

February 4, 2010

Governor Arnold Schwarzenegger
California State Capitol
Sacramento, CA 95814

Dear Governor Schwarzenegger:

RE: Opposition to proposed 2010-11 budget cuts for public transportation

The Santa Barbara County Association of Governments (SBCAG) Board of Directors is strongly opposed to the proposed 2010-11 budget cuts for public transportation. The Budget plan would eviscerate public transportation and undermines the stated will of California voters when they overwhelmingly supported Proposition 42.

The 2010-11 Budget proposal would eliminate funding for the Public Transportation Account and eliminate the only state source of revenues for public transportation. The loss of State Transit Assistance in perpetuity will force transit operators to reduce service or increase fares. Eliminating the state sales tax on gasoline could also jeopardize funding for California's extremely successful passenger rail program. Regional transportation agencies like SBCAG face a daunting challenge to fulfill the state mandates contained in AB 32 and SB 375. It will be impossible to meet these new planning obligations and reduce greenhouse gas emissions if state public transit funding continues to be cut and transit and rail services are reduced or eliminated.

The proposal could also stagnate future growth of transportation revenue. Elimination of the sales tax on fuel would make the state dependent upon a flat tax that is collected by consumption at the pump rather than adding additional resources through the increase of gas prices. While the current proposal intends to link future increases in fuel taxes to match future transportation bond debt service costs, this connection would require ongoing legislative approval and is a far less certain financing structure than the existing voter approved Proposition 42 constitutional protections afforded the sales tax on gasoline. Over time, this proposal could result in a catastrophic loss of funding for the State Transportation Improvement Program as well as local streets and roads that would result in even faster deterioration of California's already severely stressed transportation infrastructure.

Again, the SBCAG Board of Directors is strongly opposed to the proposed 2010-11 budget cuts for public transportation. In 2008, nearly 80% of Santa Barbara County voters supported extension of our county's transportation sales tax measure, that will generate more than \$1 billion in new transportation funding over 30 years, in large part because the plan represented a balanced, multi-modal approach to improving mobility in Santa Barbara County. The local sales tax measure was described to voters as an opportunity to increase investment in local transportation projects and programs. In order to deliver on the promises made to local voters we need a strong financial partner in the State of California. Reducing the state's general fund Governor Arnold Schwarzenegger

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budget deficit by weakening the state transportation financing process is counter to this administration's strong commitment to improving mobility for Californians and seriously risks SBCAG's ability to meet regional transportation needs.

Sincerely,

A handwritten signature in black ink, appearing to read "Salud Carbajal". The signature is written in a cursive style with a large initial "S".

Salud Carbajal

SBCAG Chair

Senator Tony Strickland
Senator Abel Maldonado
Assemblymember Pedro Nava
Assemblymember Sam Blakeslee