

Attachment 1

Assembly Democrats Unveil Legislative Transportation Package

Tuesday, April 05, 2005 -

SACRAMENTO –Saying California’s transportation policy is “stuck in reverse”, Assembly Speaker Fabian Núñez (D-Los Angeles) and several of his Democratic Legislative colleagues stood at a busy freeway interchange in downtown Sacramento to announce a “Building Opportunity” plan to jumpstart transportation projects across California. The announcement of the transportation ‘fix’ is the first in a series of Assembly Democratic policy initiatives.

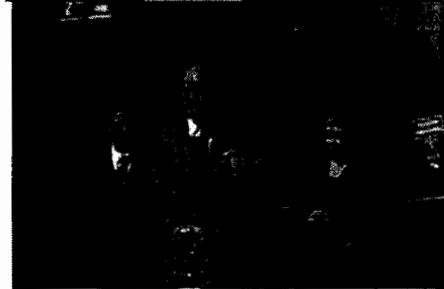
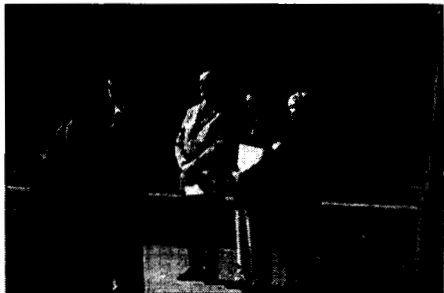
“The promise of the American dream is the promise of opportunity – we Democrats are committed to doing everything in our power to keep that promise alive here in California,” Speaker Núñez said. “Our proposal immediately cuts the price of gas at the pump and at the same time provides \$10 billion to jump start transportation projects – paid for entirely out of transportation funds.”

Assemblyman John Laird (D-Santa Cruz), Chair of the Assembly Budget Committee, says these proposals relate first-hand to the laments shared by citizens at recent budget transportation forums held all across the state. “We heard that gas prices are too high, there’s no long-term plan, there’s no stability in funding and there’s a proposal for a two-year ‘vacation’ from transportation projects that’s on the table right now. Our proposal would address every single one of those issues in a positive way,” said Laird.

Key points included in the transportation portion of the Assembly Democrats’ “Building Opportunity” plan include the following:

- Saves resources by creating more efficient means for transporting goods and services;
- Cuts costs at the pump all across the state by 11 cents per gallon;
- Invests \$53 billion in new transportation infrastructure over the next 30 years;
- Issues a \$10 billion bond for transportation projects, loan repayments, and the Bay Bridge; and
- Cuts the General Fund deficit by \$4.5 billion over four years.

The Democrats’ proposal would replace the state’s existing sales tax on gasoline with an equal sales tax on other taxable items until at least 2010, which will grow faster than the existing sales tax. The \$10 billion bond will allow the state to pay off some of the back log of its General Fund loans to transportation, this reducing the size of its out-year budget problems.



5-5



"If the Assembly's plan is enacted, Californians will pay less at the pump and get more for their money on the road," Núñez said.

Assemblymember Jenny Oropeza, (D-Long Beach), Chair of the Assembly Transportation Committee, says this plan will keep the transportation ball rolling in the state and also plans ahead for the long term.

"We need a robust and generous and stable source of transportation funding," Assemblymember Oropeza noted. "This freeway off ramp (that we're standing in front of) is an example of what our growing

communities need, but there's no money for it. And people feel it. Today we're making a commitment to unveil this comprehensive plan that will make those on ramps and off ramps happen. It'll make those street intersections happen, traffic signals, and everything we need, from the small projects to the large, will continue to keep rolling."

The California Transportation Commission recently declared that California's transportation infrastructure is on the verge of collapse. In spite of this forecast, for the past two years, Governor Arnold Schwarzenegger has halted all investments in transportation – a move that continues to worsen California's crumbling roads and costs the state jobs.

"(Transportation funding) is a huge job creation plan," said Assemblyman Dario Frommer (D-Glendale), the Assembly Majority Leader. "We estimate that a billion dollars spent on transportation projects will produce 19-thousand jobs. Our program – under its own numbers – would produce about 200-thousand jobs. So for taxpayers, for business, for the California economy, and for those of us who are struggling to fill up our tanks, this proposal is bold and it's the kind of thinking that California needs."

Speaker Núñez hopes this transportation proposal will be judged on its own merits and not fall victim to capitol politics.

"We think that what be bring to the table ought not be treated as simply just another political hiccup in this cloud that is over California politics today," said the Speaker. "We hope that as folks react to this proposal, they take the time to think about it thoroughly, take the time to analyze it before they jump to any conclusions, simple because we think people believe this is a sound proposal...for the state of California."

Legislative Data Center
<http://democrats.assembly.ca.gov/>

5-6