

Transportation Funding Proposals - Comparison Table			
	SB 1 (Beall)	AB 1 (Frazier)	Governor's Proposal
Funding			
Ongoing Sources	<p>*12 cents/gal. tax increase on gas, phased in over 3 years, and establishes swap-based excise tax on gas at 17 cents/gal. <i>(generating approx. \$2.9 billion by year 5; includes end of BOE "true up")</i></p> <p>*20 cents/gal. tax increase on diesel fuel <i>(generating approx. \$600 million)</i></p> <p>*Increasing the incremental diesel sales tax to 5.75% <i>(generating approx. \$300 million)</i></p> <p>*\$38 vehicle registration fee <i>(generating approx. \$1.3 billion)</i></p> <p>*\$100 zero emission vehicle fee <i>(generating approx. \$13 million)</i></p> <p>*15% of Cap and Trade revenues <i>(generating approx. \$300 million)</i></p> <p>*Restoration of truck weight fees (phased in over 5 years) <i>(repurposing approx. \$500 million in year 5)</i></p> <p>*Miscellaneous transportation revenues <i>(generating approx. \$70 million)</i></p>	<p>*12 cents/gal. tax increase on gas, and establishes swap-based excise tax on gas at 17 cents/gal. <i>(generating approx. \$2.9 billion annually; includes end of BOE "true up")</i></p> <p>*20 cents/gal. tax increase on diesel fuel <i>(generating approx. \$600 million)</i></p> <p>*Tripling of incremental diesel sales tax to 5.25% <i>(generating approx. \$263 million)</i></p> <p>*\$38 vehicle registration fee <i>(generating approx. \$1.3 billion)</i></p> <p>*\$165 zero emission vehicle fee <i>(generating approx. \$21 million)</i></p> <p>*15% of Cap and Trade revenues <i>(generating approx. \$300 million)</i></p> <p>*Restoration of truck weight fees (phased in over 5 years) <i>(repurposing approx. \$500 million in year 5)</i></p> <p>*Miscellaneous transportation revenues <i>(generating approx. \$185 million)</i></p>	<p>*Establishes swap-based excise tax on gas at 21.5 cents/gal. <i>(generating approx. \$1.1 billion annually; includes end of BOE "true up")</i></p> <p>*11 cents/gal. tax increase on diesel fuel <i>(generating approx. \$425 million)</i></p> <p>*\$65 road improvement charge <i>(generating approx. \$2.1 billion)</i></p> <p>*\$400 million in Cap and Trade revenues</p> <p>*Caltrans efficiencies <i>(generating approx. \$185 million)</i></p>
One-Time Sources	*\$706 million in loan repayment	*\$706 million in loan repayment	*\$706 million in loan repayment
Estimated Annual Funding Increase	Approx. \$6 billion/year	Approx. \$6 billion/year	Approx. \$4.2 billion/year
Expenditures			
Transit and Intercity Rail	<p>*Additional 10% in Cap and Trade Revenues – TIRCP (approx. \$200 million)</p> <p>*Additional 5% in Cap and Trade Revenues – LCTOP (approx. \$100 million)</p> <p>*\$263 million in Additional State Transit Assistance Program Revenues - STA Recipients</p> <p>*\$37 million in Additional State Transit Assistance Program Revenues - Intercity/Commuter Rail</p>	<p>*Additional 10% in Cap and Trade Revenues – TIRCP (approx. \$200 million)</p> <p>*Additional 5% in Cap and Trade Revenues – LCTOP (approx. \$100 million)</p> <p>*\$263 million in Additional State Transit Assistance Program Revenues - STA Recipients</p>	<p>*\$400 million in Cap and Trade Revenues – TIRCP</p> <p>*\$256 million in Loan Repayment – TIRCP (One-Time)</p>
Price-Based Revenues	\$1.1 billion/year allocated by 44%-44%-12% formula (\$480 million in new STIP)	\$1.1 billion/year allocated by 44%-44%-12% formula (\$480 million in new STIP)	\$1.1 billion/year allocated by unknown formula
Self-Help Incentives	\$200 million/year to counties that have sought and received voter approval of taxes or that have imposed fees, including uniform developer fees (from new gas excise tax)	\$200 million/year to counties that have sought and received voter approval of taxes or that have imposed fees, including uniform developer fees (from new gas excise tax)	N/A
Distribution of Remaining New Gas Excise Tax	<p>*50% for maintenance of state highway system</p> <p>*50% for maintenance of local streets & roads</p>	<p>*50% for maintenance of state highway system</p> <p>*50% for maintenance of local streets & roads</p>	N/A
Goods Movement	\$600 million/year to Trade Corridor Improvement Fund (from diesel excise tax)	\$600 million/year to Trade Corridor Improvement Fund (from diesel excise tax)	\$250 million/year
SB 375 Local Planning Grants	N/A	N/A	\$25 million/year (from road improvement charge)
Active Transportation	\$80 million/year and up to an additional \$70 million/year derived from Caltrans efficiencies	\$80 million/year and up to an additional \$70 million/year derived from Caltrans efficiencies	\$100 million/year
Weight Fees	\$500 million/year allocated by 44%-44%-12% formula (\$220 million in new STIP)	\$500 million/year allocated by 44%-44%-12% formula (\$220 million in new STIP)	N/A
Inflation Adjustment	Excise tax, sales tax and fees adjusted annually	Excise tax, sales tax and fees adjusted annually	Excise tax adjusted annually
Other			
Local Streets and Road Fund Flexibility	"Other transportation priorities" allowed if PCI exceeds 80	"Other transportation priorities" allowed if PCI exceeds 80	N/A
CalTrans Accountability	Require Caltrans to identify savings up to \$70,000,000	Require Caltrans to identify savings up to \$70,000,000	Require Caltrans to identify savings up to \$100,000,000
Local Streets and Road Fund Accountability	CTC develops performance criteria	CTC develops performance criteria	N/A
Transit Accountability	Requires transit agencies to submit proposed project lists to Caltrans and Controller to apportion new STA Program funds to only those agencies reporting	Requires transit agencies to submit proposed project lists to Caltrans and Controller to apportion new STA Program funds to only those agencies reporting	N/A
Complete Streets	Requires Caltrans to update the Highway Design Manual to incorporate the "Complete Streets" design concept by January 1, 2018	Requires Caltrans to update the Highway Design Manual to incorporate the "Complete Streets" design concept by July 1, 2017	N/A
Public-Private Partnerships /Alternative Procurement	N/A	N/A	<p>*Extends the statutory authority for public-private partnerships for new transportation projects by 10 years, until 2027</p> <p>*Authorizes a pilot project for job order contracting</p>
CEQA Streamlining and Advanced Mitigation	<p>*Exempts indefinitely a project or activity to repair, maintain, or make minor alterations to an existing roadway or state roadway, from CEQA, if the project or activity is carried out by a city or county with a population of less than 100,000 persons</p> <p>*Establishes an Advanced Mitigation Program designed to provide comprehensive environmental mitigation associated with transportation projects in exchange for streamlined project approvals from federal and state resources agencies</p> <p>*Permanently extends the authority for Caltrans to participate in the federal National Environmental Policy Act delegation pilot program (i.e. NEPA delegation)</p>	<p>*Exempts indefinitely a project or activity to repair, maintain, or make minor alterations to an existing roadway or state roadway, from CEQA, if the project or activity is carried out by a city or county with a population of less than 100,000 persons</p> <p>*Establishes an Advanced Mitigation Program designed to provide comprehensive environmental mitigation associated with transportation projects in exchange for streamlined project approvals from federal and state resources agencies</p> <p>*Permanently extends the authority for Caltrans to participate in the federal National Environmental Policy Act delegation pilot program (i.e. NEPA delegation)</p>	<p>*Exempts a project or activity to repair, maintain, or make minor alterations to an existing roadway or state roadway from CEQA</p> <p>*Establishes an Advanced Mitigation Program designed to provide comprehensive environmental mitigation associated with transportation projects</p> <p>*Permanently extends the authority for Caltrans to participate in the federal National Environmental Policy Act delegation pilot program (i.e. NEPA delegation)</p>
CTC Independence/Authority	Establishes CTC as an independent agency	Establishes CTC as an independent agency	Expands the CTC's oversight to cover each phase of project delivery

