To: CSAC Board of Directors
County Administrative Officers
County Public Works Directors
County Legislative Coordinators
County Public Information Officers
CSAC Housing, Land Use and Transportation Policy Committee
CEAC Transportation Policy Committee
County Caucus

From: Kiana Valentine, CSAC Senior Legislative Representative Chris Lee, CSAC Associate Legislative Representative

## Re: Prop 6 Fact of the Week: Defunding High Speed Rail Won't Solve Road & Bridge Funding Needs

The debate about how best to fund state highways, local streets and roads, and bridges can sometimes lead to a conversation about simply diverting funding from the California High Speed Rail (HSR) Project. While counties and individuals have differing perspectives on this controversial project, CSAC wants to use this Prop 6 Fact of the Week to discuss how the HSR Project is funded and how, even if eliminated, HSR funding won't be a windfall for highways, roads and bridges.

- According to the <u>HSR website</u>, "capital funding to develop the project will come from federal, state, local and private sources." An overwhelming majority of the approximately \$6 billion in federal funding comes from the American Recovery and Reinvestment Act (ARRA). The primary source of state funding is from Prop 1A (2008) a \$9.95 billion general obligation bond as well as some cap-and-trade revenue (which varies fiscal year to fiscal year). At this time, there are no major sources of local or private revenue being invested into the HSR Project although that could change in the future.
- All of the federal funding has either been spent or committed to the Initial Operating System (IOS) from Madera to
  Bakersfield. Even if it were not spent/committed, the state does not have the ability to transfer ARRA grant money
  from one project to another without federal action.
- Of the \$9.95 billion in state bond funding, approximately \$4 billion remains. Approximately \$5 billion has already been spent on or committed to the IOS and other elements of the HSR project. In order to repurpose any remaining bond funds, it would require a vote of the people.
- Even if the voters chose to recommit Prop 1A bond funding to roads and bridges, that \$4 billion would be one-time in nature. As previously stated in our <u>August 24<sup>th</sup> Fact of the Week</u>, highways and local roads need a steady source of ongoing revenue in order to reduce the \$130 billion backlog and begin to improve the safety and quality of our transportation infrastructure.

## Sample Social Media

High Speed Rail funds cannot be used to repair or fix our crumbling highways, roads and bridges. #California's cities and counties need dedicated, long term #transportation funding to keep drivers safe. #RebuildingCA

California's highways, roads & bridges require ongoing funding to fix our crumbling infrastructure. One-time revenue sources are insufficient to cover the cost of improving our state's #transportation. #RebuildingCA

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