

Opinion: Stealing California's road money

By Larry Weitzman

For the last few weeks Gov. Jerry Brown has been spending our money traveling around the state campaigning for the passage of taxing ourselves even more; that we should raise our gasoline, diesel and vehicle registration fees over 40 percent so we can fix our decaying roads and infrastructure. This new tax would raise an additional \$50 billion to \$60 billion in revenue over 10 years for that purpose.

If Californians don't raise taxes on themselves, this crisis will destroy California. Never forget the Democratic mantra as said by Chicago Mayor Rahm Emanuel (when he was Obama's chief of staff) as he stuck a steak knife into a wooden carving board: "Never let a good crisis go to waste, whether real or imagined."



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So here we have Brown parading around the state saying that if we don't pass this tax, California will effectively fall into the ocean. He promises that this new tax will amend the state Constitution that will require that all the tax money raised will be spent on the roads and transportation.

That raises a huge question which is the crux of this entire tax increase. Is Brown saying that the gas taxes, vehicle

registration fees, vehicle sales taxes and other vehicle related revenues which were supposed to be spent on maintaining the roads haven't been and that the tens and hundreds of billions of dollars collected in the past have not been spent as such? Haven't you been governor for almost 16 years and now your admitting that you lied to the people of this state about the use of their gas tax money?

Brown is guilty as charged. Even in this new proposed legislation there is a provision to pay back from the new taxes money to the transportation fund (billions of dollars) that the governor and his democratic cohorts have stolen from our previously collected transportation funds. And this new law makes spending a constitutional requirement. After admitting stealing the money, now they want us to trust them to follow the law. That's a good one, a politician promising to follow the law.

Before there are any new additional gasoline, diesel and vehicle registration taxes and fees the people of the state of California should demand a complete accounting of where all the prior billions of dollars in gas, diesel and vehicle taxes and fees have been spent? The answer would be shocking, even to democratic voters.

Another important question is how is this \$50 billion to \$60 billion going to be spent? My calculations are that less than 40 percent will be to fix the roads and related infrastructure. Brown will use billions for his high-speed rail to nowhere and billions will be spent on other pet public transportations ideas and studies. They will use the money to expand the bureaucracy which will only exacerbate the real reason for this tax increase, to save the failing California state retirement system which at a realistic discount rate of about three percent has a current unfunded liability of approximately \$1 trillion. That's right, instead of the state drowning from the winter rains which keep on coming, California will actually drown because of CalPERS.

And it's certainly not a revenue problem. Our current general fund budget is about \$123 billion, up by \$43 billion over the last nine years, a 50 percent increase in state revenues. That exceeds the rate of inflation by over 400 percent! And they still want more?

Gray Davis got recalled for his attempt to raise vehicle registration fees by 300 percent, Schwarzenegger destroyed his governorship when he added 11 cents to the gas tax for the high-speed rail initiative, a project referred to by Bloomberg News as a fiasco. California already has the highest personal income tax rate of 13.3 percent and one of the highest corporate tax rates in the country of 8.84 percent (the current federal rates on top of those are 39.6 percent personal and 35 percent corporate). Maybe Brown should raise the California corporate rate also to the highest in the country (12 percent)? That way California can have all of our state taxes be the highest in the country. Why stop just at gasoline taxes?

It is time for an accounting and to hold these scoundrels accountable. If they want more of our money, let them get a real job and earn it. Maybe with their \$100,000 salaries that legislators earn plus those highly paid in the bureaucracy they could do fill a few potholes themselves. All these politicians know currently is to raise taxes and then redistribute the money to their special interest groups so they can get re-elected. If they can't fix the roads out of a \$123 billion general fund budget, maybe we can find some electeds who will.

This legislation, SB1 and AB1, passed both houses of our Legislature on a straight party line vote with a two-thirds majority with only one Republican defector, Sen. Anthony Cannella of Modesto, who was promised \$500 million for his district. His principles got bought. These bills will not affect the rich and upper middle class but will burden the average family. It is the Democrats who have now proved

themselves as the party of the rich.

Assemblyman Vince Fong wrote AB496 a no new tax plan that will accomplish the job of fixing our roads by simply makings all transportation taxes collected to be used for their intended purpose. Simply amazing. And it also demonstrates that current revenues are sufficient to fix the roads. No new taxes were or are required.

Larry Weitzman is a resident of Rescue.