

**AGENDA:** September 2, 2004

**TO:** Regional Transportation Commission  
**FROM:** Linda Wilshusen, Executive Director  
**RE:** California Performance Review (CPR)

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## **RECOMMENDATION**

This item is for information only.

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## **BACKGROUND**

In February 2004, Governor Schwarzenegger created the California Performance Review to conduct a focused examination and assessment of California state government. CPR's mandate was to formulate and recommend changes to government agencies, programs and operations to reduce total costs of operations, increase productivity, improve services and make government more responsible and accountable to the public. Over 275 state employees from all sectors of state service worked on developing specific recommendations which were released on August 3, 2004.

## **DISCUSSION**

The California Performance Review report is over 2500 pages long and contains more than 1000 recommendations. According to the report, if all of the recommendations are implemented, they have the potential to save the State more than \$32 billion over the next five years.

Recommendations of the report include the creation of a new Infrastructure Department (Attachment 1) under which a transportation division would be housed and several recommendations regarding the state highway system (Attachment 2). Some in the state consider the transportation proposals the least controversial in the report. They include recommendations for more High Occupancy/Toll (HOT) lanes, greater use of design-build and design-sequencing, and a constitutional amendment to dedicate funds to transportation.

Some of the concerns that have been raised about the transportation aspects of the report include:

- The report does not address Caltrans Local Assistance
- The report does not address who will manage the State Transportation Improvement Program (STIP)
- Transportation may get lost in a super-agency, the proposed Infrastructure Department
- Shifts significant road/highway maintenance costs from the State to local jurisdictions
- Failure to recommend raising more money for transportation
- Elimination of the California Transportation Commission (CTC)

Over the next two months, the State is soliciting comments on the report. On August 13, 2004

the state held a hearing on the Infrastructure section of report in Riverside. Staff will continue to review and monitor the report in the coming weeks.

## **SUMMARY**

The California Performance Review report has been released. Highlights of sections related to transportation are attached.

### Attachments:

1. *Volume 2: Form Follows Function* - Chapter 7, The Infrastructure Department
2. *Volume 4: Issues and Recommendations* – Infrastructure Chapter (summary)

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