

Opinion: No justification for Calif. transportation tax hike

By Jon Coupal

A personal digression: My father was head of the Iowa Department of Transportation (then called the Iowa Highway Commission) in the late 1960s and early 1970s before he was appointed by President Gerald Ford to serve as deputy federal highway administrator. (Of course, he lost that job when Jimmy Carter became president, but he continued to work in the private sector for a transportation think tank). When I was in high school, I remember him coming home from an ASHTO conference. That organization, the Association of State Highway and Transportation Officials, was a pretty well respected group and still is. He was complaining bitterly about what was going on in California. I don't recall his exact words, but the gist of it was that the new head of California's transportation agency, called Caltrans, had been taken over by a certifiably crazy person (with no background in transportation policy) by the name of Adriana Gianturco. According to my father, in the 1950s and '60s, California had the best transportation agency in the entire world. But all that changed with the election of a new, anti-growth, small-is-beautiful governor by the name of Jerry Brown.

Now, fast forward 40 years. Gov. Brown, version 2.0, proposes a budget that assumes a big increase in transportation taxes and fees. The California Legislature shouldn't just say no, it should say hell no.

Where to start? First, let's take judicial notice of the fact that California is already a high tax state with the highest income tax rate and the highest state sales tax in America.

But more relevant for the issue at hand, we also have the highest fuel costs in the nation. This is because of both the fourth highest excise tax on fuel and the fact that refineries are burdened with additional costs to comply with California's environmental regulations.

The high cost to drive in California might be understandable if we were getting value for our tax dollars. But we aren't. A big problem is that Caltrans is dysfunctional, plain and simple. It has never fully recovered from the days when the agency was effectively destroyed by Gianturco. A report by the California state auditor just a couple of months ago concluded that a primary responsibility of Caltrans – maintenance of our highways – is not being executed in a manner that is even close to being efficient or competent.

State Sen. John Moorlach, R-Costa Mesa, the only CPA currently serving in the California Legislature, reacted saying that, "This audit reinforces the fact that our bad roads are not a result of a lack of funding. They're a result of a lack of competence at Caltrans."

Moreover, a report by the legislative analyst concluded that Caltrans is overstaffed by 3,500 employees costing California taxpayers over a half billion dollars a year. All this compels the obvious question: Why, for goodness sake, do we want to give these people even more money?

Another unneeded and costly practice consists of project labor agreements for transportation construction projects. These pro-union policies shut out otherwise competent companies from bidding on projects resulting in California taxpayers shelling out as high as 25 percent more than they should for building highways and bridges.

Finally, California's environmental requirements are legendary for their inefficiency while also doing little for the environment. Exhibit A in this foolishness is Brown's

incomprehensible pursuit of the ill-fated high speed rail project. Not only has the project failed to live up to any of the promises made to voters, it is currently being kept alive only by virtue of the state's diversion of "cap and trade" funds which are supposed to be expended on projects that reduce greenhouse gas emissions. But in the Kafkaesque world of California transportation policies, the LAO has concluded that the construction of the HSR project actually produces a net increase in emissions, at least for the foreseeable future.

No one disputes the dire need for improvements in California's transportation infrastructure. But imposing draconian taxes and higher registration fees that serve only to punish the middle class while wasting billions on projects that don't help getting Californians get to work or school cannot and should not be tolerated. Legislators who present themselves to voters as fiscally responsible need to understand that a vote for higher transportation taxes will engender a very angry response from their constituents.

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