



APRIL 12, 2007

AGENDA ITEM # **9**

**SB 445 (TORLAKSON): ROAD USER TASK FORCE**

**Action Requested:** Support

**Key Staff:** Brian Williams, Executive Director

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**Recommendation**

Declare your Board's endorsement of SB 445, and authorize staff to represent that endorsement, as appropriate.

**Discussion**

Federal and state per-gallon fuel taxes have long been a fundamental source of funding to improve and operate the transportation system. The valuable energy and environmental benefits created by the State's gradual trend toward improved fuel efficiency and use of alternative fuels, however, will be offset by a long-term reduction in affected revenues as motorists purchase less gasoline and diesel fuel. Assuming a continued tax rate of 18¢ per gallon, state fuel tax revenues are forecasted to decrease from \$3.3 billion in 2004 to approximately \$2.1-\$2.6 billion (adjusted 2005 dollars) in 2020. This will occur as vehicle miles traveled in California continue to increase.

SB 445 (Torlakson) calls for the creation of an 11-member Road User Task Force to conduct research and hearings on alternatives to the current system of taxing road users through per-gallon fuel taxes. The Task Force will report to the Legislature and Governor on its findings and recommendations by January 1, 2009. The Task Force would consist of:

- 2 members appointed by the State Senate Pro Tem
- 2 members appointed by the Speaker of the State Assembly
- 2 members appointed by the Governor
- 3 members appointed by the California Transportation Commission
- 1 member appointed by the League of California Cities
- 1 member appointed by the California State Association of Counties

Last month, your Board directed staff to consult with Sacramento area State legislators to determine their respective positions and/or insights on SB 445. We received the following feedback from the offices of Senators Cox and Steinberg:

**Cox**

- The challenge of developing a stabilized long-term transportation funding source is worthy of formal discussion.
- Would like to see bill language to promote north/south and urban/suburban/rural balance among the Task Force membership.
- Concerned that minority party has no say in who represents the Legislature (Assembly Speaker, Senate Pro Tem) on the Task Force.

**Steinberg**

- Indicates that bill is consistent with position that State needs to move toward long-term transportation funding source that accommodates growth in vehicle miles traveled (VMT).
- Would like to see language that assures some Northern California representation on the Task Force.

Staff feels that the declining influence of traditional state fuel tax programs has significant implications for implementation of the **New** Measure A expenditure plan and for the long-term development and operation of the State's transportation infrastructure, in general. SB 445 represents an important step toward formally addressing the problem.

*Attachment*