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CALIFORNIA INFRASTRUCTURE COALITION LAUDS GOVERNOR AND LEGISLATIVE LEADERS FOR FULLY FUNDING PROPOSITION 42 TRANSPORTATION MONIES

\$1.3 Billion Will Fund Long-Overdue Transportation Projects and Improvements; Investment Will Stimulate State's Economy, Improve Californians' Quality of Life

SACRAMENTO -- The California Infrastructure Coalition (CIC) today lauded Governor Schwarzenegger and the bi-partisan leadership of the State Legislature for fully funding Proposition 42 by including \$1.3 billion in transportation funds in the FY 2005-2006 Budget. This year's budget represents the first time since voters overwhelmingly approved Proposition 42 in 2002 that the State's full portion of sales tax on gasoline will be directed to transportation projects.

"The Governor and Leadership should be applauded for their efforts to restore Proposition 42 funds for long-overdue transportation projects and improvements," said CIC Chairman and California League of Cities Executive Director Chris McKenzie. "It is encouraging to see that their budget priorities are falling into line with the priorities of millions of Californians who know first hand the deplorable condition of our state's roads and highways and its negative impact on our overall quality of life."

The California Department of Finance in 2003 estimated an investment need of \$54.2 billion over a 5-year period for state infrastructure alone. Local infrastructure investment need could potentially cost billions more.

"The restoration of \$253 million in local street and road funding from Proposition 42 is an important first step toward recovery for the transportation system," said Don LaBelle, CIC Board Member and Director of Public Works, Alameda County. "City and county roads represent 82 percent of the State's maintained miles. This aged system is at the breaking point with only 20 percent of the miles in 'good' condition following the loss of approximately \$400 million over the last two fiscal years.

"But it is imperative that this funding represent just the beginning of adequately financing road preservation for California, which ranks 47th among the states in road financing," LaBelle added.

CIC Board Member and Associated General Contractors of California CEO Tom Holsman praised the Governor and Leadership, and noted that restoring California's transportation funding would substantially increase employment and spending, ultimately impacting a wide variety of sectors in the California economy. "This much-needed transportation funding will not only help rebuild a badly decaying infrastructure it also will create jobs in California and encourage critical investment from the business community that's necessary to fuel the state's economic recovery."

The California Infrastructure Coalition is a non-profit, broad-based organization that advocates for dedicated and consistent sources of funding to sustain California's vital infrastructure. For more information, visit CIC's website at www.calinfrastructure.org.

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California Alliance for Jobs
California Building Industry
Association
California Business
Roundtable
Californians for Patient Care
California School Boards
Association
California Society of Civil
Engineers
California Special Districts
Association
California State Association of
Counties
Consulting Engineers and
Land Surveyors of California
Engineering Contractors'
Association
Infrastructure Delivery
Council
League of California Cities
County of Alameda
County of Alameda General
Services Agency
County of Los Angeles
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Orange County Sanitation
District
City of Anaheim
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