

State budget games get played out in Sacramento -- and on the 110

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Last Thursday, for the second time in three years, a massive sinkhole opened up on the 110 Freeway, backing up traffic for miles - the result of a deteriorated water-drainage pipe.

The timing couldn't have been more poignant.

Because on that very day, Gov. Arnold Schwarzenegger revealed some disturbing news from that other sinkhole, Sacramento. In an interview with the Los Angeles Times, the governor said that the state's legislative leaders are thinking about raiding transportation bond funds to balance their busted budget.

Specifically, the state's legislative leaders seek to grab some \$1.1 billion from Proposition 1B - the 2006 bond that voters approved to pay for transportation projects. They also want to borrow funds from Proposition 1A, the 2004 measure that voters passed, supposedly to stop state politicians from stealing local-government funds to help balance the budget.

For his part, Schwarzenegger seems to oppose the plan, but he's open to it if that's what it takes to get a budget enacted.

The ironies are rich - and outrageous.

For decades, Sacramento has shortchanged the state's infrastructure, diverting the funds into its own waste, work force and special-interest excess. Because of this abuse, the state's leaders told us in 2006, we would have to take out huge bonds just to keep California's infrastructure from crumbling.

Voters were skeptical, but what else could they do? The dreadful state of California's choked roads and freeways left us no other choice. So we dutifully approved Proposition 1B.

And now state leaders want to use that money to help underwrite the wasteful general-fund spending practices that forced us to pass Proposition 1B in the first place.

Then there was Proposition 1A, which was supposed to end the practice of raiding local funds for state purposes. Although passed in 2004, the proposition didn't take effect until 2006. And here we are, a mere two years later, and already the spirit of that promise is trashed.

Sure, these funds would only be "borrowed," as state law requires them to be repaid. But that scarcely makes the political crime any better. The repayments would come with steep interest costs, and guess who would be saddled with that expense? The taxpayers, of course.

Schwarzenegger says repaying those funds would likely require some new, dedicated revenue stream - like an increase in the sales tax. And when local governments lose out on expected revenues, they will need to make up for the money somewhere - i.e., from taxpayers - once again.

What's more, depending on how the "borrowing" is done, it could carry the possibility of delaying

transportation improvements. "Delayed" usually means more expensive, which, in turn, could mean less traffic-relief bang for the taxpayers' buck.

And that brings us back to the the sinkhole that tore open the 110 last week.

The one that measured out to about 8 feet wide, 10 feet long and 15 feet deep.

The one caused by one of many aging drainage pipes, which the state says it lacks the funding to replace across the board.

It was precisely problems like that sinkhole - just another symptom of a long-neglected infrastructure system - that drove California voters to approve the four-part infrastructure package of 2006, including Proposition 1B. We needed relief, and we were willing to pay the price for it.

But what's happened since then?

Last month we learned that \$20 million from Proposition 1C - which was billed as providing housing for vets, the poor and battered women - was going to corporate welfare for the Grand Avenue Project. Now we learn that transportation funds will be used for the same old budget waste.

State leaders are fostering a severe case of cynicism among the electorate. The lesson they're teaching is, no matter how worthy the ostensible purpose of a bond or tax hike, be wary - a rip-off may well be in the making.

They are quickly flushing their credibility down the Sacramento sinkhole.

State budget crisis may gut 101 funds: Governor says legislators might raid money set aside for transit projects under Proposition 42

[Santa Rosa Press Democrat](#), July 19, 2008

Further widening of Highway 101 in Sonoma County is at risk of being delayed if Democratic and GOP lawmakers and Gov. Arnold Schwarzenegger agree to raid gasoline taxes to tackle the state's budget crisis.

County officials reacted with concern Friday to a proposal to suspend Proposition 42, passed by voters in March 2002, which earmarks \$1.4 billion in gas-tax revenue over the next fiscal year for local and state transportation projects.

For Sonoma County, that is \$82.3 million toward the more than \$300 million widening of Highway 101 from Santa Rosa to Windsor and from Santa Rosa to Petaluma.

"If they suspend it, the whole fiscal year is shot. You don't get the money until the summer of the next year, or whenever they manage to pass the budget next year," said Suzanne Smith, executive director of the county Transportation Authority.

Delaying the highway projects runs the risk of the construction costs escalating, said Sonoma County Supervisor Mike Kerns of Petaluma.

"It makes sense to use the money now to get these projects done . . . this is not the way to try to balance the budget," Kerns said.

Schwarzenegger said Thursday that legislative leaders meeting behind closed doors in Sacramento are looking at money set aside for transportation and local governments as a way to plug a \$15.2 billion deficit in the 2008-2009 budget.

But Assemblywoman Noreen Evans, D-Santa Rosa, said the plan came from Republican lawmakers and doesn't have any support among Democrats.

"We have had six to seven months of budget discussions in the Democratic caucus, and this has never come up," Evans said.

"I am real concerned about this, and I honestly don't see it passing in Sacramento. I think the voters are tired of us borrowing from other funds, and voters are clear they want these projects to go forward," she said.

The current highway widening project in downtown Santa Rosa, scheduled to be completed next spring, would not be affected.

Much of the construction money for Sonoma County's widening projects is from Measure M, the quarter-cent sales tax that county voters passed in November 2004 to fund local transportation projects. It qualifies the county as a "self-help" county using local funds to leverage state and federal funds.

Proposition 42 would provide \$6.5 million toward a \$120 million project to widen the freeway from Steele Lane in Santa Rosa to Windsor River Road in Windsor. That widening project went out to bid last Monday. Construction was expected to start this fall and finish in 2010.

"Even if we get good bids, and the trends are good that there will be low bids, we couldn't award the project," Smith said.

Proposition 42 also includes \$26.4 million for the \$85 million widening of Highway 101 from Santa Rosa to Rohnert Park and replacement of the Wilfred Avenue overpass, and \$49.4 million toward the \$120 million widening of the highway from Rohnert Park to Petaluma. Construction on both of those projects is scheduled to start next spring and be completed in 2011.

"It certainly sends local voters the wrong message," Evans said, "if you vote in a tax to help yourself and the state is going to raid the pot used to match your funds. The state should help locals help themselves, not make it harder."