

TRANSPORTATION

The programs within the Transportation Agency promote the state's transportation infrastructure. The Agency includes the Department of Transportation, the Department of Motor Vehicles, the California Highway Patrol, the Board of Pilot Commissioners, the Office of Traffic Safety, the High Speed Rail Authority, and the California Transportation Commission.

DEPARTMENT OF TRANSPORTATION

The Department of Transportation (Caltrans) has almost 20,000 employees and a budget of \$12.8 billion. Caltrans designs and oversees the construction of state highways, operates and maintains the highway system, funds three intercity passenger rail routes, and oversees funding for local mass transit projects. Approximately 50,000 road and highway lane miles and 12,910 state bridges are maintained. Over 800 public-use and special-use airports and heliports are inspected. The largest sources of funding for transportation projects are excise taxes paid on fuel consumption, federal funds also derived from fuel taxes, and weight fees on trucks. Bond funds currently provide approximately 30 percent of the total funding available. As a result, approximately 13 percent of annual state transportation revenue will continue to be dedicated to offsetting debt service costs, which are expected to grow to over \$1 billion in 2013-14.

Significant Adjustments:

- *Capital Outlay Program*—A reduction of \$36.3 million and 184 state positions for engineering, design, and construction oversight activities in the Program. While some Proposition 1B work continues, overall Caltrans' workload is anticipated to decrease significantly as a result of the expiration of this and other temporary sources of funding such as the federal American Recovery and Reinvestment Act funds. The proposed level of staffing will establish a 90/10 percent split of state staff to architectural and engineering consultant contracts.
- *Zero-Base Budget Review*—Executive Order B-13-11 directs the Department of Finance to modify the state budget process to increase efficiency and focus on accomplishing program goals. Pursuant to this Executive Order, Finance and Caltrans developed a four-year plan to conduct a zero-base analysis of all Caltrans' programs. The Equipment and Stormwater Programs were reviewed in the spring of 2013. The Budget includes the following proposals that reflect the outcome of the zero-base review:
 - *Equipment Program*—A reduction of \$12.8 million and 41 state positions to reflect savings associated with the Governor's Executive Order B-2-11 (State Fleet Reduction) and a one-time augmentation of \$10.3 million in operating expenses to replace equipment. The Budget proposes to establish staffing levels that are consistent with the current equipment inventory.
 - *Stormwater Program*—A redirection of \$2.1 million from contract services to fund 25 new positions in 2013-14 to implement Caltrans' new National Pollution Discharge Elimination System stormwater permit. The proposed staffing will assess total maximum daily load requirements, address areas of special biological significance, and perform additional maintenance and reporting activities.
- *Increased Operating Expenses for AMTRAK*—An increase of \$18.6 million to comply with federal operating requirements for intercity passenger rail service operated by AMTRAK. The federal Passenger Rail Investment and Improvement Act of 2008 required all short distance AMTRAK corridor services to be 100 percent state-supported. The state currently pays only 70 percent of operating expenses for the Pacific Surfliner.

CALIFORNIA HIGHWAY PATROL

The California Highway Patrol (CHP) has a budget of approximately \$1.9 billion, all from non-General Fund sources, and more than 11,000 positions to ensure the safe, convenient, and efficient transportation of people and goods across the state highway system.

Significant Adjustment:

- *Air Fleet Replacement*—An increase of \$17 million from the Motor Vehicle Account to replace three helicopters and one airplane. CHP has a current air fleet of 15 helicopters and 15 airplanes, which are used for speed enforcement, patrolling rural roadways, emergency response, and homeland security. This request will provide one-time funding to replace the four aircraft with the highest flight hours, each over 14,000 hours. The CHP will also conduct a base workload analysis of its air operations program over the next year to determine the number of aircraft needed for core operations and outline a schedule to modernize its aging fleet.

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