



County of Santa Cruz

DEPARTMENT OF PUBLIC WORKS

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THOMAS L. BOLICH
DIRECTOR OF PUBLICWORKS

AGENDA: JANUARY 15,2001

January 3,2001

SANTA CRUZ COUNTY BOARD OF SUPERVISOR
701 Ocean Street
Santa Cruz, CA 95060

SUBJECT: SUPPORT FOR PROPOSITION 42 - SAFER ROADS/TRAFFIC RELIEF

Members of the Board:

The Department of Public Works is submitting this letter to your Board to request your support of Proposition 42, previously known as Assembly Constitutional Amendment Number 4 (ACA 4). Proposition 42 would require all funding collected through the existing sales tax on gasoline purchases for the 2003/2004 fiscal year and each fiscal year thereafter, be transferred to the Transportation Investment Fund. These funds would then be allocated for public transit and mass transportation programs, transportation capital improvement projects, and street and highway maintenance including rehabilitation, reconstruction, and storm damage repair projects.


Proposition 42 would perpetuate the funding source initially identified by Assembly Bill 2928 two years ago, which has provided the County of Santa Cruz with approximately \$2.4 million for critical road repairs and resurfacing projects. Proposition 42 will guarantee that gasoline sales taxes will be used for such transportation improvements. Without this amendment, the funding provided the County by AB 2928 will expire in another four years.

Proposition 42 will be on the state-wide ballot on March 5, 2002, and will require a two-thirds voter approval for passage. A supporting resolution is attached for your Board's consideration. Upon adoption of the resolution, the County of Santa Cruz would join a growing list of local public agencies and others including transportation, business, and labor groups in support of Proposition 42. A copy of Proposition 42 (ACA 4) along with additional background materials are attached for your Board's review.

It is therefore recommended that your Board take the following action:

1. Adopt the attached resolution in support of Proposition 42.
2. Direct the Public Works Department to submit a copy of the approved Board letter with supporting resolution to DeAnn Baker at the California State Association of Counties.

Yours truly,

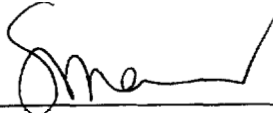


THOMAS L. BOLICH
Director of Public Works

JJP:abc

Attachments

RECOMMENDED FOR APPROVAL:



County Administrative Officer

copy to: Public Works

PROP42A

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

0519

RESOLUTION NO. _____

On the motion of Supervisor
duly seconded by Supervisor
the following resolution is adopted:

RESOLUTION IN SUPPORT OF PROPOSITION 42 AND AUTHORIZING THE
DIRECTOR OF PUBLIC WORKS TO SUBMIT A COPY OF SAID RESOLUTION TO THE
CALIFORNIA STATE ASSOCIATION OF COUNTIES

WHEREAS, Proposition 42 will help make our roads safer and reduce traffic without higher taxes by requiring the gasoline sales tax to be used to improve transit, highways and local roads; and

WHEREAS, Proposition 42 is based on the principle that taxes paid at the gas pump should be used for transportation purposes; and

WHEREAS, Proposition 42 will provide a stable and ongoing source of transportation funding that will make it possible to plan for future transportation needs; and

WHEREAS, Proposition 42 will guarantee funds to local cities and counties for maintenance purposes on streets and highways including rehabilitation, reconstruction, and storm damage repair projects; and

WHEREAS, Proposition **42** will accelerate highway safety and traffic relief projects, and expand and improve transit systems; and

WHEREAS, all Proposition 42 projects will be subjected to annual audits and standard accounting practices to ensure they are delivered on time and on budget.

