

Assumptions:

- SHOPP Distribution based on 5 year history of SHOPP allocations
- Maintenance Distribution based on 5 year history of Maintenance Program expenditures
- Local Partnership Distribution based on Prop 1B SLPP program allocations
- Program Amounts based on DOF 10 -year spreadsheet for specified programs except for STIP which is based on the estimate amount specified in GB A -pages which will be adjusted based on adoption of 2018 Fund Estimate
- Amounts rounded to avoid inference of certainty/precision

**NEW CITY STREETS AND ROADS INVESTMENTS (In Millions)
Estimated Amounts Based on Historical Data**

City	Amount
Clovis	\$24.72
Coalinga	\$4.14
Firebaugh	\$1.87
Fowler	\$1.36
Fresno	\$119.10
Huron	\$1.58
Kerman	\$3.29
Kingsburg	\$2.77
Mendota	\$2.69
Orange Cove	\$2.11
Parlier	\$3.52
Reedley	\$5.95
San Joaquin	\$0.93
Sanger	\$5.96
Selma	\$5.69

**New County Investments (In Millions)
Estimated Amounts Based on Historical Data**

	STIP Share	County Road Share
Fresno County	\$22	\$233

Transportation Funding Package

STATE TRANSIT ASSISTANCE- NEW INVESTMENTS IN LOCAL ENTITIES

Estimated Amounts Based on Historical Data

Regional Entity	PUC 99313 - STA Allocation (Projected 10 -Yr Increase)	PUC 99314 - STA Allocation (Projected 10 -Yr Increase)	Local Entities – Both PUC 99313 & 99314 Allocations (Projected 10 -Yr Increase)
Fresno	\$53,920,116	\$7,036,622	\$60,956,738

STATE TRANSIT ASSISTANCE- NEW INVESTMENTS IN LOCAL ENTITIES

Estimated Amounts Based on Historical Data

Regional Entity -Transit Operator	PUC 99314 - STA Allocation (Projected 10 -Yr Increase)	County/Region Total
Clovis	\$479,057	
Fresno	\$5,774,770	
FCRTA	\$782,795	
Fresno County		\$7,036,622

ACTIVE TRANSPORTATION GRANTS

Breakdown of the MPO distribution of \$1B in funding over 10 years

Metropolitan Planning Organization	Percent	Yearly Distribution	10 Year Distribution
Fresno Council of Governme	2.70%	\$1,080,000	\$10,800,000

Transportation Funding and Reform Package

Summary: The transportation funding and reform proposal is a balanced package of needed revenues and smart reforms to more efficiently invest in California’s roads, bridges, neighborhood streets, public transit systems and bicyclist and pedestrian facilities.

Investments: The revenue package delivers benefits equally split between state and local transportation systems:

10-Year Investments by Area

Statewide Investment Programs (50%)	
Fix-it-First Highways	\$15 billion
Bridge and Culvert Repair	\$4 billion
Trade Corridor Investments	\$3 billion
Solutions for Congested Commute Corridors	\$2.5 billion
Parks Funding for Ag, Off-Highway Vehicle & Boating	\$800 million
STIP (State Share)	\$275 million
Freeway Service Patrol	\$250 million
California Public Universities Transportation Research	\$70 million
Local Investment Programs (50%)	
Fix-it-First Local Roads	\$15 billion
Transit Capital and Operations	\$7.5 billion
Local Partnership Funds	\$2 billion
Active Transportation Program Bicycle and Pedestrian Investments	\$1 billion
STIP (Local Share)	\$825 million
Local Planning Grants	\$250 million
TOTAL	\$52.4 billion

Fix-it-First - \$34 billion: Two-thirds of the new funding is dedicated to fixing roads and bridges at the state and local level as follows:

\$15 billion to improve state highways by repairing crumbling roadways, smoothing pavement, rehabilitating highways assets.

\$15 billion to fix potholes and improve neighborhood streets and roads through a distribution formula supported by cities and counties.

\$4 billion to repair state highway bridges and culverts.

Public Transit, Active Transportation and Planning - \$8.65 billion:

Funds are available for the expansion of public transit systems and their operations. The package would split funding 50-50 between high-priority transit capital expansion and for transit operations, as follows:

\$3.5 billion would flow directly to transit operators through the well-established State Transit Assistance (STA) program to fund expanded operations of local transit services.

\$3.9 billion would flow 70% for high-priority transit capital grants through the Transit and Intercity Rail Capital Program (TIRCP) and 30% directly to transit operators for rehabilitating or replacing transit vehicles and facilities.

\$1 billion for the Active Transportation Program (ATP). This funding would nearly double the state's program to expand and improve bicycle and pedestrian facilities (i.e., bike paths, pedestrian walkways, etc).

\$250 million will fund planning grants to assist regions with developing and updating their Regional Transportation Plans and Sustainable Community Strategies.

Multi-Modal Transportation Improvement Projects - \$8.85 billion:

The proposal recognizes that in a growing state, transportation investment must provide greater capacity to accommodate growth. Several programs in this proposal support new investments that more comprehensively address congestion, enhance trade, and provide more travel options for Californians while protecting the environment. These programs include:

\$2.5 billion for the Solutions for Congested Corridors Program. The state will provide matching funds to regional or local agencies that are taking comprehensive approaches to managing and reducing congestion in busy corridors. The funding is for multi-modal projects in a corridor plan designed to achieve a balanced set of transportation, environmental, and community access improvements within highly congested travel corridors throughout the state.

\$250 million will fund the Freeway Service Patrol Program that provides incident response to clear accidents and stalled vehicles from travel corridors.

