

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Supervisor Jeff Stone

SUBMITTAL DATE: May 16, 2006

SUBJECT: Resolution No. 2006-196

RECOMMENDED MOTION: That the Board of Supervisors approve Resolution No. 2006-196.

BACKGROUND: Three years ago, California voters overwhelmingly approved Proposition 42 (Prop. 42), which dedicated existing state sales tax on gasoline to transportation improvements. However, Prop 42 contains a loophole that makes it easy – too easy – to divert this money to non-transportation programs. In the last 3 years, nearly \$2.5 billion has been siphoned away from road and highway projects, bringing critical safety and congestion relief projects to a halt. As a result, our roads are crumbling, our highways remain congested, and the most hazardous transportation corridors are still unimproved. Together, these conditions pose a long-term threat to our economy, environment, and quality of life.

Jeff Stone, Third District Supervisor

RESOLUTION NO. 2006-196
RESOLUTION OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE SUPPORTING
PROPOSITION 1A

WHEREAS, nearly 70 percent of California voters approved Proposition 42 (Prop. 42) in the March 2002 primary to dedicate the state sales tax paid on gasoline to state and local transportation infrastructure projects and programs; and

WHEREAS, organizations, individuals, and businesses throughout California, including the County of Riverside, depend on the funding generated from the state sales tax on gasoline to fix potholes, improve intersections, pave and improve local streets and roads; and

WHEREAS, Prop. 42 contains a loophole which allows the state legislature to transfer the sales tax on gasoline to non-transportation state programs; and

WHEREAS, the state legislature and governor have abused this loophole in two of the last three budget years - suspending Prop. 42 and sending transportation dollars to non-transportation state programs. In total, nearly \$2.5 billion in these gas tax revenues have been diverted to non-transportation expenses since 2002; and

WHEREAS, the uncertainty year in and year out over whether state and local agencies will get Prop.42 funds has stalled or halted many vital projects, leaving local roads and streets at a breaking point; and

1 BE IT RESOLVED, that the Board of Supervisors of the County
2 of Riverside, State of California, in regular session
3 Assembled on May 16, 2006, supports the passage of Prop. 1A as
4 presented by the state legislature to prevent future state budget
5 diversions of Prop. 42 revenues.
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