

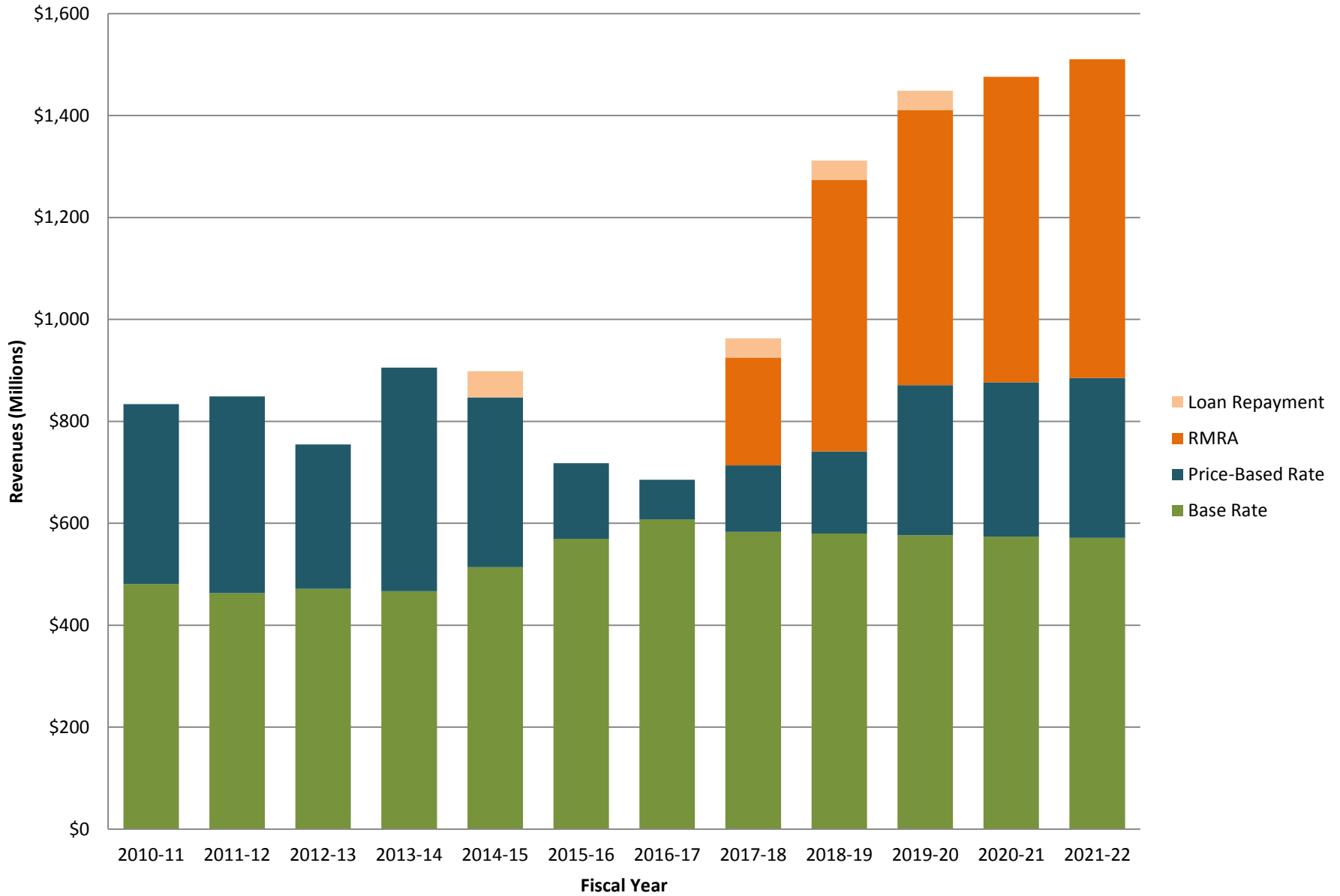
SB 1 Funding for County Roads: Estimates and Assumptions

