

# Protect the Sales Tax on Gas for Transportation.

## Support a Responsible Budget Solution That Keeps Faith with California Voters

Seventy-seven percent (77%) of California voters passed Prop. 1A in 2006, sending an unequivocal mandate that they want the state sales tax on gas to fund *only* transportation and transit improvements. However, as the legislature grapples with a \$15 billion budget deficit, some members of the legislature are once again talking about raiding gas tax funds. Here's why that would be irresponsible:

- **Borrowing gas tax funds that must be repaid in three years is no way to fix a structural deficit. It only papers over the problem, plunges the state further into debt and increases costs to the state.** Since Prop. 1A requires funds to be repaid within three years with interest, borrowing gas tax funds only “papers over” the budget deficit, digging our state deeper in the hole, increasing borrowing costs to the state and delaying real solutions.
- **Cutting needed transportation and transit funding now could mean the death of many high priority projects.** California has a significant backlog of transportation and transit improvement projects that rely upon multiple pots of money. Without the gas tax funds, many existing projects will be delayed or killed altogether, and many projects will never get off the drawing board (examples below). The longer we wait on these projects, the more costly they become.
- **Raiding transportation and transit funds will eliminate thousands of jobs and stall economic growth at the worst possible time.** One of the fundamental purposes of Prop. 1A and 1B was to use the money to smooth out the peaks and valleys of the economic cycle. At a time when housing construction is sagging, infrastructure projects are creating jobs in a sector that sorely needs them. Raiding transportation and transit funds will further destroy an already struggling industry and severely hamper any hope of an economic recovery.
- **Maintaining transportation and transit funding keeps faith with the voters.** With Prop. 42 in 2002 and again with Prop. 1A in 2006, California voters have made it clear that they do not want the state raiding funds intended for transportation and transit improvements. We cannot keep violating their trust.



### Vital Transportation and Transit Projects At Risk If Gas Tax Funds Are Withheld

There are nearly 100 high-profile transportation and transit projects throughout California that rely on multiple funding sources for completion – including Prop 1A and 1B funds. The list below represents just a few of these badly needed projects that are at risk if gas tax funds are withheld from the funding matrix.

- Alameda County: HOV lanes on I-680 over Sunol Grade.
- Contra Costa County: 4<sup>th</sup> Bore of the Caldecott Tunnel.
- Los Angeles County: LA-Fullerton triple track and grade separation.
- Kern County: Route 99 road widening.
- Riverside County: HOV lanes on SR 60.
- Placer County: Lincoln Bypass project.
- Sacramento County: Double-track Route 80 light rail line for express service.
- San Diego County: Managed lanes south segment – Unit 2
- San Joaquin County: Improve track and signals along San Joaquin intercity rail line.
- Stanislaus County: Construction of Route 99/Whitmore Avenue Interchange.

Stop the Gas Tax Raid – a coalition of the California Alliance for Jobs, Transportation California, transportation stakeholders and advocates from business, labor, and local governments:

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