AB 1 & SB 1: REVENUES			
Item	Rate	Revenue	Notes
Road Maintenance & Rehab			
Gas Tax	.12 cents/gallon	\$ 1.8 billion	(SB 1 phases the tax in over three years - indexed for inflations)
Registration Fee	\$38 per vehicle	\$1.3 billion	(indexed for inflation)
ZEV Registration Fee	\$165 per vehicle	\$21 million	(SB 1 uses \$100 fee and raises \$13 million)
Subtotal		\$3.121 billion	
State Highway Account			
Restore Price Based Excise Tax to 17	7.5 cents/gallon	\$1.1 billion	Rate indexed going forward; increase is from current rate: 9.8 cents
Redirect Misc. Revenues		\$125 million	Off road and Ag Uses Funding
Restore Weight Fees		\$500 million	(Phased in over 5 years @ \$100 million/yr)
Subtotal		\$1.725 Billion	
Deisel Excise Tax Base	20 cents/gallon	\$600 million	(Resets diesel tax rate to existing 13 cents; then adds 20 cents)
Transit			
Cap & Trade		\$300 million	Doubles TIRCP and LCTOP (Assumes \$2 Billion/yr in auction proceeds)
Diesel Excise Tax - Transit	3.5% increase	\$263 million	
	.05% increase	\$40 million	SB 1 imposes an addition 1/2% that raises \$40 million
Subtotal		\$563 million	(AB 1 Total)
Active Transproation Add (Caltrans Efficiencies)		\$70 million	
TOTAL ONGOING REVENUES	Approximately	\$6.1 Billion	