NOW, THEREFORE, BE IT RESOLVED that the County of Santa Cruz Board of Supervisors hereby endorses Proposition 42 and authorizes the Director of Public Works to send a copy of the resolution to DeAnn Baker at the County State Association of Counties, 1100 K Street, Suite 101, Sacramento, CA 95814.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz,
State of California, this ____ day of _____ 2002, by the following vote:

AYES: SUPERVISORS

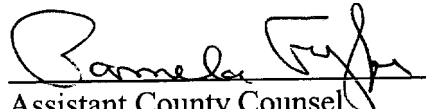
NOES: SUPERVISORS

ABSENT: SUPERVISORS

Chairman of said Board

ATTEST: _____
Clerk of said Board

Approved as to form:



Assistant County Counsel

Distribution: County Counsel
Public Works

Assembly Constitutional Amendment No. 4

RESOLUTION CHAPTER 87

Assembly Constitutional Amendment No. ~~4-A~~ resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding Article XIX **B** thereto, relating to transportation.

[Filed with Secretary of State July 26, 2001.]

LEGISLATIVE COUNSEL'S DIGEST

ACA 4, Dutra. Transportation funding: sales and use tax revenues.

The Sales and Use Tax Law imposes a tax on the gross receipts from the sale in this state of, or the storage, use, or other consumption in this state of, tangible personal property. That law requires revenues derived from those taxes to be deposited in the Retail Sales Tax Fund. Existing law requires the balance of that fund remaining after various specified allocations to be allocated to the General Fund.

This measure would, for the 2003–04 fiscal year and each fiscal year thereafter, require all moneys that are collected during the fiscal year under the Sales and Use Tax Law, with respect to the sale or use of motor vehicle fuel, and that are required to be transferred to the General Fund pursuant to that law, to instead be transferred to the Transportation Investment Fund. This measure would, for the 2003–04 to 2007–08 fiscal years, inclusive, require moneys in that fund to be allocated for transportation purposes as provided in a specified statute. This measure would, for the 2008–09 fiscal year and each fiscal year thereafter, require moneys in the fund to be allocated only for transportation purposes specified by this measure, and would specify the allowable percentage amount to be allocated for each specified transportation purpose.

This measure would allow the Legislature to suspend or modify these requirements under certain circumstances, if the act so providing is approved by $\frac{2}{3}$ of the entire membership of each house of the Legislature.

WHEREAS, California's continuing economic prosperity and quality of life depend, in no small part, upon an expansive and efficient transportation system; and

WHEREAS, The need to maintain, expand, and improve California's multimodal transportation system increases as California continues to grow; and

WHEREAS, Public investment in transportation has failed to keep pace with California's growth, and additional fiscal resources are **needed** simply to maintain, much less expand, California's transportation system; and

WHEREAS, The failure to address California's transportation funding needs will drain economic vitality, compromise public safety, and erode quality of life; and

WHEREAS, It is now necessary to address California's transportation problems by providing additional state **funding**, in a manner that protects existing constitutional guarantees set forth in Section 8 of Article XVI of the California Constitution, for the funding of public education; now, therefore, be it

Resolved by the Assembly, the Senate concurring, That the Legislature of the State of California at its 2001–02 Regular Session commencing on the fourth day **of** December 2000, two-thirds of the membership of each house concurring, hereby proposes to the people of the State of California that the Constitution of the State be amended by adding Article XIX B thereto, to read:

ARTICLE XIX B

MOTOR VEHICLE FUEL SALES TAX REVENUES AND TRANSPORTATION IMPROVEMENT FUNDING

SECTION 1. (a) For the 2003–04 fiscal year and each fiscal year thereafter, all moneys that are collected during the fiscal year from taxes under the Sales and Use Tax Law (Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code), or any successor to that law, upon the sale, storage, use, or other consumption in this State of motor vehicle fuel, and that are deposited in the General Fund of the State pursuant to that law, shall be transferred to the Transportation Investment Fund, which is hereby created in the State Treasury.

(b) (1) For the 2003–04 to 2007–08 fiscal years, inclusive, moneys in the Transportation Investment Fund shall be allocated, upon appropriation by the Legislature, in accordance with Section 7104 of the Revenue and Taxation Code as that section read on the operative date **of** this article.

(2) For the 2008–09 fiscal year and each fiscal year thereafter, moneys in the Transportation Investment Fund shall be allocated solely for the following purposes:

(A) Public transit and mass transportation.

