

California State Transit Funding: Program Structure and Characteristics

Source	Programs	Transit Funds (FY 2005)	Eligible Uses (Check box)	Type of Funding (Check box)	Remarks on Uses and Allocation (If formula-based, describe formula)
1/4 cent of 7.25% retail sales tax	Local Transportation Fund	\$1,268,108,949	<input type="checkbox"/> Capital <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Both <input type="checkbox"/> Planning <input type="checkbox"/> Other	<input type="checkbox"/> Discretionary <input checked="" type="checkbox"/> Formula-based <input type="checkbox"/> Legislated <input type="checkbox"/> Dedicated <input type="checkbox"/> Other Specify:	Collected by state-returned to county of origin. Apportioned by population within counties. Supports local transit.
	State Transit Assistance Fund	\$117,365,000	<input type="checkbox"/> Capital <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Both <input type="checkbox"/> Planning <input type="checkbox"/> Other	<input type="checkbox"/> Discretionary <input checked="" type="checkbox"/> Formula-based <input type="checkbox"/> Legislated <input type="checkbox"/> Dedicated <input type="checkbox"/> Other Specify:	Allocated to operators by regional planning agencies based on population, prior year fares and local revenues. Supports local transit.
Public Transportation Account (Gas & Diesel Sales Tax)		\$2,879,000	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> Operating <input type="checkbox"/> Both <input type="checkbox"/> Planning <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Discretionary <input type="checkbox"/> Formula-based <input type="checkbox"/> Legislated <input type="checkbox"/> Dedicated <input type="checkbox"/> Other Specify:	Allocated to support operation of water-borne ferry services in the Bay Area.
Traffic Congestion Relief Fund	Traffic Congestion Relief Program	\$0	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> Operating <input type="checkbox"/> Both <input type="checkbox"/> Planning <input type="checkbox"/> Other	<input type="checkbox"/> Discretionary <input type="checkbox"/> Formula-based <input type="checkbox"/> Legislated <input checked="" type="checkbox"/> Dedicated <input type="checkbox"/> Other Specify:	Eligible capital projects identified in the Governor's FY 2000-2001 budget to ease congestion and enhance connectivity between modes.
State Highway Account (Fuel Users Tax and Weight Fees)	State Transportation Improvement Program	\$10,254,000	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> Operating <input type="checkbox"/> Both <input type="checkbox"/> Planning <input type="checkbox"/> Other	<input type="checkbox"/> Discretionary <input checked="" type="checkbox"/> Formula-based <input type="checkbox"/> Legislated <input type="checkbox"/> Dedicated <input type="checkbox"/> Other Specify:	Of the amount available for programming, 75% is allocated to counties by population and 25% is retained by the State for interregional improvements.
Clean Air and Transportation Improvement Act (Bond Funds)	Proposition 116 Program	\$1,193,194	<input checked="" type="checkbox"/> Capital <input type="checkbox"/> Operating <input type="checkbox"/> Both <input type="checkbox"/> Planning <input type="checkbox"/> Other	<input type="checkbox"/> Discretionary <input type="checkbox"/> Formula-based <input type="checkbox"/> Legislated <input type="checkbox"/> Dedicated <input type="checkbox"/> Other Specify:	Discretionary grants to local transportation agencies and jurisdictions for rail and fixed guide way projects. Project approval by California Transportation Commission.
TOTAL		\$1,399,800,143			

■ California State Transit Funding: Major Features

- Total state transit funding increased from approximately \$1.3 billion in FY 2003-04 to approximately \$1.4 billion in FY 2004-05, translating to approximately \$39.45 in per capita funding.
- The State of California economy improved in FY 2004-05 providing additional revenues for local transportation needs but the economic recovery has yet to provide similar funding increases for State programs. Most notably, funding for transit projects programmed in the Traffic Congestion Relief Program and in the State Transportation Improvement Program was again transferred to other critical and essential State functions.
- State funding supports the full spectrum of transit needs – capital, operations and planning.
- The primary source of state transit funding continues to be revenues from the ¼ cent of the 7-¼ percent retail sales tax flowing through the “Local Transportation Fund” established by the Transportation Development Act (TDA). Revenues are collected by the State and returned to each county according to the amount that was collected in that county (as a result, they are often characterized as “local” rather than state funds).
- State funding from gasoline and diesel sales taxes also flow to transit through the “State Transit Assistance Fund/Public Transportation Account.”
- The current state transit program structure represents a consolidation and simplification of accounts and programs that support transit.

(California’s 2005 fiscal year is July 1, 2004 to June 30, 2005)