



Transportation and the 2005-06 California Budget

Statement of Principles

The State of California faces critical fiscal and economic challenges. The health of the California economy, the State's Budget deficit and the need to address long term quality of life issues are all interconnected. Transportation infrastructure is a key factor in each of these challenges.

As with every other aspect of public expenditure, transportation priorities and programs must be reviewed and sharpened. At the same time, there must be recognition of the vital role played by transportation infrastructure in the economic health of the state and the very real costs of curtailing investment in maintaining and improving the transportation infrastructure.

In its deliberations on the State's 2005-06 Budget, the Legislature is urged to adhere to the following principles with regard to transportation:

- Full application of revenue from sales tax on gasoline for transportation purposes as provided in Proposition 42, including STIP, TCRP, local streets and roads and public transit.
- Constitutional protection of Proposition 42 funds by eliminating suspension provisions and/or imposing strict requirements for prompt repayment of any loans from transportation accounts with interest.
- Constitutionally guaranteed repayment of any outstanding loans--direct or indirect--from transportation funds to the General Fund with interest and on a fixed schedule.
- Full funding of all transportation projects where construction has been contracted.
- Full funding of all transportation projects where cancellation or delay would lose or jeopardize Federal funds.
- Retention of core Caltrans planning and capital projects staff to enable the State to ramp up transportation infrastructure projects once additional funding becomes available.
- Full funding of the current STIP and SHOPP
- Create new revenue streams for transportation
- Promote alternative methods of project delivery
- Create opportunities for public/private partnerships