



STAFF REPORT
Board Meeting of May 21, 2025

AGENDA ITEM: 4-G

PREPARED BY: Jeff Findley, Principal Regional Planner

SUBJECT:

Draft 2025 California Transportation Commission (CTC) State and Local Transportation System Needs Assessment

Enclosure: No

Action: Information and Discussion Only

SUMMARY:

Pursuant to SB 1121, the California Transportation Commission (CTC) approved the Draft 2025 California Transportation Commission State and Local Transportation System Needs Assessment (Needs Assessment) at its meeting on May 16, 2025. SB 1121 requires CTC to prepare a 10-year statewide transportation Needs Assessment and update every 5 years.

The goal of the Needs Assessment is to identify California's transportation needs, the revenue available to cover those needs, and to analyze the difference between the needs and available revenue through the year 2035. California's transportation goals require not only building on the State's historical investments in transportation infrastructure, such as freeways, roads, active transportation, bridges, culverts, intercity and passenger rail, and public transit systems, but also making future investments to ensure continued progress.

The Needs Assessment must assess costs to operate, maintain, and grow the statewide multimodal system. It must also consider costs to address climate resiliency, compare costs against available transportation revenues and provide recommendations to address any revenue shortfall.

The Needs Assessment identified the following transportation funding issues:

- Need - \$756.7 billion
- Revenue - \$541 billion
- Shortfall - \$215.7 billion

CTC has identified the following to address the funding shortfall of \$215.7 billion:

- Preferred Scenario: Phased-Implementation of a Sustainable Funding Mechanism
 - This would require legislative action.

- A sustainable funding mechanism could take different forms.
- The goal of implementing a new sustainable funding mechanism should be to stop the loss of transportation revenue due to declining fuel consumption.
 - A significant shortfall would remain, even if the projected revenue decline was halted, and funding stabilized. Additional revenues are needed to address the identified shortfall.

During the preparation of the Needs Assessment, CTC identified the following areas for further study:

- Tribal Transportation Needs – Recommends the Legislature explore ways to solicit information on transportation needs in tribal communities statewide that recognizes the sovereignty and specific circumstances of individual tribes and provides technical assistance as needed within the process.
- Accessible Transportation Needs - Recommends the Legislature commission a study to supplement the needs identified in regional transportation plans and coordinated plans to ensure all needs, including those provided by social service agencies that are beyond ADA are captured.
- Climate Resiliency Transportation Needs – Recommends the Legislature identify an ongoing funding source to meet this growing need and provide consistent funding levels once existing state and federal funds are exhausted.

Additional information and documents may be found on the [SB 1121 page](#) of the CTC website.

FISCAL IMPACT:

No fiscal impact to the approved 2024-25 Overall Work Program and Budget.