
Attachment A: Highlights of CTC 2026 STIP Guidelines

The information below highlights the preserved and new policies for the 2026 State Transportation Improvement (STIP) Guidelines adopted by the California Transportation Commission (CTC) on August 14, 2025.

Fund Capacity

The 2026 STIP Fund Estimate (FE) reflects a smaller-than-anticipated amount of new funding due to a combination of declining gas excise tax revenues, project advancements, and increased project costs since the adoption of the 2024 STIP. As a result, net new capacity only in the two years added to the STIP, FY 2029-30 and FY 2030-31 and no new capacity is identified for the first three years. The FE identifies sufficient capacity to meet existing programming commitments in the first three years of the 2026 STIP (2026-27 through 2028-29). Due to the lack of new capacity in the early years of the STIP, counties with cost increases that wish to program additional STIP funds in the first three years would need to identify another project in the early years to delay. If the county does not identify another project with commensurate programming to delay, the original project may be delayed to the last two years of the STIP.

Uncommitted Funding for STIP Projects

CTC staff has proposed including the Active Transportation Program and federal discretionary funding programs as eligible sources of uncommitted funds. The CTC will again consider programming projects with uncommitted funds from Senate Bill 1 (SB1) Local Partnership Program, Solutions for Congested Corridors Program, and Trade Corridors Enhancement Program, provided that the uncommitted funding is secured within six months of the adoption of the following programming cycle that covers the applicable programming year for these programs.

For federal discretionary funding to be identified as uncommitted funds, the agency must provide a plan to secure the funding commitment, explain the risk of not securing that commitment, and include a contingency plan to secure alternative funding should the commitment not be obtained. If a project with uncommitted federal discretionary funds is programmed, all funding

commitments must be secured six months prior to the year in which the project is programmed, or a STIP amendment will be required to delete or substitute the project for a project with a full funding plan commitment.

Public Transportation Account

The 2026 STIP FE indicates that there is negative program capacity for the Public Transportation Account (PTA). This means that transit projects currently programmed or proposed for programming in the STIP must be eligible for State Highway Account (SHA) funds or federal funds.

Advance Project Development Element

The 2026 STIP FE did not include funding capacity for Advance Project Development Element programming in the 2026 STIP. Therefore, Counties will have limited opportunity to advance county shares to develop new STIP projects for future STIP cycles.