

## Opinion: Road tax diversions and reality

By Dan Walters

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A recent column about a growing backlog of deferred maintenance in the state highway system and the difficulty of raising more revenue for roadwork generated an unusually high number of reader reactions.

The responses fell into two broad categories – anger that existing gas taxes and other transportation revenues had been diverted into non-transportation uses, and skepticism that the Department of Transportation could be trusted to do the needed work.

It appears that both attitudes are fairly widespread and therefore need some factual analysis.

The first stems from what happened during several difficult state budget cycles as the Great Recession clobbered general revenue.

Desperate to cover the state's spending commitments, then-Gov. Arnold Schwarzenegger and the Legislature borrowed heavily from various special funds, including those devoted to transportation.

Those loans became part of what Schwarzenegger's successor, Jerry Brown, dubbed a "wall of debt" of more than \$30 billion that he's been taking down.

The transportation fund loans totaled \$3.8 billion and are being whittled down, with interest, as general fund revenue increases. Very little remains to be repaid.

Whatever one might think of such emergency loans, the money taken temporarily from transportation funds is not a factor in the larger discussion of meeting highway needs. And five years ago, voters passed a ballot measure to block future raids on highway money.

If there is a legitimate issue, it is the money that's beginning to flow to the state from the inclusion of auto fuel in the "cap-and-trade" program of curtailing emissions of carbon dioxide.

At least a few hundred million dollars a year are being indirectly extracted from motorists to be spent for other purposes, including Brown's pet bullet-train project.

The second issue raised by readers is the competency of Caltrans to make highway improvements – an estimated \$59 billion in deferred maintenance and rehabilitation – even if the money is made available.

Caltrans once had a global reputation for building and maintaining highways, but it has deteriorated along with the roadways themselves.

The immense cost overruns and shoddy work on the Bay Bridge project certainly added another layer of tarnish to the agency's image. And the Legislature's budget analyst, Mac Taylor, has said the agency has 3,000-plus more project support workers than the workload justifies, especially since a big highway bond issue passed during the Schwarzenegger regime has largely been exhausted.

Were Brown and the Legislature ever to agree on a financing plan for the much-needed highway work, an important corollary will be deciding whether Caltrans should be entrusted with designing and overseeing it, or whether it should be outsourced to private engineering firms.

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