



REVISED AGENDA ITEM NO. 13

Administrative Committee Meeting

July 18, 2012

Location:

SANBAG

Super Chief Conference Room, 2nd Floor
1170 West Third Street
San Bernardino, CA

13. **State Legislative Update**

Receive State Budget update and legislative bill matrix.

This agenda item is being redistributed to include the 2nd page which inadvertently did not print.



- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 13

Date: July 18, 2012

Subject: State Legislative Update

Recommendation:* Receive State Budget update and legislative bill matrix.

Background: Last month the Legislature passed, and the Governor signed, the 2012-13 State Budget (AB 1464). The \$16.2 billion budget, and the accompanying trailer bills, will result in approximately \$92 billion in expenditures and a reserve of approximately \$500 million in the 2012-13 budget year.

With the exception of \$1.2 billion in various social services, the budget is fundamentally the same as the Governor's May Revision. The budget relies on the Department of Finance (DOF) revenue estimates, and is based on the passage of the Governor's tax proposal. The Governor's tax proposal is a Constitutional amendment that would raise the personal income tax and the sales and use tax on a temporary basis. Together, the proposed increase in the two taxes is expected to raise an additional \$8.4 billion through the budget year. In the event that the voters do not approve the Governor's tax proposal in November, the Legislature's joint plan, like the Governor's, includes a series of trigger cuts, primarily to education and social services.

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Approved
Administrative Policy Committee

Date: _____

Moved: _____ Second: _____

In Favor: _____ Opposed: _____ Abstained: _____

Witnessed: _____

COG	X	CTC	X	CTA	X	SAFE	X	CMA	X
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Check all that apply.

There are a significant number of budget trailer bills implementing the entire budget plan. For transportation, these bills include AB 1465 and SB 1006, which were signed by the Governor on June 27.

Specifically these budget bills contain:

- Gas Tax Swap - Transfers funding from the Motor Vehicle Fuel Account to the General Fund, resulting in a General Fund savings of \$312.2 million in 2012-13 and \$128.8 million in savings in ongoing fiscal years.
- Weight Fee Revenue Transfer - Transfers additional weight fee revenues to the General Funds, resulting in a \$385.2 million in General Savings in 2012-13 and \$47.5 million in General Fund savings 2013-14.
- Project Initiation Documents (PIDs) - Restores State Highway Account funding for PIDs staffing, in lieu of using local reimbursement funds.
- Public-Private Partnerships - Rejects Administration proposal to allow Caltrans to seek additional reimbursement if additional Public-Private Partnerships move forward in the budget year.

The Legislature has also approved a budget for High Speed Rail (HSR) and is awaiting the Governor's signature. Southern California is anticipated to receive \$500 million to be used in the SCAG region on connectivity projects. SANBAG has signed onto the regional Memorandum of Understanding (MOU). The MOU is a list of regional transit projects that will eventually link into the Southern California HSR corridors.

The Legislature is on Summer Recess until August 6th. Attached, please find an updated bill matrix.

Financial Impact: This item has no impact to the FY 2012/2013 SANBAG Budget.

Reviewed By: This item is scheduled for review by the Administrative Committee on July 18, 2012.

Responsible Staff: Eric Haley, Interim Legislative Director