AB 1 and SB 1 Expenditures Plan			
Item		Expenditures	Notes
Road Maintenance & Rehabilitation			
Self Help Funds		\$200 million	RMRA Set Aside
Advance Mitigation		\$30 million	RMRA Set Aside
Research		\$5 million	RMRA Set Aside - in SB 1, this figure is only \$2 million
Active Transportation		\$80 million	RMRA Set Aside
State RMRA		\$1.4 Billion	50% of RMRA after Set Asides
Local RMRA		\$1.4 Billion	50% of RMRA after Set Asides
Subtotal		\$3.125 Billion	
State Highway Account			
Local Streets & Roads (44%)		\$760 million	
SHOPP (12%)		\$207 million	
STIP - Regional (44% *.75)		\$570 million	
STIP - Inter-regiona (44%*.25)		\$190 million	
Subtotal		\$1.725 Billion	Akk funds would be indexed to inflation
Trade Corridors		\$600 million	SB 1 makes delegations that reflect the discussions in AB 2170
Transit			
Transit capital & ops (STA)		\$263 million	
IC & Commuter Rail		\$40 million	(SB 1 only)
TIRCP & LCTOP		\$300 million	
Subtotal		\$563 million	
Miscellenous: Add to Active Transportation		\$70 million	Caltrans efficiencies
TOTAL EXPENDITURES		Approx. \$6.1 Billion	
Plus One Time Load Repayments			
State RMRA funds		\$353 Million	
Local RMRA Funds		\$353 Million	
		\$706 Million	

GOVERNOR'S TRANSPORTATION PROPOSAL: REVENUES			
ITEM	Rate	Revenue	Notes
Revenues			
Vehicle Registration Fee	\$68 per vehicle	\$2.1 Billion	ZEVs are included. Indexed for inflation
Reset Price Based Excise Rate			
Retore base to 18 cents	\$70 million		10 yr average (assumes current CTC Fund Estimate that rate climbs back to 18 cents by 2022)
Add an addition 3.5 cents	\$520 million		
Add Inflation Indexing (10 yr Ave)	\$510 million		
Price Based Excise Subtotal		\$1.1 Billion	
Diesel Excise Tax	11 cents gallon	\$425 million	figure is based on 10 year average after indexing
Cap and Trade		\$500 million	
Caltrans Efficiencies		\$100 million	
TOTAL ONGOING REVENUES		\$4.25 Billion	

