



## Summary of Key SB 1 Provisions of Interest to Counties As Amended on April 3, 2017

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### Funding Purposes and Allocations

- The package allocates \$5 billion/year in funding at full implementation
  - \$1.5 billion for the SHOPP to maintain state highways and freeways
  - \$1.5 billion directly allocated to cities and counties equally for local streets and roads
  - \$750 million for transit operations and capital
  - \$685 million in General fund loan repayments by June 2020, split approximately evenly between state highways, local roads, and transit.
  - \$400 million for bridge repair and maintenance allocated to Caltrans
  - \$300 million for goods movement/freight projects
  - \$200 million in local partnership funding for the 24 self-help counties (CTC guidelines will be developed to allocate funding)
  - \$250 million for the new “Solutions for Congested Corridors” program (a competitive program to funding project nominated by regional transportation planning agencies or county transportation commissions)
  - \$100 million for the Active Transportation grant program for bike and pedestrian facilities (counties are eligible applicants for these grants)
  - \$25 million for Freeway Service Patrol
  - \$25 million for local planning grants for local and regional agencies to implement state goals related to regional transportation planning, including SB 375
  - \$7 million for UC and CSU Transportation Research
- Repayment of \$706 million in outstanding General Fund Transportation loans from prior to Proposition 22:
  - \$550 million split evenly between the state and local governments
  - \$236 million for transit

### Revenue Sources Timeline for Phasing In

- New gasoline fuel excise tax of 12 cents/gallon beginning **November 2017**
- End Board of Equalization Price-Based gas tax adjustment and reset rate to 17.3 cents in **July 2019**
- New diesel fuel excise tax of 20 cents/gallon beginning **November 2017**
- Diesel sales tax increase of 4% starting **November 2017**
- Transportation Improvement Fee: \$25-175 per vehicle starting in **spring 2018**:
  - \$25/year for cars valued less than \$5,000 (46% of all cars)
  - \$50/year for cars valued between \$5,000 and \$25,000 (41% of all cars)
  - \$100/year for cars valued between \$25,000 and \$35,000 (7% of all cars)
  - \$150/year for cars valued between \$35,000 and \$60,000 (5% of all cars)
  - \$175/year for cars valued over \$60,000 (1% of all cars)
- Zero emission vehicle (ZEV) fee of \$100/year, starting in **2020**

### Constitutional Protections and Reforms

- Article XIX of the California Constitution, as modified by Proposition 22 (2010) already prevents the Legislature from diverting fuel tax revenues for non-transportation purposes. This applies to both the new 12 cent gas tax and the new \$100 ZEV registration fee.

- SCA 2 and ACA 12 extend these provisions to the diesel sales tax allocated to public transportation by SB 1, as well as the new Transportation Improvement Fee based on the value of a vehicle and dedicated to road, highway and public transportation purposes.
- Would establish an Inspector General appointed by the Governor to a six-year term within an Independent Office of Audits and Investigation.
- Expanded oversight of Caltrans project delivery and performance management by the California Transportation Commission.

#### Local Road Maintenance and Rehabilitation Funding

- Road Maintenance and Rehabilitation Account Funding will be allocated to state highways and local road projects by formula.
- \$3 billion/year will be split evenly between the state and local governments, with cities and counties evenly sharing the local funding.
- Eligible projects for local Road Maintenance and Rehabilitation funding include, but are not limited to, the following:
  - Road maintenance and rehabilitation
  - Safety projects
  - Railroad grade separations
  - Complete street components, including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects in conjunction with any other allowable project
  - Traffic control devices
  - Funds may also be used to satisfy a match requirement in order to obtain state or federal funds for allowable project.
- Cities and counties with average pavement condition index scores exceeding 80 could use funding for transportation priorities other than those listed above.

#### Accountability Provisions

- Counties would be subject to a maintenance of effort requirement based on unrestricted revenues dedicated to local street and road purposes in the 2019-10, 2010-11, and 2011-12 fiscal years.
- Counties would have to include list of proposed projects to be funded from the Road Maintenance and Rehabilitation Account funding in the annual adopted county budget and provide this project list to the CTC.
- Counties would have to submit a list of completed projects, including location and expected useful life of the improvement, to the CTC upon expenditure of the funds.