(B) Transportation capital improvement projects, subject to the laws governing the State Transportation Improvement Program, or any successor to that program.

(C) Street and highway maintenance, rehabilitation, reconstruction, or storm damage repair conducted by cities, including a city and county.

(D) Street and highway maintenance, rehabilitation, reconstruction, or storm damage repair conducted by counties, including a city and county.

(c) For the 2008–09 fiscal year and each fiscal year thereafter, moneys in the Transportation Investment Fund shall be allocated, upon appropriation by the Legislature, as follows:

(A) Twenty percent of the moneys for the purposes set forth in subparagraph (A) of paragraph (2) of subdivision (b).

(B) Forty percent of the moneys for the purposes set forth in subparagraph (B) of paragraph (2) of subdivision (b).

(C) Twenty percent of the moneys for the purposes set forth in subparagraph (C) of paragraph (2) of subdivision (b).

(D) Twenty percent of the moneys for the purpose set forth in subparagraph (D) of paragraph (2) of subdivision (b).

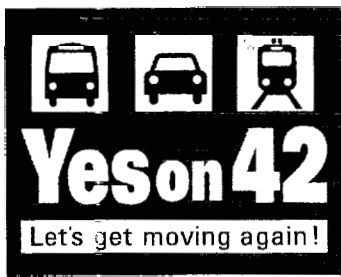
(d) The transfer of revenues from the General Fund of the State to the Transportation Investment Fund pursuant to subdivision (a) may be suspended, in whole or in part, for a fiscal year if both of the following conditions are met:

(1) The Governor has issued a proclamation that declares that the transfer of revenues pursuant to subdivision (a) will result in a significant negative fiscal impact on the range of functions of government funded by the General Fund of the State.

(2) The Legislature enacts by statute, pursuant to a bill passed in each house of the Legislature by rollcall vote entered in the journal, two-thirds of the membership concurring, a suspension for that fiscal year of the transfer of revenues pursuant to subdivision (a), provided that the bill does not contain any other unrelated provision.

(e) The Legislature may enact a statute that modifies the percentage shares set forth in subdivision (c) by a bill passed in each house of the Legislature by rollcall vote entered in the journal, two-thirds of the membership concurring, provided that the bill does not contain any other unrelated provision and that the moneys described in subdivision (a) are expended solely for the purposes set forth in paragraph (2) of subdivision (b).

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**SAFER ROADS AND
TRAFFIC RELIEF
WITHOUT HIGHER TAXES**

SAFER ROADS – TRAFFIC RELIEF – WITHOUT NEW TAXES

Requires the gasoline sales tax – A TAX WE ALREADY PAY AT THE PUMP – be used to improve highways, local roads and mass transit. An annual audit of Prop. 42 funds will be required to help guarantee transportation projects get delivered on time and on budget.

Improve Highway, Bridge and Street Safety

California's once safe and beautiful highways are now the third most deteriorated roadways in the nation, and growing less safe by the day. More than 6000 California bridges and overpasses are structurally deficient or no longer meet highway safety or design standards. Prop. 42 will provide desperately needed funds to help fix potholes and repair dangerous roads, highways, bridges, intersections and school routes – in every city and county in the state.

Speed Up Traffic Relief and Mass Transit Projects

Los Angeles has the most congested traffic in the country. San Francisco/Oakland is second, San Diego sixth, and Sacramento, San Jose and San Bernardino/Riverside follow close behind. Prop. 42 guarantees gasoline sales taxes – taxes we already pay – **will** be used for transportation improvements. It will help speed up the delivery of planned traffic relief projects on highways and local roads, and expand local bus and commuter services, such as VTA in San Jose, Sacramento, MUNI, Green and Blue lines in L.A., the San Diego trolley, BART, Caltrain, Capitol Corridor, Southern California's MetroLink, ACE, and the Coasters in San Diego.