GOVERNOR'S EXPENDITURE PLAN			
Item	Allocation		Notes
Local Programs			
Transit Intercity Rail Capital Program	\$400 million		
Active Transportation Program	\$100 million		
SB 375 Local Planning Grants	\$25 million		Not indexed, to be further defined by TBL
Corridor Mobility Program	\$275 million		Not indexed, to be further defined by TBL
Local Partnership (begin 7/1/2018)	\$250 million		Not indexed, to be further defined by TBL
Local STIP (regional programming)	\$65 million		(increase over current fund estimate; zeros out after 4 years)
Local Streets & Roads (from Excise Adjustment)	\$85 million		(increase over current fund estimate; zeros out after 4 years)
Local Streets & Roads (from Registration Fee)	1.billion		
Subtotal:		\$2.2 billion	
State Programs			
SHOPP/Maintenance (from Registration Fee)	1.7 billion		
SHOPP (current allocation)	\$20 million		(increase over current fund estimate; zeros out after 4 years)
Interregional STIP	\$20 million		
Trade Corridors	\$250 million		Not indexed, to be further defined by TBL
Subtotal:		\$2.0 billion	
TOTAL ONGOING ALLOCATIONS		\$4.2 Billion	
Loan Repayments:			
Trade Corridors	\$323 Million		
Transit Intercity Rail Capital Program	\$256 Million		Loan Repayments made over three years
SHOPP/Maintenance	\$127 Million		
Subtotal:		\$706 Million	

NOTES & ASSUMPTIONS

Price Based Excise Tax. Based on the structure from last year, this table projects that of the 21.5 cents, only 18 cents goes to the State Highway Account (which includes funding for the STIP, SHOPP, and LSR on a 44-12-44 formula). The additional 3.5 cents and all indexing (including the indexing on the base 18 cents), goes to the new Maintenance and Rehabilitation Account. The figures for the STIP are low in this table because there is no indexing and the Administration projects that the PBE will return to 18 cents by the fourth year of its 10 year calculation.

Calculation Method. Like last year's proposal, the Administration seems to be making 10 year projections and dividing by 10 to come up with the annual budget figure. This explains in part how the Administration proposal gets \$425 million out of an 11 cent increase in the Diesel Tax when the Legislative proposals are calculating \$600 million for a 20 cent increase. The administration appears to be factoring the indexing over that time period. However, only some of the funds appear to be indexed.

Disclaimer: Some Guess Work Here. This is based on some educated guessing, back of the envelope estimates, and the assumption that the proposal will largely be structured like last year with most of the funding going into one larger new fund that is split roughly evenly between state and local programs. We will have to wait for the Trailer Bill Language (Feb 1) to be sure.

Reforms & Accountability			
Policy	AB 1 (Frazier)	SB 1 (Beall)	Governor
Hwy Design Manual		Include Complete Streets	
Environmental Review	Exemption for work in existing right of way	Exemption for work in existing right of way	Exemption for work in existing rights of way
NEPA Delegation	Permanent	Permanent	Permanent
Advance Mitigation	Sets Program Framework w 4yrs Funding	Sets Program Framework w 4 yrs Funding	Supports, Program & funding not yet defined
NEPA Delegation	Extended Permanently	Extended Permanently	Extend Permanently
CA Transportation Comm	Independent from CalSTA	Independent from CalSTA	Expand Oversight Role (but no reorganization)
SHOPP	CTC Oversight	CTC Oversight	State Highway Performance Plan
Oversight	Inspector General	Inspector General	
New Funding Accountability	CTC Oversight over RMRA	CTC Oversight over RMRA	
Contracting		Plan to double contracts to small, disadvantaged, and disabled veteran enterprises	
Labor Shortage		Work force; job training	
Project Streamlining		CM/GC project delivery until 2025	Extend Public-Private Partnership Authority
			Maintenance job ordering contracting pilot
Programming		Expand Caltrans federal exchange/state match program; provide flexibility for engineering and ROW contracting	

Constitutional Protections <i>(anticipated)</i>	Protect Transportation Revenues	Protect Transportation Revenues	--
	55% Threshold	55% Threshold	--



ASSEMBLYMAN VINCE FONG

AB 496: Traffic Relief and Road Improvement Act

The Traffic Relief and Road Improvement Act provides **\$7.8 billion (\$5.6 billion multi-year/\$2.2 billion one-time revenues)** for transportation **without raising taxes**. AB 496 includes reforms to make transportation spending more accountable and efficient, and eliminates regulatory barriers that prevent traffic relief. It provides \$2.2 billion in one-time revenues from repayment of transportation loans.

