE 2014 FUND ESTIMATE

RESOLUTION G-13-08

- 1.1. WHEREAS, Sections 14524 and 14525 of the Government Code require the Department of Transportation (Department) to present, and the California Transportation Commission (Commission) to adopt, a biennial fund estimate to include and estimate all State and federal Funds reasonably expected to be available for the biennial State Transportation Improvement Program (STIP), including the amount that may be programmed in each county for regional improvement programs; and
- 1.2. WHEREAS, on January 8, 2013, the Department presented an overview of the fund estimate process and schedule; and
- 1.3. WHEREAS, on May 7, 2013, the Department presented, and the Commission approved the 2014 Fund Estimate assumptions; and
- 1.4. WHEREAS, on June 11, 2013, the Department presented to the Commission the Draft 2014 Fund Estimate; and
- 1.5. WHEREAS, on July 18, 2013, the Commission held a workshop on the Proposed 2014 Fund Estimate to consider public comment, and indicated that the adoption of the 2014 Fund Estimate would be scheduled for August 6, 2013; and
- 1.6. WHEREAS, on August 6, 2013, the Department will present to the Commission an updated, proposed 2014 Fund Estimate; and
- 1.7. WHEREAS, the proposed 2014 Fund Estimate identifies new program capacity of approximately \$1.3 billion in new highway STIP capacity, and over-programming of approximately \$314 million in the Public Transportation Account for the six-year period covering 2013-14 through 2018-19; and

- 1.8 WHEREAS, the Proposed 2014 Fund Estimate includes annual programming targets, adjusted for STIP amendments and allocations through June 2013.
- 2.1 NOW THEREFORE BE IT RESOLVED that the California Transportation Commission does hereby adopt the 2014 STIP Fund Estimate, as presented by the Department on August 6, 2013, with programming in the 2014 STIP to be based on the statutory funding identified; and
- 2.2 BE IT FURTHER RESOLVED that the Commission requests that the Department, in cooperation with Commission staff, distribute copies of the 2014 Fund Estimate to each regional agency and county transportation commission.



Prepared by California Department of Transportation
California State Transportation Agency
Cover Design by Caltrans HQ Graphic Services
Photo provided by Caltrans