\$3 billion to the Trade Corridor Enhancement Account. These funds will focus on improving California’s trade corridors to more efficiently move freight through the state.

\$2 billion for the State and Local Partnership Program. This program rewards “self-help” counties that have adopted local taxes or fees dedicated to improving transportation infrastructure or programs.

\$1.1 billion for the State Transportation Improvement Program (STIP) that funds transportation projects nominated by local agencies (75%) and the state (25%).

Revenues:

The revenue in this package is user-based, relying on fuel taxes and a progressive transportation improvement fee based on vehicle value. For the majority of car owners (about 60 percent of cars) the combination of new fuel and vehicle taxes will be less than \$10 per month. For owners of expensive cars – such as those valued over \$60,000 the taxes will increase by about \$21 per month.

10-Year Revenue by Type

Fuel Taxes	
Gas Excise Tax	\$24.4 billion
Diesel Excise Tax	\$7.3 billion
Diesel Sales Tax	\$3.5 billion
Vehicle-Based Taxes	
Value-based Transportation Improvement Fee	\$16.3 billion
ZEV Fee Commencing in 2020	\$.2 billion
One-Time Repayment of Transportation Loans	
Repaying Outstanding Loans from General Fund	\$706 million
TOTAL	\$52.4 billion

Fuel Taxes: About two-thirds of the new funding is from fuel taxes as follows:

Gasoline Excise Tax – The gas tax in California has not been raised in 23 years. There are three steps to adjusting the gas tax: 1) end the annual Board of Equalization “Tax Swap” adjustment and stabilize available funding going forward; 2) increase the base gasoline excise tax from 18 cents to 30 cents to restore its lost purchasing power; and 3) adjust the rate prospectively for the Consumer Price Index.

Diesel Excise Tax - end the annual Board of Equalization “Tax Swap” adjustment that has varied the tax from 10 cents to 16 cents in recent years. Increases the tax to 36 cents (20 cents above the current level). The rate will be adjusted prospectively by the Consumer Price Index. Large trucks are excluded from the new Value-based Transportation Improvement Fee.

Diesel Sales Tax – Increase the special Transit add-on tax from 1.75 percent to 5.75 percent. This revenue will support transit operations through the State Transit Assistance distribution formula to transit operators.

Vehicle-based Fees: About one-thirds of the new funding is from vehicle-based fees as follows:

Value-based Vehicle Fee (Transportation Improvement Fee) – based on the value of the vehicle, the annual fee will vary from \$25 for the 46 percent of the vehicle fleet valued under \$5,000, to \$175 for vehicles valued at \$60,000 or more. The rate will be adjusted prospectively by the Consumer Price Index.

Zero Emission Vehicle Fees (ZEV fee) – a fee of \$100 will apply to ZEV vehicle starting in July, 1, 2020, so the expanding fleet of ZEVs will pay a “fair share” for their use of roads, with this fee being in lieu of the gasoline taxes they do not pay for use of roads. Gasoline-Electric hybrid vehicles (Partial ZEVs) are excluded from this fee, because they are partially gasoline powered.

Transportation Reforms

Transportation Funds for Transportation Purposes: The reform package includes a constitutional amendment to dedicate for transportation purposes all vehicle fee and gasoline or diesel tax revenues raised by the Act.

Performance Measures with Public Reporting and Accountability: This reform enhances reporting and accountability provisions to ensure Caltrans and cities and counties are investing funds to repair or improve state highways, bridges, culverts and neighborhood streets to standards that meet performance measures adopted by the California Transportation Commission (CTC).

Enhanced Caltrans Efficiencies and Oversight: The proposal includes expanded authority for Caltrans to efficiently deliver transportation projects and it enhances oversight of the department:

CTC Oversight of Caltrans Staffing: To ensure Caltrans's staffing levels are reasonable, this reform would require the California Transportation Commission (CTC), beginning on July 1, 2017, to review and allocate funding for Caltrans's staffing needs, by project phase, to support the delivery of projects in the State Highway Operation and Protection Program (SHOPP). The reform is the product of a year-long process the CTC undertook with legislative staff, the Department of Finance and the LAO.

Inspector General at Caltrans: To enhance oversight of the department, this reform creates an Inspector General at Caltrans to strengthen the independence and effectiveness of the department's Office of Audits and Investigations. This proposal would have the Governor appoint the Director of the office and articulate the duties of the office—including its auditing and investigations functions—in statute. The reform would require the office to report its activities to the CTC and Legislature annually.

Innovative Procurement at Caltrans: Achieved with AB 2126 (Mullin) at the end of 2016 and part of the transportation reform package, this proposal authorized Caltrans to procure construction contracts using a process called Construction Manager/General Contractor, in which bidders participate earlier in the design process to prepare bids for construction. This method saves time, gains project efficiencies and expedited project delivery.

Environmental Streamlining: By streamlining environmental processes and identifying necessary environmental mitigation measures early in the project development process, agencies can deliver projects more quickly while fully addressing environmental issues.

NEPA Delegation: By re-enacting the NEPA delegation that sunset on December 31, 2016, Caltrans can continue to review projects for conformity with the National Environmental Protection Act. Continued use of this delegation will shave months off the approval time for the delivery of transportation projects. This reform is accomplished with the enactment of AB 28 (Frazier).

Advance Mitigation: This efficiency has proven effective at the county level, and will help Caltrans save time and money by accelerating project environmental mitigation work. Doing environmental work early protects natural resources and can reduce costs and delays later when the infrastructure project goes to construction.

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