

May 29, 2014

The Honorable Henry T. Perea
Assembly Member 31st District
State Capitol, Room 4112
Sacramento, CA, 95814

Re: Support for AB 2728 (Perea and Corona) - Truck weight fees: General Fund Debt Service

Dear Assembly Member Perea:

The Fresno Council of Governments supports Assembly Bill (AB) 2728. AB 2728 proposes to provide funding to rehabilitate California's dilapidated roadways by prohibiting the transfer of weight fee revenues from the State Highway Account to the Transportation Debt Service Fund, the Transportation Bond Direct Payment Account, or any other fund or account for the purpose of payment of the debt service on transportation general obligation bonds, and would also prohibit loans of weight fee revenues to the General Fund.

Most of Californians are unaware that there is a transportation funding crisis that if not addressed, will severely impact the regions and our local contract base resulting in fewer contractors bidding on projects, less competition, higher prices; therefore, resulting in fewer jobs which will affect California's economic viability. The ultimate result will be devastating. However, weight fees generate over \$900,000 annually, and in the three years since the gas tax swap was enacted, the economy has improved. When voters approved Proposition 30 (2012), it allowed for an increase in sales and income taxes thereby improving General Fund reserves. Recent polling shows that more than 75 percent of California voters support redirecting truck weight fees back to their intended purposes. The Fresno Council of Governments agrees that it is appropriate to restore truck weight fees now for transportation as a way to provide near term funding relief while decision-makers and law makers agree and implement long term solutions.

Now that the California Transportation Commission is concluding the allocations for Prop. 1B projects, it is imperative that our more than 50,000 miles of state highways and 143,000 miles of local streets and roads are maintained, rehabilitated and/or repaired. The longer we wait the more costs we will incur. It is estimated that for every dollar we defer on timely maintenance, it will require the expenditure of \$4 to \$10 in major rehabilitation or reconstruction costs.

The Fresno Council of Governments strongly supports AB 2728 which would recapture Truck Weight Fee revenues and would redirect them to fund much needed transportation projects.

Sincerely,