

CALCIMA

SB 1 FAQs

Q: What is SB 1?

A: SB 1 is the “Road Repair and Accountability Act” passed by the California Legislature in 2017. It creates a long-term transportation reform and funding package to fund road repair and safety improvements, fill potholes and repair local streets, improve public transportation and expand walking and biking trails, increase highway and bridge and culverts repairs, and reduce traffic on major commuter routes.

Californians are tired of driving on unsafe roads and being stuck in traffic jams. We rank 48th in the nation in the condition of our highways, waste 94 million hours a year sitting in traffic congestion and spend \$762 a year on repairs for road caused damage.

Our state lacks adequate funding to address these critical deficiencies: Local streets and roads face an estimated shortfall of \$73 billion in deferred maintenance Caltrans faces a \$59 billion backlog in deferred maintenance.

SB 1 is also putting people to work rebuilding California. The White House Council of Economic Advisors found that every \$1 billion invested in transportation infrastructure supports 13,000 jobs a year. SB1 provides investment funds that will improve quality of life, move people and goods quicker, and reduce air emissions due to vehicles sitting idle in traffic.

Q: When was the last increase to California’s gas tax fund for transportation?

A: It’s been 24 years since the California legislature raised the gas tax to fund road repair and infrastructure improvements. The last sponsor of an increase was a bi-partisan bill passed by the legislature and signed by Republican Governor George Deukmejian.

Because of inflation and increased fuel economy, current gas tax revenue covers less than one half of the costs they covered in 1994 (when the gas tax was last raised).

California is only one of 25 states that have passed transportation funding bills in the last 4 years.

Q: When does the increased funding take effect?

A: The increased taxes on gasoline and diesel will take effect at midnight on November 1, 2017.

Time is running out to fix our roads. This new funding simply returns user fees where they were a quarter-century ago, adjusted for inflation. If we would have indexed the fee back then, like we have in the new levy, we wouldn’t need to raise fees now.

Q: How much investment funds will be raised through SB 1? Source: www.fixcaroads.com

A: Starting in November 2017, an average of \$5.2 billion will be raised annually to begin fixing roads and highways, which only makes a dent in the actual maintenance backlog. The new maintenance funding will be split equally between state and local roads. The revenue will be constitutionally protected so that funds raised must go toward transportation.

Revenue will come from a mixture of funding sources

10-Year Revenue by Type

Fuel User Fees

Gas Excise	\$24.4 billion
Diesel Excise	\$7.3 billion
Diesel Sale	\$3.5 billion

Vehicle-Based Fees

Value Based Transportation Fee	\$16.3 billion
ZEV Fee Commencing in 2020	\$0.2 billion

One-Time Repayment of Transportation Loans

Repaying Outstanding Loans from General Fund	\$706 million
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Total **\$52.4 billion**

Q: How will these monies be spent? Source: www.fixcaroads.com

A: \$5 billion annually in new Transportation Funds designated for the following purposes:

- \$3 billion to fix state and local roads, split "50/50" between state and local governments.
- \$750 million for transit operations and capital improvements
- One-time loan repayments with \$236 million for transit capital, \$225 million for state highway maintenance, and \$225 million for local streets and roads maintenance
- \$400 million for bridge repair and maintenance
- \$300 million for Trade Corridors
- \$250 million for Congested Commute Corridors
- \$200 million for Local Partnerships for "self-help" counties
- \$100 million for the Active Transportation Program
- \$25 million for Freeway Service Patrol
- \$25 million for SB 375 regional and local planning
- \$7 million for UC and CSU Transportation Research

To see a map of Fix It First projects already underway in your area visit:
<http://www.rebuildingca.ca.gov/map.html>

Q: How can we guarantee the tax dollars are spent responsibly and not siphoned away for other purposes?

A: SB 1 includes strong accountability requirements to protect the taxpayers' investment. Funding breakdowns provided by the legislation are all designated for transportation purposes. In addition to specific road projects, transportation related programs are helping develop the work force and doing the research and planning necessary to develop a better transportation system.

Assembly Constitutional Amendment (ACA) 5 (Frazier-D) place an initiative on the November 6, 2018 ballot to prevent the use of transportation funds for anything other than transportation and infrastructure projects, as described in the bill. It is extremely important that voters support these measures to ensure our fuel tax dollars are spent on transportation projects focused on roads and infrastructure expansions and improvements.

The legislation also includes provisions to streamline projects by cutting bureaucratic redundancies and red tape to ensure transportation funds are spent efficiently and effectively. It gives more independence to the California Transportation Commission and establishes the independent office of Transportation Inspector General to perform audits, improve efficiency and increase transparency.

Q: Is there an effort to repeal SB 1?

A: Yes. In order to appear on the November 6, 2018 ballot, 365,880 signatures must be gathered by the measure's supporters by January 8, 2018 and certified by the California Secretary of State.

The first poll on a proposed ballot measure indicates 53.9% of California residents oppose repealing a new gas tax and vehicle fee hike.

The poll of 1,000 people via phone interviews and email polling indicates the gas tax has a good chance of surviving any challenge, said Pollster Adam Probolsky, the president of Probolsky Research in Newport Beach. The increases raise \$5.2 billion annually for transportation and mass transit improvements.

"The gas tax repeal is unlikely to be successful," he said. Probolsky said 52% of Republicans would vote to repeal the tax, but their numbers in the state are not large enough to overcome strong opposition to repeal from Democrats.

Any attack on SB 1 is an attack on our quality of life, economic prosperity and competitiveness, safety and security, and job creation. The California Construction and Industrial Materials Association and its member companies are committed to the pursuit of and a strong defense for a secure source of funding for transportation repair and improvements in our state.

Now is the time for our federal representatives to leverage the investment from SB 1 and the 23 California counties that have a local funding program, to pass long-term federal infrastructure investment bill.

Once and for all, it's time to **Fix Our Roads** and get on with **Rebuilding CA**.