

“Schwarzenegger bond proposal to hear criticism from locals, Democrats in Senate hearing today”

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by Shane Goldmacher

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Gov. Schwarzenegger may be heading for a showdown with local officials over language in his transportation bond which strips power over transportation projects from locals and gives it to the administration.

The issue of how transportation projects are prioritized, and which ones would receive new bond money, will be among the most contentious debates over the transportation bond. That debate officially begins today, when the Senate Transportation Committee begins informational hearings about the bonds.

At the center of debate is the Schwarzenegger proposed centralization of project-choosing authority, a shift, administration officials argue, that is necessary to fast-track the most important projects in the state.

Under current law, three-quarters of any new capital expenditures in the state transportation system are determined by regional transportation agencies, through the State Transportation Improvement Program (STIP), with the remaining quarter determined by CalTrans.

Democrats, local government officials, and even some Republicans are balking at the governor's proposal to have administration officials--not local officials or legislators--control the purse strings of billions in proposed new transportation bonds.

"To go from what we considered a fairly successful bottom-up approach...to a top-down model, we see that as such a dramatic shift and we are going to question the administration as to what is broken [with the current system]," said Sen. Alan Lowenthal, D-Long Beach, who chairs the Senate Transportation Committee.

Sen. George Runner, R- Lancaster, along with several other Republican senators met with the governor's office last week to express concern over the policy shift. Runner said he is worried the governor's plan would make it easier to give priority to projects based on political patronage rather than immediate need.

"There are some questions we have about the system the governor has laid out," says Runner, who sits on the transportation committee, "such as whether or not it truly accomplishes a best-for-California plan or whether or not it creates a pork-driven plan."

Sunne McPeak, secretary of the Department of Business, Transportation and Housing, says the new approach is "focused on outcomes." And, she says, locals would still have

some say in which projects are chosen. Any project given new bond funding would have to be selected from regional lists of high-priority road or highway projects. She says once the state makes a decision, local authorities could always petition to have a project changed.

"No projects get funded unless it is in [the regional] plan. That is a pretty important double-check," argues McPeak, who says the administration has been "working closely with local governments for two years" to develop a comprehensive infrastructure plan.

But DeAnn Baker, legislative representative for the California State Association of Counties, says that while counties are sympathetic to the administration's frustration with how projects are currently chosen, the proposed changes are seriously flawed.

"There is a real problem when you step outside of existing processes that are in place for a good reason," said Baker, who is scheduled to appear before the transportation committee Tuesday.

According to Baker, the 75-25 split between the state and local level in determining transportation project priorities, though imperfect, was the result of a bipartisan agreement in 1997. Though the formula does not directly apply to revenues raised through bonds, she says it makes little sense to do away with it altogether.

Megan Taylor, director of communications for the League of California Cities, was more reluctant to criticize the bond, saying that while cities have concerns with the proposal, the administration has "been open to ideas and feedback, and conversations have been productive."

Still, unease about the governor's proposed project selection process has escalated enough--on both sides of the aisle--that Sen. Lowenthal says he intends to dedicate an entire hearing to the subject. That hearing is scheduled for Feb. 7.

The governor's transportation plan is not the first to supersede existing project-picking formulas. In 2000, Gov. Gray Davis proposed his Traffic Congestion Relief Plan (TCRP), which identified more than 100 specific projects that his administration considered of the highest priority to the state.

After Davis announced his TCRP, fiscal conservatives lambasted the plan as a pork-barrel project, though eventually more than 90 percent of the projects on the list were given funding.

Some in the Legislature have begun to raise the same questions about this governor's proposal. Although the language of the bill, unlike Davis' plan, does not name specific projects, the governor's office released a "working list" of projects located across the state to promote the package.

"They didn't put projects in the bill, but they want a Christmas tree list to walk around with," said one legislative staffer familiar with transportation issues, on the condition of anonymity.

That is a claim the administration adamantly disputes.

"This is very different from the TCRP--that was a Christmas tree list of projects," says transportation secretary McPeak. "We are not doing a political laundry list ... The governor is using \$12 billion in general obligation bonds to jumpstart the next phase of construction in transportation."

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