

TRANSPORTATION

CALIFORNIA STATE TRANSPORTATION AGENCY

The California State Transportation Agency (CalSTA) is responsible for shaping California's transportation future, including the mobility, safety, equity, and environmental sustainability of the state's transportation system. CalSTA consists of the following eight entities working to advance a transportation system that delivers safety, equity, climate action, and economic prosperity for all Californians:

- Department of Transportation
- California Transportation Commission
- High-Speed Rail Authority
- Department of Motor Vehicles
- California Highway Patrol
- Board of Pilot Commissioners
- State Transit Assistance
- Office of Traffic Safety

DEPARTMENT OF TRANSPORTATION

The California Department of Transportation (Caltrans) employs over 22,000 people statewide across 12 geographical districts, with an annual budget of approximately \$18 billion, and forms the backbone of California's transportation network. Caltrans manages more than 50,000 lane-miles of roadway and over 13,000 state-owned bridges and other structures, inspects over 400 public- and special-use airports and heliports, and funds the largest state-supported rail system in the nation.

The largest sources of funding for transportation projects are excise taxes paid on fuel consumption, federal funds also derived from fuel taxes, and various vehicle-based fees. Caltrans invests billions annually to rehabilitate highways, public transit, intercity rail, and bridges; expand the electric vehicle charging network; and enhance goods movement.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Clean California**—\$40 million in one-time General Fund resources for litter abatement and clean-up on the State Highway System.
- **Homeless Encampment Liaisons**—\$6.2 million in General Fund resources per year for two years for homeless encampment liaisons to sustain efforts addressing homelessness and encampments on the State Highway System.
- **Fleet Replacement**—\$225 million one-time from the State Highway Account to continue replacing and modernizing the Caltrans fleet and to install supporting zero-emission charging infrastructure.
- **Advancing GenAI for Safer and Smarter Roads**—\$7.2 million one-time from the State Highway Account for the deployment of new Generative AI solutions related to enhancing safety for vulnerable road users and to gain traffic mobility insights on the State Highway System.
- **LA 28 Games Route Network**—The Budget includes statutory changes to establish an automated enforcement on the State Highway System portion of the Games Route Network in advance of the 2028 Olympic and Paralympic games that will be held in the Los Angeles region.

CALIFORNIA HIGHWAY PATROL

The California Highway Patrol (CHP) promotes safe, convenient, and efficient transportation of people and goods across the state highway system and provides the highest level of safety, service, and security to state infrastructure and the people of the State of California.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Equipment and Operating Costs**—A one-time augmentation of \$84.4 million in 2026-27 from the Motor Vehicle Account for equipment and operating costs. This augmentation will provide funding for additional duty weapons, vehicles, and other various operational cost increases.
- **Crash Data Systems**—\$13.7 million in federal funds to begin executing the California Crash Data System Modernization Project, which will allow for insight into necessary roadway improvements, the implementation of proactive safety measures, and more effective traffic solutions.
- **Security at State Capitol Swing Space and Annex Building**—A one-time augmentation of \$6.9 million in 2026-27 from the Motor Vehicle Account to continue providing protection and security at the State Capitol swing space building.
- **Wireless Camera Systems**—\$3.1 million from the Motor Vehicle Account to upgrade wireless mobile video/audio systems and body camera systems to 5G.
- **Highway Violence Task Force**—\$885,000 for 7 positions to continue analyzing data related to violent crimes committed on the State Highway System.

DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles (DMV) promotes public safety by licensing drivers, issuing identification cards, regulating vehicle-related businesses and protecting consumers. The DMV serves more than 31 million licensed drivers and identification card holders and administers registration services for more than 36 million vehicles.

DMV collects approximately \$15.5 billion in annual revenue on behalf of the state, which supports cities and counties, transportation programs, and the Motor Vehicle Account, which supports the operations of DMV and the CHP, as well as other myriad departments.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Digital eXperience Platform (DXP) Project**—\$94.1 million Motor Vehicle Account in 2026-27 to continue a multi-year information technology project to modernize the Occupational Licensing, Disabled Persons Placard, Vehicle Registration, Control Cashiering and Inventory Management, and Driver Licensing programs.
- **State To State Verification Service Project**—\$56 million Motor Vehicle Account to continue compliance with the federal Real ID Act of 2005.
- **Operating Costs and Efficiencies**—A one-time increase of \$24.5 million from the Motor Vehicle Account for increased operating costs across DMV facilities. The Budget also includes statutory changes to reduce printing costs of materials by adopting efficiencies that digitize or reduce printing requirements related to Driver's License Courtesy Notices, Driver's License Handbooks, Digital Notice Opt-Out, Rushed Registration Documents, Digital Titles, and Disabled Person Parking Placard Enhancements.
- **Field Office Leases**—\$13.9 million Motor Vehicle Account to enter into new leases for the San Francisco and San Clemente Field Offices. The estimated costs include one-time and ongoing costs for 2026-27 through 2029-30.
- **Mobile Driver's License**—\$5 million Motor Vehicle Account to expand mobile app based identification cards and adopts statutory language to increase the existing participation cap from 15 percent to 60 percent of eligible driver license holders.