Reforms

- Repeals the “road diet,” which blocks projects that reduce traffic congestion
- Creates a CEQA exemption for road repair projects
- Creates a Transportation Inspector General
- Requires audits for major transportation projects *
- Increases Caltrans contracting, and extends the sunset for public-private partnerships
- Achieves savings from Caltrans efficiencies
- Provides new oversight for Caltrans spending
- Restores independence for the California Transportation Commission
- Facilitates federal funding for the Trade Corridors Improvement Fund (TCIF) program

Annual Revenues

\$5.6 billion in multi-year additional transportation funding

- \$3 billion from sales and use taxes collected from sale of new and used vehicles
- \$1.1 billion from return of truck weight fees for transportation
- \$550 million from vehicle insurance taxes
- \$270 million in new funding from cap-and-trade for transit [equivalent to amount that would be generated by the 3.5% diesel sales tax increase in AB 1 (Frazier)]
- \$160 million from AB 118 vehicle registration fees (backfilled by cap-and-trade)
- \$140 million from return of miscellaneous transportation revenues *
- \$135 million from diesel sales tax (backfilled by cap-and-trade)
- \$125 million from return of taxes from sale of fuel for non-highway purposes
- \$100 million from Caltrans efficiencies
- \$10 million from return of diverted funds to the Off-Highway Vehicle Trust Fund

Total Funding Distribution (one-time revenues/multi-year revenues)

- **\$2.8 billion** (\$700 million/\$2.1 billion) for **local streets and roads**
- **\$2.4 billion** (\$1.03 billion/\$1.32 billion) for **new capacity/traffic relief**
- **\$1.9 billion** (\$190 million/\$1.7 billion) for **highway maintenance and rehabilitation**
- **\$520 million** (\$250 million/\$270 million) for **transit**
- **\$100 million** (all ongoing) for **active transportation**
- **\$80 million** (all ongoing) for **DMV modernization and CHP funding** *
- **\$10 million** (all ongoing) for **Off-Highway Vehicle Trust Fund**

* Amendments pending

Transportation Plan Comparison

	AB X (Fong)	Governor's Plan	AB 1 (Frazier)	SB 1 (Beall)
Preliminary Revenue Estimate	\$7.8 billion (\$5.6 billion annual/\$2.2 billion one-time revenues)	\$4.3 billion (\$4.2 billion annual/\$0.7 billion one-time revenues)	\$6.8 billion (\$6.1 billion annual/\$0.7 billion one-time revenues)	\$6.8 billion (\$6.1 billion annual/\$0.7 billion one-time revenues)
Gas Tax Increase¹	No Increase	11.7 cents/gallon + annual inflation adjustment	19.5 cents/gallon + annual inflation adjustment	19.5 cents/gallon over 3 years (Y1: 13.5 cents; Y2: 3 cents; Y3: 3 cents) + annual inflation adjustment
Vehicle Registration Tax	None	\$65/year	\$38/year + annual inflation adjustment	\$38/year + annual inflation adjustment
Diesel Excise Tax Increase²	No Increase	11 cents/gallon + annual inflation adjustment	17 cents/gallon + annual inflation adjustment	17 cents/gallon + annual inflation adjustment
Diesel Sales Tax Increase	No Increase	No Increase	3.5% + annual inflation adjustment	4% + annual inflation adjustment
Zero Emission Vehicle Tax	None	None	\$165/year + annual inflation adjustment	\$100/year + annual inflation adjustment
Weight Fee Diversion (~\$1 billion/year)	100% restored Takes effect immediately	No Restoration	Partial Restoration (10% per year over 5 years)	Partial Restoration (10% per year over 5 years)
Loan Repayment	100% repayment in year 1 (\$2.2 billion)	Partial Repayment (32% over 3 years)	Partial Repayment (16% in year 1; 16% in year 2)	Partial Repayment (16% in year 1; 16% in year 2)
Vehicle Sales and Use Taxes	Dedicated to transportation	Diverted to General Fund	Diverted to General Fund	Diverted to General Fund
Vehicle Insurance Taxes	Dedicated to transportation	Diverted to General Fund	Diverted to General Fund	Diverted to General Fund

¹Increase over 2016-17 rate of 27.8 cents/gallon

²Increase over 2016-17 rate of 16 cents/gallon