



**CALTRANS OFFICE OF THE
FEDERAL LIAISON**
FEBRUARY 25, 2026

CALIFORNIA SURFACE TRANSPORTATION REAUTHORIZATION PRINCIPLES

Beyond the Infrastructure Investment and Jobs Act (IIJA)

Shaping the Next Federal Surface Transportation Law

Reauthorization Timeline

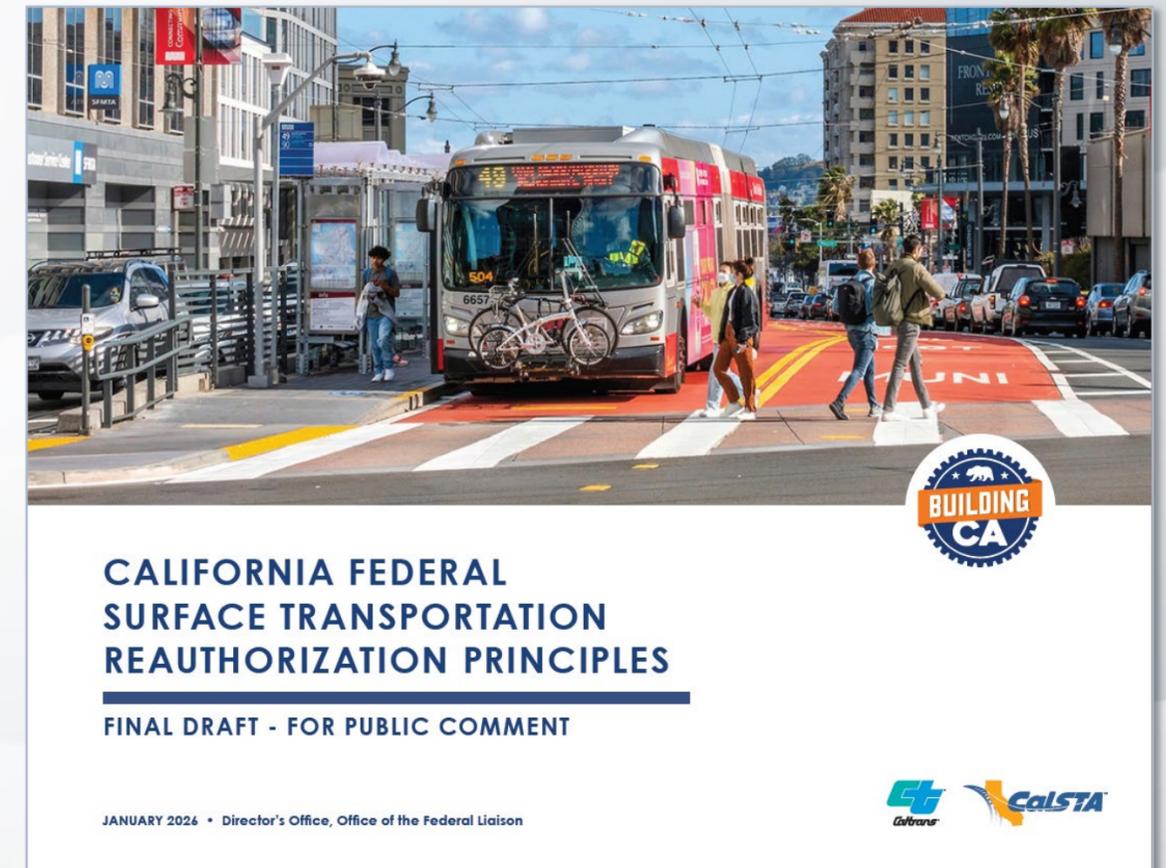
- **IIJA Enacted:** **Nov. 11, 2021**
 - IIJA Implementation Workgroup: **Jan. 2021 – Dec. 2023**
 - Caltrans Federal Priorities Update: **Jan. 2024**
 - Partner/Stakeholder Survey: **Aug. 2024 – Jan. 2025**
 - Tribal Transportation Survey: **Sep. – Oct. 2025**
 - IIJA Reauthorization Workgroup: **Jan. – Dec. 2025**
 - Circulate Consensus Principles: **Jan. – Feb. 2026****
 - Solicit Signatories: **Feb. – Jul. 2026****
 - Federal Advocacy/Outreach: **Mar. – Sep. 2026****
- **IIJA Ends:** **Sep. 30, 2026**

Consensus Principles

- **Based on more than a year of listening sessions, meetings, and surveys that reflect partner and stakeholder views**
- **Purpose of the Consensus Principles Document:**
 - **Values Based Advocacy**
 - **Reflects Partner and Stakeholder Feedback**
 - **Seeking Broad Coalition**
 - **Primary Audience is Policymakers/General Public**
 - **Focus on Overall California Advocacy Goals**

California Federal Surface Transportation Reauthorization Principles

- **Vision: A thriving and connected California**
- **Key Principles:**
 - **Enact Funding Reforms:**
 - Stabilize Highway Trust Fund Solvency
 - Increase Formula Funds/Limit Competitive Grants
 - Consolidate Similar Funding Programs
 - Maximize Funding Flexibility/Transfers
 - **Prioritize Safety First**
 - **Support Economic Prosperity:**
 - Enact “Fix-it-First” Policies/Continue Bridge Programs
 - Fund Resiliency/Emergency Relief
 - Provide Multimodal Choices
 - **Advance Transportation Innovation**



Key Recommendations

1.1. Stabilize the Highway Trust Fund & implement timely, multi-year reauthorization:

- Address Highway Trust Fund insolvency through a combination of reforms (potentially including both new revenue and reduced spending).

