

RAIL, TRANSIT FUNDS RAIDED

(continued from Page One)

those," Long said, referring to the troubled \$6 billion project to replace the East Span.

McKim's work these days includes shepherding billions from state accounts to those of Kiewitt International, project manager of the East Span replacement.

Long quoted a UC Berkeley study that said "without the BART system, the local street and road network would grind to a virtual halt. A trip across the Bay Bridge from Oakland would slow to three hours."

Administration officials had difficulty justifying the removal of funds. The best Kempton managed was to make the claim that the budget proposal would put transit funding "on more stable footing."

To this end, the administration budget would use borrowed funds instead of existing tax sources for transit, \$600 million of the \$19.9 billion Proposition 1B transit bond voters approved in November. Transit advocates criticize this feature for reducing the already marginal \$3.6 billion transit component of the bond measure.

"When voters approved Proposition 1B, they were not thinking about a backfill that would be pulled out the other end," said TRAC Executive Director Alan Miller, at the March 27 Senate budget subcommittee, hearing. Chris Peeples, of the AC Transit Board of Directors, called the transit funding cut "outrageous," accusing the Governor of falsely claiming "to try to improve our (carbon dioxide) problem when he's taking \$1.1 billion away from transit."

Harsh criticism also came from Sen. Tom Torlakson, D-Antioch, who said the Governor's proposal "breaks faith with the voters to manipulate funding in this way" right after passage of the \$20 billion transportation bond in November.

Torlakson also said the proposal actually harms efforts to fund education by making a raid on the dedicated source of transit funding. He pointed out that funding schoolbuses through the transit budget would reduce the base for education next year because the Proposition 98 formula would not get to count the schoolbus funding, "It's a terrible idea. Both educators and transit people are opposed to it," he said.

Transit activists who were lobbying the legislature came away with some hope that the Democratic legislature will author corrective measures to undo the anti-transit policies unveiled step-by-step by the administration. However, the shape of the fix is unclear. One lobbyist commented that by getting the Democratic caucus to object to his unrealistic transit cuts, he successfully handed them a fiscal problem that used to be his own.

SAC LEGISLATIVE SHORTS

AB 633 Galgiani Rail Safety and Traffic Mitigation Bond Act of 2007 This bill proposes a \$500 million bond measure to construct railroad/highway grade separations.

TRAC Supports

AB 1221 Ma Transit village developments: tax increment financing Would allow a city or county that prepares a transit village plan, with the agreement with each government agency that operates every transit station in the transit village district, to engage in tax increment financing, as provided, to fulfill the goals of a transit development plan. **TRAC Supports**

AB 1228 Solario High-speed rail This bill would change the southern terminus of the initial segment of the high-speed train system from Los Angeles to Irvine. For the Anaheim-Irvine segment, the bill would provide that no general obligation bond funds shall be available for construction, but that those funds shall be available only for eligible planning, environmental, and engineering costs. Some question whether it may be a "spot" bill to be amended later in the session.

AB 1306 Huff Spillover Appears to eliminate "spillover" [see cover article for discussion]. Would violate Proposition 116 of 1990, which guarantees the "spillover" to PTA. PTA funds the operations part of the state's intercity rail program and provides grants to local transit under the State Transit Assistance Program, among other things. Double-referred to Assembly Rev & Tax and Assembly Judiciary, not assigned to Trans. **TRAC Opposes**

SB 16 Florez Railroads: rail crossings Requires PUC to order a grade crossing be equipped with automatic gates, in certain circumstances. Amended to deal with non-rail matters.

SB 372 Steinberg High-speed rail This bill would state the intent of the Legislature to commission a study on the economic development potential and the career technical education opportunities that would result from the implementation of the high-speed train project. **TRAC Supports**

SB 684 Cox Intercity rail services: feeder buses Current version authorizes Amtrak to carry passengers traveling to or from places not otherwise served by private intercity bus companies. Pending changes reportedly add new restrictions to feeder buses. Set for hearing in Sen. Trans. & Housing April 10 **TRAC Supports as currently written.**

SB 861 (Wiggins, D-Santa Rosa) Revises the allowable use of Transportation Congestion Relief Program (TCRP) funds that were allocated in 2000 to the North Coast Railroad Authority for the currently nonoperational railroad between Eureka and Sonoma County. Similar to SB 792 (Chesbro) that was vetoed by the Governor in 2005.

SB 204 (Dutton, R-Rancho Cucamonga)- Since 2000, the Public Transportation Account has been the recipient of certain funds that would ordinarily be deposited in the State Highway Account but that are not restricted to highway purposes under the Constitution because they are not fuel tax revenues.

Revenues from leases of highway property, highway permit fees, and other related revenues are involved. This bill would repeal that law and again provide for deposit of these funds (estimated at \$80 million annually) in the State Highway Account. **TRAC Opposes**

SB 717 Perata Transportation Improvement Fund Article XIX B of the Constitution requires certain gasoline sales tax revenues to be allocated to various broad transportation purposes, with 20 percent of these funds set aside for transit. Existing statutory provisions implementing these provisions expire in 2007-08. This bill would enact new statutory provisions that follow the constitutional provisions and proposes to extend legislative deadline on Prop. 42 fund transfers to TIF; rail supporters are concerned some transit agencies wish to amend formula to support STA at higher percentage, which takes from available rail funding. Viewed as a "spot bill" that may be amended with more specifics later.

It's easy to get the latest news on any of these bills. Just type www.sen.ca.gov/~newsen/legislation/legislation.htm into your browser and enter the bill number.

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