

December 21, 2007

Governor Arnold Schwarzenegger
State Capitol Building
Sacramento, CA 95814

Dear Governor Schwarzenegger:

We recognize that California's budget is facing another crucial year. Our future will be determined in part by how we address the continuing deficit.

Yet even as you and the Legislature work to close the budget gap, we the undersigned organizations believe it is crucial that we sufficiently fund California's public transit systems. Adequate funding of public transit will help ensure that California can meet the greenhouse gas reductions you championed in AB 32, fulfill the voters' will in passing Proposition 1B to expand public transportation services, reduce traffic congestion, and help strengthen the state's business climate and economy.

We are extremely disappointed that the FY 2007-08 budget shifted \$1.259 billion in Public Transportation Account (PTA) funds away from their intended purpose and into a variety of non-public transit expenditures. We are also distressed that the 2007-08 budget directed that all future spillover dollars, which by law have always been directed to public transit, will now be divided in half, with 50% going directly to the General Fund, and 50% to the PTA.

These shifts in state transit funding have a major impact on state residents. Many public transit agencies around the state are already cutting services and raising fares. These cuts are particularly unfortunate because transit ridership increased on many systems last year, in some cases fairly dramatically.

For these reasons, we urge you *not* to cut state transit funds again in your FY 2008-09 budget proposal. Instead, we urge you to provide needed funding for public transit capital and operations, and to fully allocate spillover and other dedicated transit dollars to the PTA for public transit purposes.

California's public transit agencies provide more than 1.4 billion rides per year, with significant benefits to California's economy, environment and population:

- Reduced traffic congestion and its associated costs. The Texas Transportation Institute estimates that traffic congestion costs each Los Angeles commuter \$1,374 a year in wasted time and fuel.
- Greater capacity for the movement of goods on our roads and state highways.
- Vital resources for responding to emergencies that close roads and state highways. Public transit agencies helped keep the Bay Area economy moving for many months after the Loma Prieta Earthquake closed freeways and the Bay Bridge.
- Reduced greenhouse gas emissions and air pollution, which improves public health and air quality and ensures compliance with requirements for receiving federal transportation funds.
- Affordable transportation options for workers faced with continuing record-high gas prices, which improves families' ability to buy other goods and strengthens sales tax receipts.
- Improved access to jobs and reliability for getting to work every day.
- Transportation to school for the hundreds of thousands of K-12 students who don't have school bus transportation. For example, 40% of Oakland's middle school and high school students – some 60,000 kids – use public transit to get to school each day.
- Access to sports and after school programs, tutoring, and work experience that keep youth engaged in healthy, productive activities and reduce criminal justice costs.

- Access to vocational and higher education that adults need to improve job skills and employment opportunities.
- Mobility for elders and those with disabilities who cannot drive, which preserves their independence, improves their quality of life, and reduces public costs of institutionalization. This is increasingly important as our population ages.
- Access to medical care, which improves public health and prevention, and reduces public costs for emergency and more catastrophic care.
- Support for tourism, sports and entertainment venues and retailers, and the profits and taxes they generate.

These benefits demonstrate why it is critical that you provide public transit agencies with the funding they need to continue to deliver and improve transit services. Public transit needs its full share of the sales tax on gasoline, the sales tax on diesel fuel, and the spillover (which also derives from the sales tax on gasoline).

Yet even these funding sources are inadequate to meet our growing population's transportation needs. According to estimates by the Texas Transportation Institute, Los Angeles, San Diego and Sacramento together need at least 232 million new transit riders just to maintain existing traffic congestion levels. We therefore hope that, in addition to providing adequate funding in your budget proposal, you and the Legislature will work with us this year to find a long-term solution that provides stable, sufficient state public transit funding, and ensures that we can create the world-class public transportation system California needs to protect our economy, environment, and quality of life.

Respectfully,

American Association of Retired Persons
 League of Women Voters of California
 California Rural Legal Defense Foundation
 California Conference Board of the
 Amalgamated Transit Union
 CALPIRG
 TALC/Transportation and Land Use Coalition
 California Transit Association
 California Bicycle Coalition
 Albany/El Cerrito Access
 Building Opportunities for Self Sufficiency
 CarFree City, USA
 Environment California
 CityCar Share
 Friends of BRT
 Green Wheels

Natural Resources Defense Council
 Planning and Conservation League
 Sierra Club California
 California Teamsters Public Affairs Council
 Odyssey/California Public Transportation
 Alliance
 The Transit Coalition
 Marin Center for Independent Living
 San Diego County Bicycle Coalition
 Silicon Valley Bicycle Coalition
 Train Riders Association of California
 Union of Concerned Scientists
 Urban Habitat
 WalkSanDiego
 World Institute on Disability

cc California State Assembly
 California State Senate
 Michael C. Genest, Finance Director