



Legislation Text

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Approve City Council Letters of Support for AB 1 (Frazier) and SB 1 (Beall) Regarding Transportation Funding

The League of California Cities recommends that cities send letters in support of SB 1 and AB 1 regarding transportation funding, stating:

"ACTION REQUESTED: Remind Legislators and the Governor to keep their commitment made at the end of last year's Special Session to fund California's deteriorating streets and roads. **Cities should consider sending letters to their legislators supporting SB 1** http://ct3k1.capitoltrack.com/Bills/17Bills/sen/sb_0001-0050/sb_1_99_1_bill.pdf (Beall) and **AB 1** http://ct3k1.capitoltrack.com/Bills/17Bills/asm/ab_0001-0050/ab_1_99_1_bill.pdf (Frazier), new legislative proposals which will generate about \$6 billion annually and provide comprehensive and sensible transportation reforms, modest increases to existing revenue sources, and meaningful infrastructure investments. I have attached a sample support letter for each proposal. You may also use the 'Leagues Action Center <http://www.cacities.org/takeaction> to send your city letter of support.

BACKGROUND: The Legislature and the Governor were unable to pass a transportation funding package during last year's Special Session on Transportation and Infrastructure. However, they did commit to addressing the matter early in this new legislative session. The Governor's budget proposal is expected to include a funding proposal similar to his \$3.1 Billion proposal last year. Additionally a 2/3 majority in both houses of the Legislature offers a new opportunity to pass a funding proposal.

California's leaders need to face the fact that the current transportation funding system is antiquated due to fuel efficiency advancements and a gas tax which was set in 1994 and has remained unadjusted.

AB 1 and SB 1 would raise revenue over a variety of sources ([Full Analysis](http://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Transportation-Funding/AB1-SB1-Transportation-Funding-Analysis-Dec-2016.aspx) <http://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Transportation-Funding/AB1-SB1-Transportation-Funding-Analysis-Dec-2016.aspx> and [City-by-City Estimates](http://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Transportation-Funding/AB1-SB1-LSR161215.aspx) <http://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Transportation-Funding/AB1-SB1-LSR161215.aspx>):

- A 12 cent increase to the gas tax (SB 1 would ask to phase this increase in over 3 years);
- Ending the Board of Equalization's "true up" process on the unreliable price based excise tax on gas;
- A \$38 increase to the vehicle registration fee;
- A \$100 vehicle registration fee on zero emission vehicles;
- A 20 cent increase to the diesel excise tax;
- \$300 million from existing cap and trade funds; and
- \$500 million in vehicle weight fees phased in over five years.

With the expressed commitment of Legislative Leadership and the Governor to finding a solution to our crumbling roads and an obsolete transportation funding stream, we urge this legislature to turn their immediate attention to both AB 1 and SB 1 as the vehicles to deliver this victory for California."

Upon approval of this Consent Calendar Item, the attached letters would be transmitted to Senator Beall and Senator Frazier.