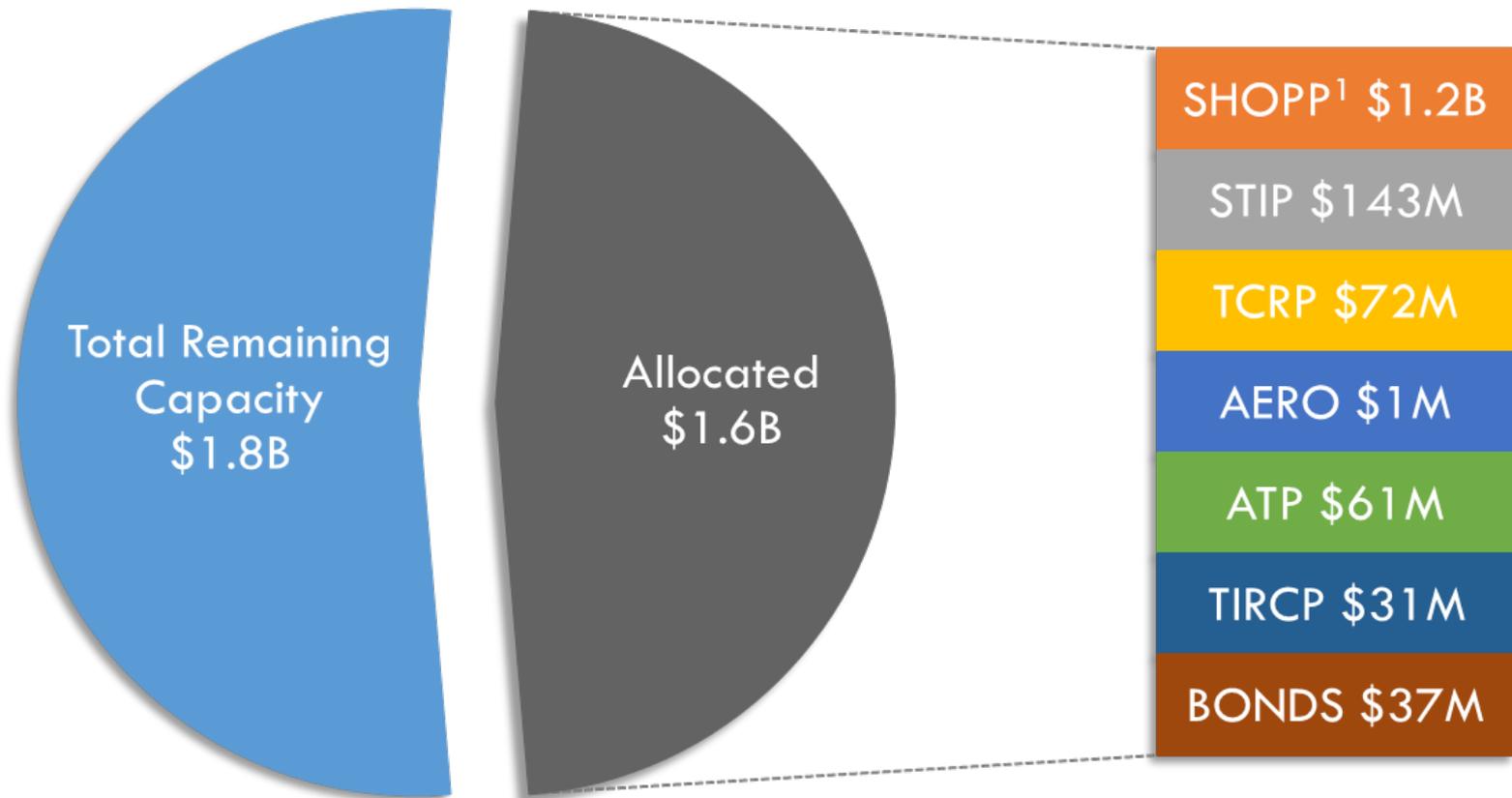




Budget and Allocation Capacity Update
Presented to the
California Transportation Commission

47% of 2016-17 Capacity Allocated Through December 2016

\$3.4 Billion Allocation Capacity



1. Includes authorized changes and project rescissions totaling -\$35 million for the SHOPP

2017-18 Governor's Budget Transportation Overview

Changes in Budget Category Expenditures 2016-17 Enacted vs. 2017-18 Proposed (\$ in Millions)

Category	CY Enacted 2016-17	BY Proposed 2017-18	Change	
			\$ Change	% Change
State Operations	\$4,200	\$4,284	▲	\$84 2.0%
Capital Outlay	\$3,094	\$3,988	▲	\$894 28.9%
Local Assistance	\$2,414	\$2,651	▲	\$237 9.8%
Financing*	\$11	\$11	=	\$0 0.0%
Total	\$9,719	\$10,934	▲	\$1,215 12.5%
Positions	19,044	19,013	▼	-31 -0.2%

* Financing includes GARVEE debt service, which is categorized in the Governor's Budget as State Operations. The Governor's Budget does not reflect the carryover of GARVEE debt service expenditures that will occur in future years.

Governor's Transportation Funding and Reform Package

- 10-year plan providing approximately \$43 billion in additional resources for transportation
- Partial year revenues in 2017-18 totaling \$1.8 billion
 - \$1.1 billion generated by a new \$65 Road Improvement Charge
 - \$500 million in additional appropriations of Cap-and-Trade resources
 - \$235 million in accelerated Pre-Proposition 42 loan repayments
- Increases gasoline and diesel excise taxes in 2018-19, and introduces inflation adjustments in 2019-20
- Tax increases would require a 2/3rds approval by the State Legislature

Governor's Transportation Funding and Reform Package (cont.)

