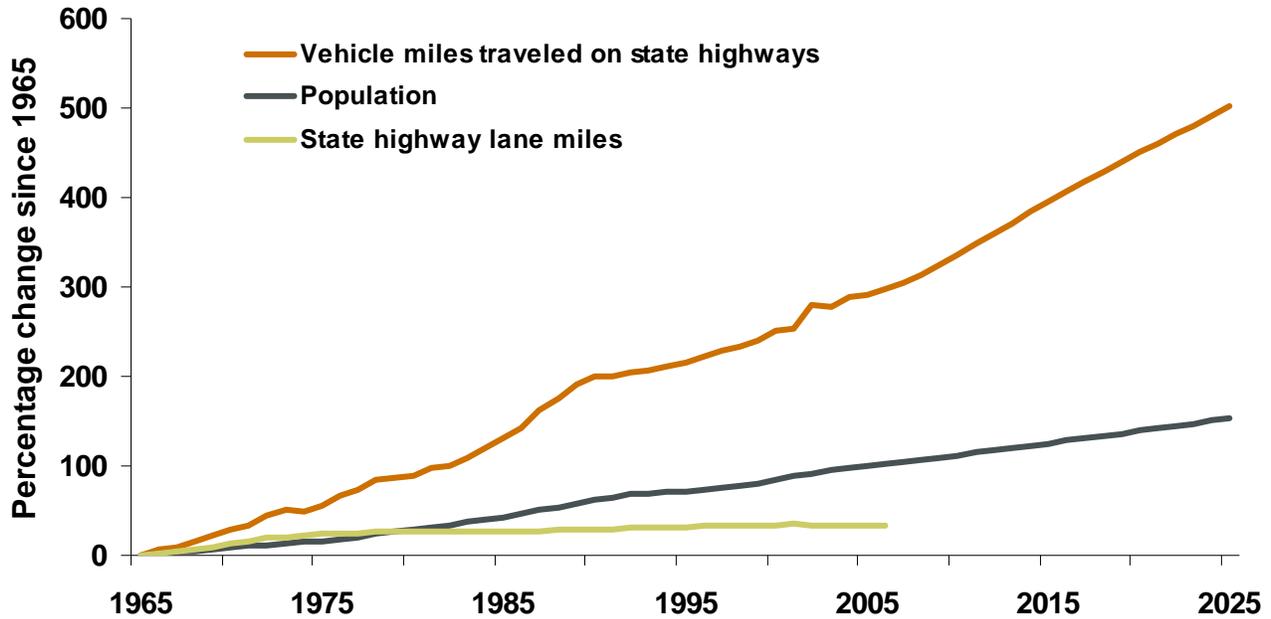


- **CALIFORNIANS CONTINUE TO PURSUE THEIR LEGENDARY LOVE AFFAIR WITH THE AUTOMOBILE ...**
Annual vehicle miles traveled on state highways grew about three times faster than population between 1965 and 2007, and vehicle use is projected to continue outpacing population growth. Contributing factors include a continuing shift of jobs and residents to less dense suburban locations.
- **... BUT DRIVERS HAVE BECOME FRUSTRATED WITH TRAFFIC CONGESTION.**
The Los Angeles metropolitan area has been the nation's most congested area for more than a decade, and the San Francisco Bay area has been close behind. In public opinion surveys, Californians living in these areas routinely identify traffic congestion as a major problem.
- **ONE REASON FOR MORE CONGESTION: SLOWER HIGHWAY CONSTRUCTION SINCE THE 1960s.**
Real capital outlay spending per vehicle-mile traveled on state highways declined by 79% between 1965 and 1980 and has remained relatively constant since then. Meanwhile, capital expenses per new highway mile tripled between the early 1960s and the 1990s. Maintenance and other operating costs have also risen (\$221 per person in 2002 vs. \$78 in 1962). The result has been less new construction: Between 1980 and 2006, California added only about 6% to its stock of state highway lane miles, despite more than a doubling of state highway miles driven.
- **TRANSPORTATION FUNDING HAS BEEN CONSTRAINED IN RECENT YEARS ...**
By 2000, inflation and increased fuel efficiency had reduced the real value of the gas tax – a major source of transportation funds – to about one-third of its 1970 value for each vehicle-mile traveled. Nineteen counties now use optional county sales taxes to fill the gap. But getting voter approval for these local taxes has become more difficult since 1996, when the voter threshold for approving such taxes shifted from a simple majority to a two-thirds supermajority requirement.
- **... BUT NEW FEDERAL AND STATE FUNDING SOURCES MAY REVERSE THE TREND.**
Funding for transportation has recently increased, with federal funding rising 40% in 2005, and with the implementation of a 2002 voter-approved earmark of funds for transportation projects. State voters also approved \$20 billion in transportation bonds in November 2006.
- **SPENDING FOR TRANSIT PROJECTS HAS INCREASED, BUT TRANSIT USE REMAINS LOW.**
Per capita capital expenditures on transit in California more than doubled between 1982 and 2002 (from \$15 to \$39), with the addition of new light rail systems. However, transit trips (subway, rail, bus, and streetcar) inched up only marginally (from 5.5% to 5.6%) as a share of commutes in the four largest metropolitan areas between 1990 and 2006.
- **NEW STRATEGIES CAN HELP RELIEVE CONGESTION AND REDUCE COSTS.**
New approaches include relieving bottlenecks through ramp metering and increasing capacity through bus rapid transit, a less costly alternative to rail. Techniques to manage demand include high-occupancy vehicle (HOV) lanes and high-occupancy toll (HOT) lanes, which allow drivers who pay tolls to use carpool lanes. Local governments are also being encouraged to plan land uses that promote more efficient use of mass transit.



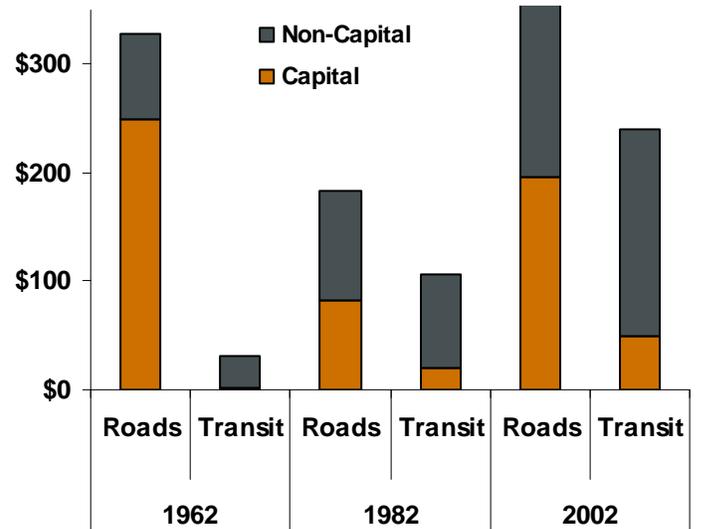
Growth in Highway-Related Indicators in California, 1965-2025



Counties with Optional Transportation Sales Taxes, 2007



Per Capita Spending on Highways, Roads, and Transit in California (2007\$)



Sources: California Department of Transportation. California Department of Finance. U.S. Census Bureau. California State Controller. Self-Help Counties Coalition.

Contact: Ellen Hanak