1.2. Provide guaranteed funding & limit competitive grants to critical priorities:

- Reduce competitive grant programs & set statutory timelines for application evaluation and grant execution.
- Continued dedicated tribal funding.
- Cap discretionary grants at 5-10 percent of overall transportation funding.
- Consolidate or remove overlapping or duplicative funding programs.

1.3. Streamline funding programs to deliver projects quicker:

- Remove most programmatic funding restrictions
- Provide states with funding by simple formula, either guaranteeing redistribution of gas taxes collected in each state or using objective metrics (*e.g., population, land area, road miles, etc.*).
- Allow maximum transferability among formula programs, without federal approval.

Key Recommendations (cont.)

1.4. Allow state/local agencies to direct funds to projects that best meet their needs:

- Tie funding to broad transportation objectives instead of siloes with modal administrations.
- Provide states with the flexibility to spend funds on projects that meet both state/local needs and these overall objectives.
- At a minimum, maintain current funding levels (plus inflation) as a baseline.
- Enact mandatory annual funding based on expected highway trust fund revenues over the entire period of the next surface transportation reauthorization bill.

2. Safety remains California's top transportation priority:

- Provide dedicated funding for proactive safety programs and give communities flexibility to build safe systems based on their needs.
- Continue to focus on the most vulnerable road users.
- Create a unified safety administration in the US DOT that works across modes to make transportation systems safer and reduce deaths and serious injuries to zero.

Key Recommendations (cont.)

3.1. California's economic prosperity depends on continued transportation investments:

- **Enact “Fix-it-First” policies that maintaining existing infrastructure before expanding.**
- **Ensure continued funding for states while also directing funding to local/regional agencies.**
- **Continue to fund bridge programs at or above IJA levels.**

3.2. Emerging issues threaten to interrupt critical economic pathways:

- **Provide funding for programs that make our supply chains more resilient, diverse, and secure.**
- **Continue to make resiliency funding available for projects to protect critical infrastructure.**
- **Increase annual Emergency Relief program funding to the average actual disaster reimbursements made over the past 10-year period.**
- **Provide six years to obligate Emergency Relief funds, as called for in the Transportation Emergency Relief Extension Act (S.2635, Sen. Padilla; H.R.4847, Rep. Garamendi).**

Key Recommendations (cont.)

3.3. Travelers need transportation options to freely choose their preferred mode of travel:

- Continue transit funding at or above the year five IJA baseline, adjusted for inflation.
- Reject proposals to eliminate the Mass Transit Account or use of highway funds for transit.
- Fully fund the ATIP to provide baseline federal funding for active transportation projects.
- Increase funding for the HSIP and the STBGP, including proportionate growth in the Transportation Alternatives (STBG-TA) set-aside.
- Continue rail funding at or above the year five IJA baseline, adjusted for inflation.
- Establish a formula capital funding program for intercity passenger rail projects.

4. Transportation programs must embrace transformative technologies and processes:

- Adopt a forward-leaning policy framework that removes barriers, modernizes processes, and invests strategically in innovation.
- Increase funds for research, development, and deployment of advanced/emerging tech.
- Incorporate equity guardrails into technology programs.
- Reforms environmental review and permitting processes.
- Expand data sharing, joint initiatives, and cooperative project delivery between state/local government and the private sector.

Future Engagement & Outreach

- **Public Comment Period** (Jan. – Feb. 2026)
- **Obtain Signatories** (Jan. – Jul. 2026)
- **AASHTO Washington Briefing** (Feb. 2026)
- **Congressional Office Meetings** (Feb. – Sep. 2026)
- **Appropriations** (Mar.-May 2026)
- **Committee Bill Markup** (Mar.-Jul. 2026)

Public Comment

- Available on Building CA Website:
 - Public Comment Portal:
<https://build.ca.gov/iija-reauthorization>
 - Comments Open:
Jan. 20 – Feb. 27
 - Signatories Accepted:
Mar. 2 – Jul. 31

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COMMENTS OPEN THROUGH
2/27/26 ON BUILD.CA.GOV



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FINAL DRAFT - FOR PUBLIC COMMENT

JANUARY 2026 • Director's Office, Office of the Federal Liaison



Contacts and Website

- **For More Information:**

Caltrans' IIJA Reauthorization website:

<https://dot.ca.gov/programs/federal-liaison/reauthorization>

Building California:

<https://build.ca.gov>

IIJA Annual Policy Narrative ([2022](#) | [2023](#) | [2024](#))

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- **Contact us by Email at:**

federal-liaison@dot.ca.gov



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