Governor's Transportation Funding and Reform Package		
Proposed Increases		
<i>Program</i>	<i>2017-18</i>	<i>10-Year</i>
SHOPP/Maintenance	\$ 351	\$ 17,835
State Transportation Improvement Program	-	316
Trade Corridor Enhancement	358	2,823
Corridor Mobility Improvement Program	275	2,750
Local Planning Grants	25	250
Transit and Intercity Rail Capital Program	485	4,256
Active Transportation Program	100	1,000
Local Streets & Roads	206	11,397
Local Partnerships	-	2,250
Total	\$ 1,800	\$ 42,877

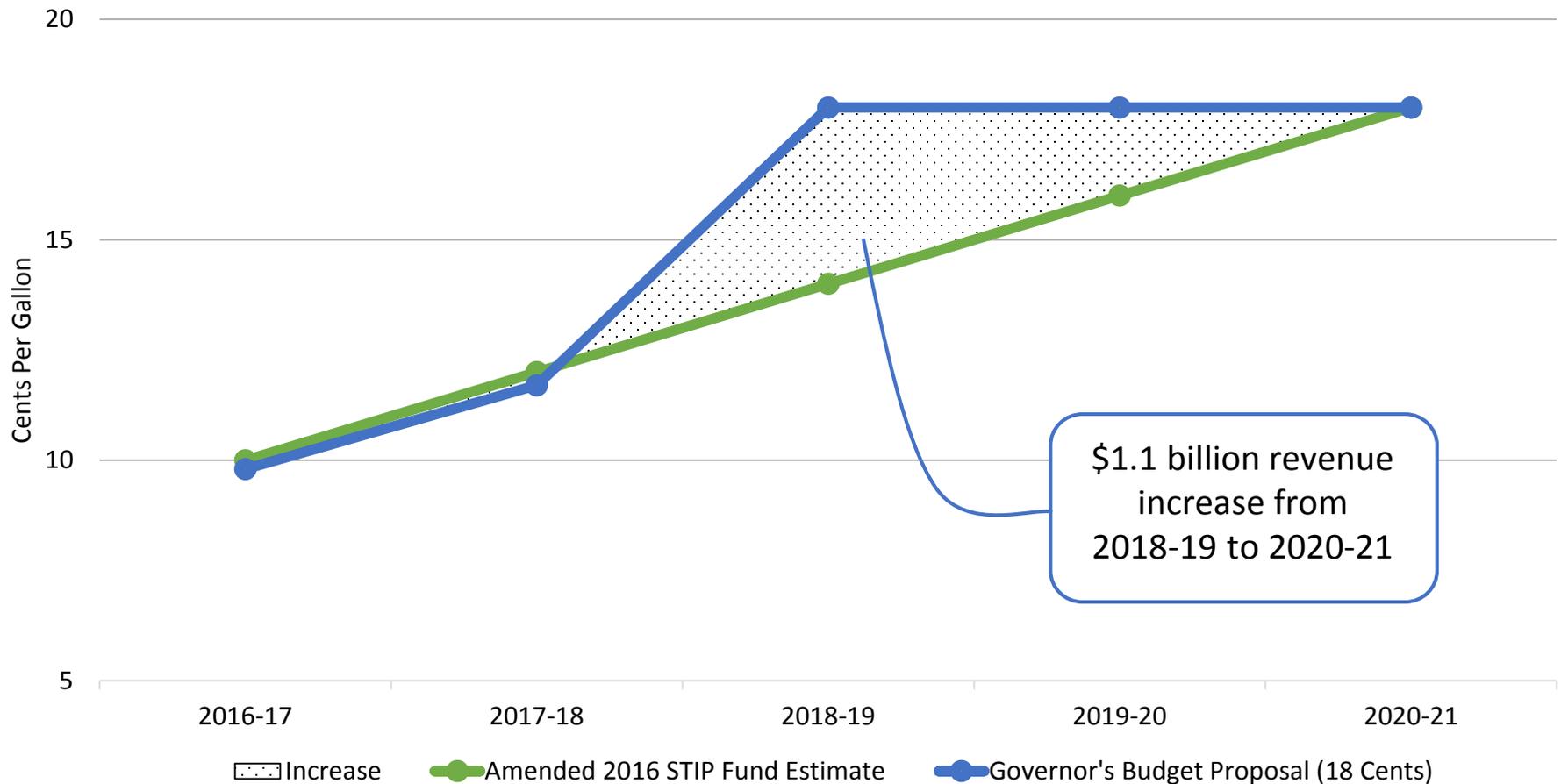
(\$ millions)

Note: Amounts may not sum to total due to independent rounding

Governor's Transportation Funding and Reform Package (cont.)

- **Corridor Mobility Improvement Account** – \$2.7 billion increase over the 10-year period for multi-modal investments to relieve congestion
- **Trade Corridors Improvement** – Increase of \$2.8 billion over 10-years to fund projects on major trade corridors in California
- **State Transportation Improvement Program (STIP)** – 18 cents from Price-Based Excise Tax increase to stabilize program (STIP/SHOPP/Locals) funding and maintain purchasing power with annual inflation adjustments

Governor's Tax Proposal vs. STIP Fund Estimate



Note: Increase based on projected consumption figures by the Department of Finance

Upcoming Events

- February 2017
 - Quarterly Cap-and-Trade Auction
- March 2017
 - 2018 STIP Fund Estimate Draft Assumptions Presented to Commission
- April 2017
 - Release of 2017-18 Chart C and California Transportation Financing Package
- May 2017
 - Release of May Revision