

REPORT TO SHASTA COUNTY RTPA

SUBJECT	MEETING DATE	ITEM NUMBER
Consider Approving Resolution in Support of Proposition 42	12/11/01	7

RECOMMENDATION

It is recommended that the Agency approve Resolution No. 01-07 endorsing Proposition 42 to be included on the March, 2002 General Election.

SUMMARY

Proposition 42 has been placed on the March 2002 ballot. Since this measure will increase funding for transportation related purposes, it may be appropriate for the Agency take a position on this measure.

DISCUSSION

In the last few years there has been considerable discussion throughout the state as how to increase revenues available for transportation, both for capacity increasing projects as well as for rehabilitation and maintenance. This need for additional funding was recognized by the Davis administration which has earmarked nearly \$5 billion in state revenues for transportation related purposes. Although this \$5 billion is much needed for transportation, it is recognized statewide that there is additional demand for an ongoing revenue stream. Proposition 42 has been drafted to address, at least partially, this discrepancy between revenues available for transportation and transportation needs.

Proposition 42 makes available the existing sales tax on gasoline be used to fund street, road, highway and public transit improvements. It keeps faith with motorists who reasonably believe the taxes they pay at the pump support our transportation system. The revenues generated from the sales tax on gasoline will be earmarked for several purposes. Twenty percent of the money will be distributed directly to cities for street and road maintenance. Twenty percent will be distributed directly to counties for street and road maintenance. Forty percent of the money will be made available to the State Transportation Improvement Program (STIP) to generally fund transportation projects statewide. Finally, 20% of the money will be deposited into the Public Transportation Account to fund transit programs and projects.

At this time precise revenue projections have not been made available by Caltrans, however, the impact on Shasta County is estimated to be an additional \$1 million among the three cities and the County for additional maintenance. An additional \$1 million per year will go into the Regional Improvement Program for the region. The 20% going into the Public Transportation Account, in all likelihood, will fund passenger rail deficits statewide.

ALTERNATIVES

The Agency could chose to not endorse this proposition. This is not recommended because there is a need for additional transportation dollars within Shasta County. Further, since this proposition will not raise taxes but simply devote current sales taxes on gasoline sales to transportation, it seems appropriate that this Agency support it.

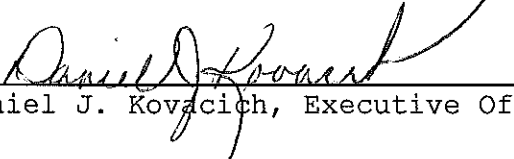
Proposition 42 Endorsement/Item #7
December 11, 2001
Page 2

OTHER AGENCY INVOLVEMENT

This item was discussed at the November 27 Technical Advisory Committee meeting.

FINANCING

There will be no significant financial impact on the RTPA regardless of the outcome of the measure.



Daniel J. Kovacich, Executive Officer

/jmg

Attachment: Resolution No. 01-07

RESOLUTION NO. 01-07

ADOPTING RESOLUTION IN SUPPORT OF PROPOSITION 42
(ACA 4 - TRAFFIC CONGESTION IMPROVEMENT ACT)

WHEREAS, ACA 4 (The Traffic Congestion Improvement Act) will provide traffic congestion relief with no new taxes by allocating existing gasoline sales tax revenues estimated at approximately \$1 billion annually for public transit, local road repair and improvements to local and state roads and highways; and

WHEREAS, ACA 4 is based on the principle that taxes paid at the gas pump should be used for transportation purposes and would dedicate those funds for transportation purposes; and

WHEREAS, all projects will be subject to standard accounting practices to ensure they are delivered on time and on budget; and

WHEREAS, traffic congestion is bad now and will get worse unless ACA 4 is passed, jeopardizing California's economic recovery and costing Californians billions of dollars every year in wasted time, excess fuel and shipping delays; and

WHEREAS, six thousand of our bridges and overpasses are structurally deficient or do not meet highway design standards, and planned improvements to our bus and rail commuter systems lag behind schedule; and

WHEREAS, cities and counties lack funds to fix potholes and properly maintain local streets; and

WHEREAS, traffic is paralyzing travel with Los Angeles now ranked the number one most congested urban area in the country, San Francisco/Oakland second, San Diego sixth and Sacramento, San Jose and San Bernardino/Riverside following close behind.

WHEREAS, the state's legislative analyst's office recommended legislators come up with an additional, reliable and ongoing funding source to tackle California's ailing transportation system.

THEREFORE BE IT RESOLVED, the Shasta County Regional Transportation Planning Agency supports ACA 4, The Traffic Congestions Improvement Act.

DULY PASSED AND ADOPTED this 11th day of December 2001, by the Shasta County Regional Transportation Planning Agency.

Norma Connick, Chair
Shasta County Regional
Transportation Planning Agency

Taxpayers for Traffic Relief/ Yes on ACA 4

SAMPLE RESOLUTION IN SUPPORT OF ACA 4 (Traffic Congestion Improvement Act)

WHEREAS, ACA 4 (The Traffic Congestion Improvement Act) will provide traffic congestion relief with no new taxes by allocating existing gasoline sales tax revenues estimated at approximately \$1 billion annually for public transit, local road repair and improvements to local and state roads and highways; and

WHEREAS, ACA 4 is based on the principle that taxes paid at the gas pump should be used for transportation purposes and would dedicate those funds for transportation purposes; and

WHEREAS, all projects will be subject to standard accounting practices to ensure they are delivered on time and on budget; and

WHEREAS, traffic congestion is bad now and will get worse unless ACA 4 is passed, jeopardizing California's economic recovery and costing Californians billions of dollars every year in wasted time, excess fuel and shipping delays; and

WHEREAS, six thousand of our bridges and overpasses are structurally deficient or don't meet highway design standards, and planned improvements to our bus and rail commuter systems lag behind schedule; and

WHEREAS, cities and counties lack funds to fix potholes and properly maintain local streets; and

WHEREAS, traffic is paralyzing travel with Los Angeles now ranked the number one most congested urban area in the country, San Francisco/Oakland second, San Diego sixth and Sacramento, San Jose and San Bernardino/Riverside following close behind; and

WHEREAS, the state's legislative analyst's office recommended legislators come up with an additional, reliable and ongoing funding source to tackle California's ailing transportation system

THEREFORE BE IT RESOLVED, _____ **SUPPORTS ACA 4, The Traffic Congestion Improvement Act.**

Organization Name Date

Authorized Signature Printed Name Title

Mailing Address City, State, Zip

E-Mail Address Organization Website

Please fax to (310) 996-2673. Questions about ACA 4: Call (310) 996-2671.

Taxpayers for Traffic Relief/Yes on ACA 4:
A Coalition of Taxpayers, Construction, Business, Labor, Engineers and Commuters