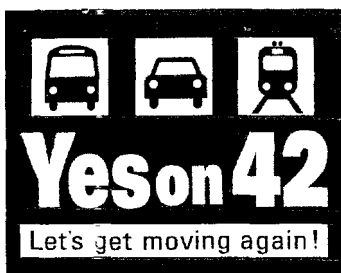
Create Jobs and Stimulate the Economy

Speeding up transportation projects has the added benefit of creating thousands of new jobs in construction, engineering and related services – at a time when we need them the most. Every dollar spent on highway improvements generates about six times that amount in economic benefits.

Join California Highway Patrol Commissioner Dwight Helmick, the California Organization of Police and Sheriffs, California Taxpayers' Association, California State Automobile Association-AAA, Automobile Club of Southern California-AAA, California Transit Association, Transportation California, California Alliance for Jobs, California Taxpayer Protection Committee, California State Association of Counties, California Chamber of Commerce, labor unions, seismic safety engineers, cities and counties, local and state transportation officials, seniors, commuters, transit riders, parents and many others.

YES on PROP. 42

SAFER ROADS – TRAFFIC RELIEF – WITHOUT NEW TAXES



**SAFER ROADS AND
TRAFFIC RELIEF
WITHOUT HIGHER TAXES**

A FEW REASONS WE NEED PROP. 42

California's transportation system has become overburdened and unsafe. We simply haven't kept up with the demand on our roads and mass transit systems. A lack of funds has stalled planned road maintenance, highway improvements, and bus and commuter rail service expansions. The result is traffic gridlock and a deteriorating infrastructure that costs taxpayers, motorists and businesses billions of dollars every year and jeopardizes the safety of our streets, highways, bridges and overpasses. Here are the facts...

- Federal Highway Administration data shows two-thirds (more than 6,000) of our bridges and overpasses are structurally deficient or don't meet current highway safety/design standards.
- The national study of traffic congestion conducted annually by the Texas Transportation Institute ranks *Los Angeles as the most congested area in the country, San Francisco/Oakland second, San Diego sixth with Sacramento, San Jose and San Bernardino/Riverside follow close behind.*
- U.S. Department of Transportation statistics reveal California has the third most deteriorated roads in the nation. Nearly half of our roads are in poor or mediocre condition. Only Louisiana and Missouri's roadways are in worse condition.
- California's independent Legislative Analyst's study on transportation says freeway traffic delays have more than doubled over the last ten years and *"The current level of funds for transportation falls substantially short of what is needed to ensure mobility and facilitate goods movement over the next decade."*
- The Road Information Program (TRIP), a respected transportation research institute, reports that *every state in the nation spends more per capita on its highways than California.*
- *Untold millions of tax dollars are wasted every year by delaying necessary road repairs.* TRIP calculates it costs us four times more to rebuild a road later, than to resurface it now.
- Programs to improve the safety of children biking and walking to school lack the necessary funds to complete safety improvements along school routes.
- The California Department of Transportation estimates *traffic congestion costs Californians \$7.8 million per day (\$2.8 billion a year) in time and excess fuel, and the vehicles sitting in traffic spew an estimated 418 tons of emissions per day (more than 150 million tons a year.)*
- *Traffic delays drive up shipping costs and increase delays for businesses and consumers.* According to the U.S. Department of Transportation, 85% of the \$82 billion in goods delivered every year in California travels (slowly) on our highways, and that volume is expected to double in the next 20 years.
- The Auto Club of Southern California reports *84% of L.A. and Orange county freeways are classified as congested.* The average L.A. driver wastes 120 gallons of fuel and an extra 82 hours (the equivalent of two full working weeks) a year sitting in traffic.
- The American Highway Users Alliance estimates *unclogging the four worst freeway bottlenecks in Southern California will save motorists \$26.3 billion over the estimated 20-year life of the projects.*
- Transportation California points out that travel in the state has increased 10 times faster than new lane capacity.

Prop. 42 requires the gasoline sales tax we already pay at the pump be used to improve our transportation system. Without raising taxes, Prop. 42 will provide funds to every city and county to improve highway safety, fix dangerous road and street conditions, improve safety for children biking and walking to school, fix potholes, better maintain roads, expand bus and commuter transit systems, speed up traffic relief projects and better plan for future growth.

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