

Citizen's Lockbox for Road Repairs and Infrastructure Improvements Proposed Constitutional Amendment

Fiscal Assessment

All figures in millions – based on data provided by Legislative Analyst's Office on September 17, 2018 ¹

*The current Caltrans budget receives **\$7 billion in state funding** for the 2018-2019 fiscal year. Caltrans also receives additional federal and local funding but those funds would not be impacted by Prop 6.*

Current (w. SB1) State Funding for Caltrans Road Project Expenditures

While many dispute how many tax dollars are wasted in overhead and bureaucratic expenses at Caltrans, for the sake of argument let's assume all funds actually go to "road projects."

Caltrans "Road" State Funding	
Capital Outlay	2109
Maintenance	2029
Local Assistance*	1029
Total:	\$5,167

*Includes non-road expenditures, but for the sake of argument we'll classify as 100% roads

Proposed Citizen Lockbox Minimum Road State Funds

Gas Excise Tax	4700 ²
Gas Sales Tax	1047 ³
Gas Storage Tank Tax	318
Diesel Excise Tax	694 ⁴
Diesel Sales Tax	788 ⁵
Total:	\$7,547

Net Impact (Current vs. Proposed Initiative): Net increase of more than \$2 billion for roads! More than the entire Caltrans budget of \$7 billion – but ALL of these funds must go to roads – and only on capital outlay or maintenance. That's a huge increase in funding for roads! (Note these figures do not include billions in federal and local funding sources for roads)

¹ All figures for FY2018-2019 based on Legislative Analyst Office projections.

² Reflects remaining revenues generated assuming passage of Prop 6

³ Opponents will argue that Constitutional and statutory mandates already allocate a portion of sales tax to fund other programs. Since this Initiative is a Constitutional Amendment, it will over-ride those competing allocations. It is important to note that only car sales tax and gas/diesel sales tax revenues are redirected under this initiative – all other sales tax revenues on all other purchases remain earmarked under the previous statutory/Constitutional allocations. If opponents argue that they cannot afford to shift the car/gas/diesel sales tax funds (\$1.047 B) to infrastructure without compromising these other programs, we point out that local governments are going to receive billions more earmarked for transportation. Any local government General Fund revenues previously spent on local transportation can be used to backfill any lost revenue to these other programs. In addition, we'd argue that the same re-prioritization and efficiency reforms being imposed on transportation programs should be applied to those programs that claim to be short on funding.

⁴ Reflects remaining revenues generated assuming passage of Prop 6

⁵ Reflects remaining revenues generated assuming passage of Prop 6

Current (w. SB1) Caltrans Overhead and Inter-Modal Expenditures

Caltrans Overhead and Transit/Inter-modal State Funds

Highway OH	1213
Mass Transportation	388
Planning	168
Aeronautics	6
Inspector General	11
Total:	\$1,786

Proposed Citizen Lockbox Additional Roads/Transit/Inter-modal Funds

Car Sales Tax	5700
Car Insurance Tax	550
Weight Fees	1100
Total:	\$7,350

Net Impact (Current vs. Proposed Initiative): Net increase of more than \$5.5 billion annually for all forms of transportation! Money could add to road improvements and maintenance, but can also be spent on transit, rail, active transportation (bikes/walking), etc. (Note these figures do not include billions in federal and local funding sources for all forms of transportation)

Read full Legislative Analyst's Office letter at

https://moorlach.cssrc.us/sites/default/files/180917_LAO-ResponseOnTransportationFunding.pdf