Chris Lee

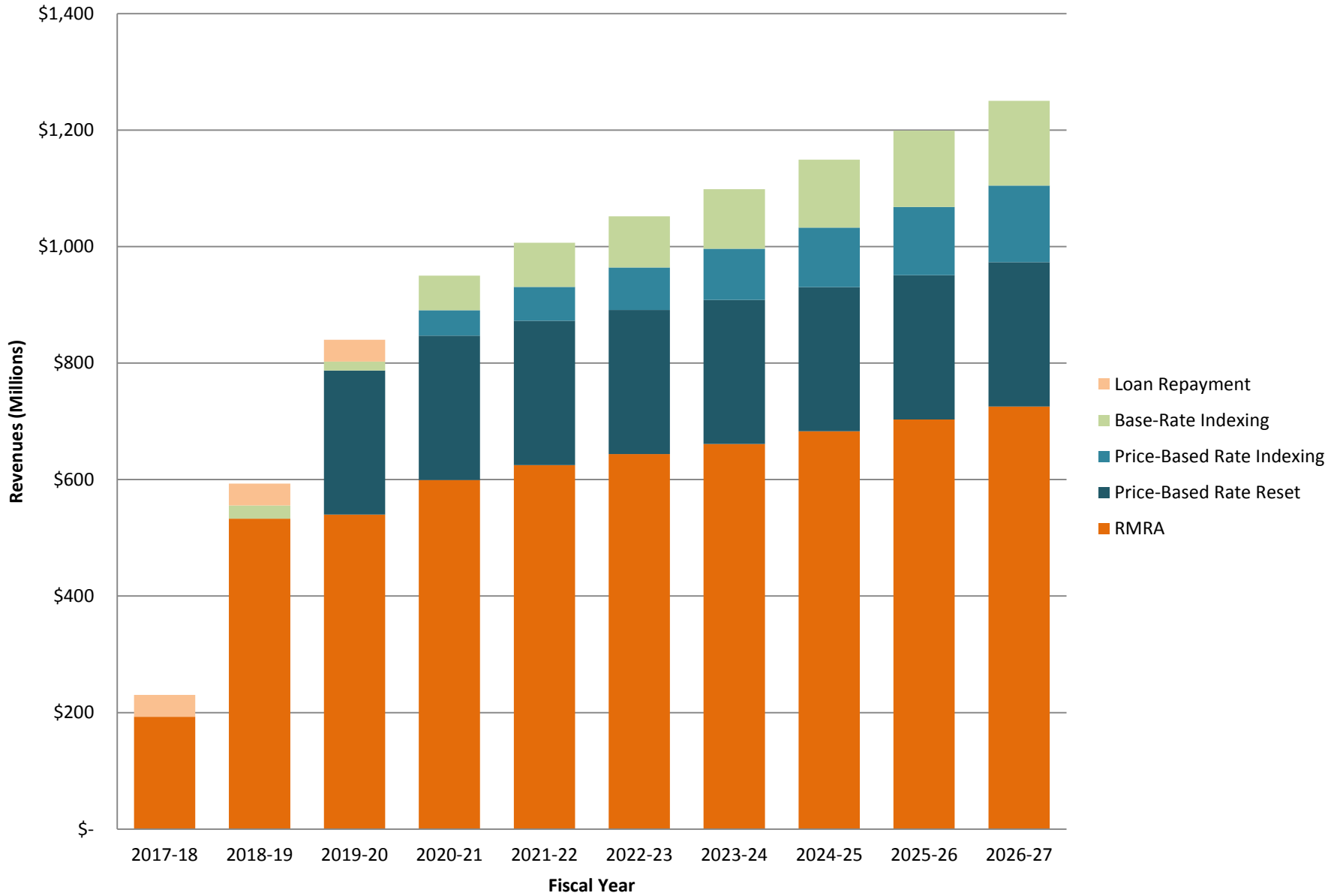
CSAC Legislative Analyst

clee@counties.org

Formula Funding for County Roads - Before and After SB 1



Components of New County Revenues from SB 1



Key Assumptions

- CSAC's county-by-county estimates are based on calculating each jurisdiction's share of the total revenue estimates from the California Department of Finance (DOF)
- DOF's longer-term SB 1 funding estimates are based on the following key assumptions:
 - 2.5% annual increase in [California CPI](#)
 - Approx. 1.2% annual decrease in gas consumption

Sources of Future Uncertainty

- Inflation – excise taxes and TIF (reg. fee) indexed
 - Affects 100% of SB 1 revenues
- Fuel consumption
 - Affects 70% of SB 1 revenues
- Number of registered vehicles and vehicle values
 - Affects 30% of SB 1 revenues
- Gasoline prices no longer directly tied to fuel tax rates for revenues to county roads under SB 1
 - Based on historical trends, this is likely to mean a more stable excise tax revenue stream (see graph)

Growth in CPI and Gasoline Prices 1978-2011

