

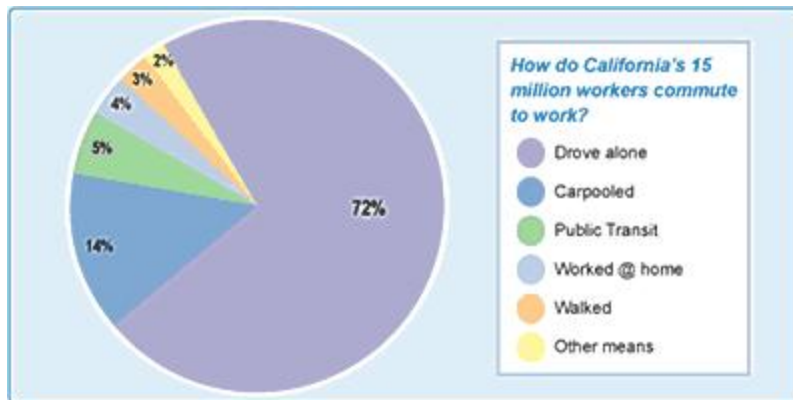
INFRASTRUCTURE QUIZ ANSWERS

1. TRANSPORTATION INFRASTRUCTURE

A. What percentage of California's population uses public transit to commute to work?

The correct answer is: Overall, according to the Census only **5%** of Californians use transit to commute to work.

The Public Policy Institute of California reports that in major metropolitan areas, the number increases to slightly less than 6%, however the percentage increases in cities where transit is more available (it is over 9% in the Bay Area). Per capita investments on transit have more than doubled since the early 1980's and are estimated at \$39 per resident versus \$156 per resident spent on highways and roads.



B. There are more than 37 million Californians. How many motor vehicles are registered in California?

The correct answer is: According to the U.S. Department of Transportation, there are **31 million** private and commercial motor vehicles registered in California to 23 million drivers.

Nationwide travel on the highway system has changed dramatically over the last 50 years. The total number of registered vehicles has increased from 74 million in 1960 to 237 million in 2004. The total number of drivers has also increased—from 87 million drivers in 1960 to 199 million drivers in 2004. In California, between 1980 and 2000 there was a 6% increase in highway lane miles but an 87% increase in miles driven.

C. How much does the average Californian pay each year in additional vehicle operating costs as a result of driving on roads in need of repair?

The correct answer is: **\$550**. The Road Information Project (TRIP) released a report that states while the average urban motorist in the U.S. is paying around \$400 each year in additional operating costs as a result of driving on roads in need of repair, Californians are paying around \$550.

Five California metro areas made the list of the top ten metro areas nationwide whose motorists pay the most annually in additional vehicle maintenance because of roads and highways in disrepair: San Jose - \$689, Los Angeles - \$671, San Francisco/Oakland \$656, San Diego - \$623, and Sacramento - \$593.

The same five metropolitan areas are on the list of top ten nationwide metropolitan areas with the highest percentage of major roads and highways with unacceptable pavement quality. San Jose takes second nationwide with 67% of its roads with unacceptable pavement quality.

D. How much does the California Transportation Commission estimate the state's unmet transportation needs at over the next ten years?

The correct answer is: **The California Transportation Commission estimates the state's unmet transportation needs at \$117 billion over the next ten years.**

It is widely agreed that California faces a significant gap between available resources and the amount needed to build and maintain the state's transportation infrastructure. In recent years, California has spent 6 to 7 billion annually on transportation investments. The Governor's Strategic Growth Plan proposes to increase that level to about \$11 billion per year over the next ten years.

Looking ahead, the state will continue to experience an economic shift from that of a manufacturing economy to a service-related economy. This will put less pressure on the state's transportation systems, but will create a greater need for education.

2. CALIFORNIA INFRASTRUCTURE SPENDING

A. California spends about the same as the national average on infrastructure, however we spend much more than the national average on:

The correct answer is: **Water and natural resources**. In 1997 California spent more per capita than the national average on water (\$79 vs. \$34) and resources and community development (\$95 vs. \$56). Other western states also spend more than the national

average on water and natural resources, due to that much of our agriculture is irrigated and that our water has to travel farther distances to reach population centers.

While funding for transportation has recently increased, California still spent about 30% less than the national average on highways, roads and transit. Thanks to recent state and local bonds, spending on education facilities has significantly increased in recent years.

The August 2006 Statewide Survey from the Public Policy Institute of California reports that to plan for California's future population growth, Californians prefer to manage our existing systems more efficiently rather than build new ones. 70 percent of state residents prefer to focus on making more efficient use of freeways and highways and expanding mass transit rather than building new freeways; 56 percent say their region should focus on using existing public education facilities more efficiently instead of building more public schools and universities; and 54 percent want to use the current water supply more efficiently rather than building new water storage systems.

