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The Pothole Tax

If there's a civic crisis on the minds of most Californians, it's the deplorable state of a once-heralded road system. Los Angeles' road network has been rated the worst in California, a state with the worst overall roads in the nation.

That malign honor, bestowed in a 2004 report by a transportation research and lobbying group, costs drivers real money. Excess operating costs for L.A. drivers were estimated at $705 a year. San Jose and San Francisco were close behind. And that was before record rains turned everything paved into an obstacle course. Call it the pothole tax.

Unlike what drivers pay out, state funds for building and maintaining highways are too often phantom money.

In his State of the State address last January, Gov. Arnold Schwarzenegger said, "Californians can't get from place to place on little fairy wings. This is a car-centered state. We need roads." Yet Schwarzenegger has "borrowed" about $2 billion over two years from the gasoline tax fund that voters passed as Proposition 42 in 2002, supposedly to guarantee financing of new freeway and transit projects.

Gov. Gray Davis did the same thing, so the "fund" has never really existed.

City streets and county roads have been hit hard too, in part because Sacramento also has repeatedly shorted local government on state aid.

Now comes Assembly Speaker Fabian Nuñez (D-Los Angeles) with a shell game for highway and transit funding. Give him credit for seeing a big issue. But his plan has its own aura of fairy dust.

Nuñez would eliminate the state sales tax on gasoline, perhaps in hope of placating current gas-pump anger. That 11 cents a gallon on average would be replaced by increasing the statewide sales tax a quarter of a cent, and raising big money quickly with a $10-billion bond issue that would be paid off by a gradual 4-cent increase in the gasoline excise tax over the next decade. There's more, but that's the gist.

What's wrong with this plan, aside from sounding like a shell game?

For one thing, big money for major roads was what motorists thought they were getting with Proposition 42. For another, the Nuñez plan shifts more of the cost from drivers to the general population by way of the regressive sales tax.

Road-chewing trucks and SUVs ought to pay more of the transportation costs. And why commit the state to yet another multibillion-dollar round of borrowing?

Proposition 42 was always a shaky idea, because it put a wall around an existing general fund tax and said it could only be used for transportation. That's an OK idea when the state is flush, but it squeezes everything else when revenue drops, as it has in recent years. For that reason, the proposition had a loophole that allowed its funds to be siphoned off in bad times.

Nuñez obviously hoped his tortured plan would be seen as the not-a-new-tax solution, able to get through the Legislature on a simple majority vote. There's no chance of that.

The state's legislative analyst, the always-practical Elizabeth Hill, has a better idea: Repeal Proposition 42 and raise the gas tax by 6 cents.

That's not as nutty as it sounds. California's gas tax is a wimpy 27th nationally. Voters are more likely to approve a simple plan and a fairly apportioned tax that guarantees a visible public benefit, even if they're cringing at the overall price of gas.