



California's Transportation System: A Patient Worth Saving



By Jim Earp

Jim Earp is Executive Director of California Alliance for Jobs. He was also recently reappointed to the California Transportation Commission by Gov. Jerry Brown.

Picture an emergency room inundated with critically injured patients. Governor Brown is head of ER and the Legislature is his medical team. Some of the subjects – Transportation, Higher Education, Medi-Cal – are bleeding profusely and in desperate need of triage.

How do they decide who to treat first and what procedures to perform?

If you think this scene is filled with too much hyperbole to be credible, then please explain how it is any more insane than years of chronic – and huge – state deficits, budget stalemates, furloughs and lawsuits over furloughs, billions of dollars of bonds to rebuild state roads, schools, levees and affordable housing that have been approved by voters but can't be sold, an unsustainable public sector pension system, higher and higher tuition fees exceeded by even higher college administrator salaries Wow! There's blood everywhere.

Faced with this carnage, it's mighty hard for our elected leaders to clinically assess the damage and act decisively to save critical parts of our economy and society – especially when some of the team has taken a weird Hippocratic Oath or “pledge” designed, it would seem, to let some patients die right there on the table.

Thankfully, I'm not head of this ER, because no doubt there are many who would question my priorities. But I can offer some life-saving advice for one patient I've spent many years trying to keep alive – namely California's transportation infrastructure. It is on life support, and we *must* save it,

because California's economy simply cannot survive with a crumbling, congested, unsafe and underfunded transportation system.

Grit your teeth. I don't have much space here, so this will probably hurt.

First, stem the blood flow. Specifically:

- **Get transportation funding out of the state General Fund** where fixing roads and transit has competed with everything else the state has to do. Thanks to the Democratic leadership, we checked that one off when Governor Brown signed the “Gas Tax Swap” legislation that repealed the sales tax on gasoline and replaced it with an equivalent excise tax.

- **Protect dedicated transportation funds.** We can check that one off, too. It only took three ballot measures, but we finally placed a tourniquet on the gas tax dollars that were routinely being siphoned off to fund other programs.

With the patient stabilized (barely), is there a wonder drug that will restore our transportation system back to health? No. There is, however, one pill that would be tough to swallow but do a world of good.

It's a gas tax increase – a simple, unsophisticated procedure that has been around for a long time, but is still the fairest, “greenest,” most efficient user fee we've ever had for our transportation system. It hasn't been raised since 1994. Since then, the cost of highway construction has doubled and more fuel-efficient vehicles are putting greater wear and tear on the system while generating less revenue.

A small increase – 10 cents – would begin to close the \$5.6 billion annual shortfall to just maintain and repair our existing system. A big increase – say 50 cents administered incrementally over several years – would not only get our transportation system closer to solvency, it could start changing the way people use the system. Fewer vehicle miles traveled per capita. More use of transit and money to pay for expanding it. Fewer gas-guzzlers. Cleaner air.

Politicians quake at the thought of using this “treatment.” Business will cry foul (yet Germany has a robust economy AND a high gas tax). Tax reform groups will crank out tons of direct mail. Radio talk show hosts will have a field day. So, even though the oil companies are reaping huge profits on gasoline that has risen far more than 50 cents recently, the gas tax pill is one that will probably stay in the medicine cabinet while our transportation system languishes on life-support.

What else can we do? These are easy to prescribe, but hard to do.

- **Run Caltrans more like a business.** More than 35 cents of every dollar allocated to a construction project is spent on planning, design, regulatory compliance and feeding the bureaucracy. That has to change. Everyone knows it, but it’s not happening.

- **Get serious about using innovative ways to deliver a project, like design-build and public-private partnerships (P3s).** Some public infrastructure is desper-

ately needed but too expensive for government to pay for up front. Entering into well-executed partnerships with private ventures can put a lot of capital into the system, enlarge the infrastructure pie and generate thousands of jobs. P3s are used successfully all over the world – including countries with strong public sector unions, but Professional Engineers in California Government (PECG), the union that represents Caltrans workers, has fought these delivery methods tooth and nail.

- **Overhaul our transit systems.** We need more access to mass transit in California’s metropolitan areas, but we also need fewer transit agencies, more integration and more accountability. If we could ever get there, it would be far easier to find the additional money needed to run our transit systems.

There are additional, less invasive procedures that could help restore health to our transportation system. Turn carpool lanes – which are underutilized – into HOT lanes (toll lanes). Use the revenue generated to improve the system. Lease interchange right of way to solar panel companies. Let the private sector install and manage the digital traffic warning signs.

In these hard times, breathing new life into our transportation system requires being creative, tough minded, tight with a buck and accountable to those who are paying the bill. Not an easy prognosis, but for the sake of our economy and our well-being, we have no alternative.