B. How much does the average Californian contribute each year through their taxes and user fees to cover state and local infrastructure?

The correct answer is: **The average Californian contributes \$930 each year through their taxes and user fees to cover state and local infrastructure.**

How much you pay depends on where you live and your family income. We invest in infrastructure for three main reasons.

- Repair and maintenance – like fixing potholes and repairing levees
- To keep up with population growth – estimated at about 520,000 per year
- Better technology and higher standards – such as new technology and telecommunications in classrooms and communities, earthquake retrofits, and improved standards for water and air quality

3. OTHER INFRASTRUCTURE

A. According to the Department of Education, how many of California's more than six million K-12 students are in classrooms over 25 years old?

The correct answer is: **1,150,000**. California has 292,000 classrooms in 9,400 public schools. In 2000, the Legislative Analyst's Office estimated that one in three California students attended an overcrowded school or one in need of significant modernization.

Recent actions have improved the outlook for education facilities. In 2000 voters approved Prop 39, which reduced the 2/3 "super-majority" vote needed to authorize local bonds for school construction to 55%. Since this change, the lowered threshold facilitated the passing of half of K-12 and 3/4 of Higher Education bonds. Slower growth in the K-

12 caseload and other institutional changes have also played a role to lessen the overall need for new facilities.

B. By what percentage did the California population grow between 1975 and 2001?

The correct answer is: **The California population grew 60% between 1975 and 2001.**

California had 37 million residents in 2005, more people than any other state. California has 12.5% of the nation's 296.4 million residents. In 1975 California's population was 21.5 million. The California Department of Finance projects the population to increase by 10 million residents by 2025, making the total population close to 47 million residents in just two decades. Most of this new growth will occur in inland counties.

C. By what percentage did water usage in California increase between 1975 and 2001?

The correct answer is: **Water usage actually decreased in the last 25 years.**

Total water use in California was slightly less in 2001 than it was in 1975, yet population increased by 60% and gross state product increased 2.5 times. This has been achieved in part by improvements in conservation and efficiency, as well as the changing nature of our economy. However, the Pacific Institute finds that although Californians have improved efficiency of our water use over the past 25 years, there are still opportunities to reduce urban water demand by more than 30 percent using existing cost effective technologies.

4. INFRASTRUCTURE AND THE STATE BUDGET

A. What percentage of the state's General Fund is spent on infrastructure projects?

The correct answer is: **California spends 1% of the state budget on infrastructure projects.** The way California's infrastructure projects are funded has changed since the 1960s. In the 1960's 42% of infrastructure revenues came from bonds. Today about 78% comes from bonds.

Over the last 30 years, a total of \$117 billion (in real \$) in state General Obligation infrastructure bonds were passed. There are over \$40 billion in infrastructure bonds on the November 2006 ballot.

Recently we have spent a much smaller percentage of the state budget on infrastructure, in favor of one-time expenditures during good economic cycles. California's overall infrastructure spending has increased during the last twenty years, but not enough yet to make up for past underinvestment.

B. What percent of the state’s debt service payments go for local facilities?

The correct answer is: **60%**. The state funds a substantial amount of local infrastructure. Approximately 60% of the state’s debt service payments go for local facilities. Half of the state support for local facilities is for K-12 education.

Debt service refers to the interest and principle paid over a period of time on a debt, such as with state bonds. The Legislative Analyst’s office considers 6% or less to be a reasonable ratio of annual debt service in the state budget. They project that California’s debt ratio will exceed 6%, although continued increases in state revenues could change these assumptions.

C. Voters approved Proposition 42 in 2002, which mandated that revenues from the state’s sales tax on gas be allocated to transportation projects unless there is a state fiscal emergency. Since then, how much has the legislature withheld from the Transportation Investment Fund by suspending this transfer?

The correct answer is: **\$3.6 billion**. The sales tax on gas currently provides around \$2 billion in revenues per year. In the first few years after the passage of Proposition 42, most of these funds were instead used to help resolve state budget problems. The 2005-06 budget fully funded the transfer to the TIF. The 2006-07 budget will fund the transfer to the TIF – shifting \$1.4 billion from the General Fund to the TIF.

Proposition 1A on the November 2006 ballot would limit the conditions under which the Prop 42 transfer of revenues from the General Fund to the Transportation Investment Fund (TIF) could be suspended.

The TIF is responsible for improvements to the state’s highways, streets, roads, and transit systems. If Prop 1A passes, suspensions would be treated as loans to the General Fund and would have to be repaid with interest within three years of the loan. In addition, Prop 1A would only allow the transfer of revenues to be suspended twice in ten fiscal years and a suspension could not occur unless prior suspensions have been repaid.

For more information or to contact someone at Next Ten, please email info@nextten.org, call 650-321-5417, or visit www.NextTen.org.