

TRANSPORTATION

The funding provided in the Budget for transportation delivers climate and health benefits, while creating a foundation for the development of sustainable and inclusive communities. In addition to the sizeable infrastructure investments in transit and green transportation, the Budget includes funding and oversight for high-speed rail, and investments that will strengthen and modernize the state's goods movement capacity at ports.

The state is making strategic investments in California's transportation infrastructure that are critical to California's economic growth and equitable recovery from the COVID-19 Pandemic. Programs funded in this Budget will improve statewide transportation connectivity, reduce carbon emissions, and better position the state to leverage and maximize available federal funding.

STATE TRANSPORTATION INFRASTRUCTURE INVESTMENTS

The Budget includes approximately \$15 billion in additional state funded investments in transportation infrastructure over the next four years. The transportation infrastructure package focuses on increasing mobility options for Californians through rail, transit and active transportation projects; equity-related investments to reconnect communities; and enhanced safety projects.

In addition to funding for high-speed rail, the Budget establishes further oversight, review, and reporting processes for the High-Speed Rail Authority—including the

creation of the High-Speed Rail Authority Office of the Inspector General. The Inspector General has the authority to initiate audits and reviews, conduct independent fiscal analysis of the Authority's plans and estimates, identify best practices, recommend efficiencies, and evaluate contracts and contracting practices. The Inspector General will report regularly to the Legislature and Governor with a summary of findings and on the Authority's progress in delivering the project.

THE BUDGET INCLUDES:

- **Transit and Rail Projects**—\$7.7 billion General Fund over four years to invest in high-priority transit and rail infrastructure projects throughout the state. Funding will be administered through the Transit and Intercity Rail Capital Program (TIRCP).
- **High Speed Rail**—\$4.2 billion High-Speed Passenger Train Bond Fund (Proposition 1A) to complete high-speed rail construction in the Central Valley.
- **Goods Movement and Ports**—\$1.2 billion General Fund for port-specific projects that increase goods movement capacity on rail and roadways at port terminals, including railyard expansions, new bridges, and zero-emission modernization.
- **Active Transportation**—\$1 billion General Fund for Active Transportation Program projects that encourage the increased use of active modes of transportation, such as walking and biking, and increase the safety and mobility of non-motorized users.
- **Grade Separations**—\$350 million General Fund to support critical high priority grade separation safety improvements throughout the state.
- **Climate Adaptation Programs**—\$200 million General Fund to identify transportation-related climate vulnerabilities throughout the state and assist in developing and implementing projects to adapt infrastructure given climate change impacts. The Budget also allocates \$200 million federal funds for these purposes.
- **Highways to Boulevards Pilot**—\$150 million to establish the Reconnecting Communities: Highways to Boulevards Pilot Program, which will inform the future conversion of key underutilized highways into multimodal corridors that serve existing residents. The program will further the development of complete streets features as outlined in the Department of Transportation's Climate Action Plan for Transportation Infrastructure.
- **Clean California Local Grants**—\$100 million General Fund in additional funding for the Clean California Program grant program in 2023-24.

FEDERAL INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA)

The federal Infrastructure Investment and Jobs Act (IIJA) authorizes a \$200 billion augmentation to existing and new transportation programs for highway, transit, highway safety, motor carrier, research, hazardous materials, and rail programs over five years. California will receive an average increase of \$2.2 billion annually in federal road and transit formula funding through 2025-26, bringing California's total share of federal formula funding to \$38 billion for the five-year period. The state funding commitments provided by this Budget will help California secure additional federal funding, over and above allocated formula funds, through competitive IIJA programs available to all states.