



State Legislative Update



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LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

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New transportation funding?

BONDS – PROPOSITION 1B, VERSION 2.0?

- **Prop 1B very successful but nearing expiration**
 - State's debt service too high; "wall of debt"
 - Competition (schools, water bond)
- **Polling... not awesome**
- **Early Prediction: Slim chance**

New transportation funding?

LOWERING THE VOTE THRESHOLD

- **Currently 2/3 for local funding measures**
- **Lots of legislative attention, but...**
 - 19 Self-help counties for transportation (70% of all revenue)
 - 8 constitutional measures so far
 - Lots of competition for transportation
 - SCA 4 (Liu) and SCA 8 (Corbett) address transportation specifically
- **Early Prediction**: Legislature puts *something* on ballot, but not until *NEXT* year

Competing constitutional measures

- **ACA 3 (Campos)**: Allows >1% property tax for bond debt service on public safety buildings + allows 55% vote for special tax for public safety
- **ACA 6 (Gatto)**: Can only amend California Constitution w/55% vote
- **ACA 8 (Blumenfield)**: Allows >1% property tax for bond debt service on transportation (streets, transit, highways) & other public infrastructure facilities + allows 55% vote for bonds for same
- **SCA 4 (Liu)**: Allows 55% vote for special taxes for transportation projects
- **SCA 7 (Wolk)**: Allows >1% property tax for bond debt service on public library buildings + allows 55% vote for special tax for public libraries + allows 55% vote for bonds for same
- **SCA 8 (Corbett)**: Allows 55% vote for special taxes for transportation projects
- **SCA 9 (Corbett)**: Allows 55% vote for special taxes for community and economic development projects
- **SCA 11 (Hancock)**: Allows 55% vote for special taxes

New transportation funding?

“VEHICLE LICENSE FEE” OR “VEHICLE REGISTRATION FEE”?

- **Fee vs. Tax = All the same to voters?**
 - Flexible uses
 - Focus likely on streets, roads and highways; a little transit rehab
- **Polling... maybe**
- **Early Prediction**: Tough sell, lots of interest... maybe legislative solution/ not to ballot (would guess VRF, *not* VLF)

New transportation funding?

GOVERNOR BROWN'S "CALIFORNIA TRANSPORTATION INFRASTRUCTURE PRIORITIES" (CTIP) PROCESS

- Authorized Transportation Agency Secretary to conduct review, with stakeholder panel
- Tackling California Transportation Commission's \$300 billion transportation "need" report
 - Gap can't be addressed in one measure
 - Look for mix of tools
 - State must acknowledge High-Speed Rail and SB 375
- Early Prediction: Governor proposes... *something* (in 2014); work on it *after* re-election

CTIP: Governor's charge

Beginning in the spring of 2013, the Agency will convene a workgroup consisting of state and local transportation stakeholders to refine the transportation infrastructure needs assessment, explore long-term, pay-as-you-go funding options, and evaluate the most appropriate level of government to deliver high-priority investments to meet the state's infrastructure needs.

- January 2013 Governor's Budget

CTIP: Lenses for analysis

- **Preserve** – Care for what we have - “fix it first.”
- **Innovate** – Employ technology and better system management to help the state better meet its three core transportation objectives: safety, mobility, and sustainability.
- **Integrate** – Implement SB375 plans, coordinate transit and high speed rail investments to improve system performance, and strengthen key state/federal/local/stakeholder partnerships.
- **Perform** – Utilize performance measures to ensure taxpayers know their investments will have value.

CTIP: Lenses for analysis

1. How do we protect our transportation assets? What are our highest infrastructure priorities related to *preservation*?
2. What are the most promising transportation *innovations* to improve system performance?
3. Integration: How can we partner to support SB 375 implementation and Regional Transportation Plans? Where should California invest its funds to support seamless transportation?
4. How do we define “*performance*”? How do we measure return on investment for our infrastructure priorities?
5. What other questions do we need to ask related to transportation infrastructure priorities?

New Transportation Funding?

CAP AND TRADE

- **Fuel industry could generate billion(s)?**
 - Should be re-invested in GHG-reducing clean transportation
 - Should be overseen by regional and local governments
 - Auctions began/ have occurred in FY '12-13 [~\$500 million+]
 - But fuel not fully capped until FY '15
 - Governor put hold on program in FY '13-14
- **Transportation Coalition for Livable Communities**
 - California Alliance for Jobs; CSAC; League of California Cities; California Transit Association; CALCOG; MTC; NRDC; Transportation California; APCDs; COGs; etc.
 - Coalition message is STICKING
- **Early Prediction:** Good chance for significant 2015+ revenues; outside chance for FY '14-15 (don't need ballot measure... yet)