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STREET AND HIGHWAY FUNDS: USE FOR LOCAL GRADE CROSSING BONDS

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STREET AND HIGHWAY FUNDS: USE FOR LOCAL GRADE CROSSING BONDS California Proposition 14 (1960).
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paid at a higher rate than are superior court judges.

A further delay in the final disposition of these cases may also follow from the provisions of Section 4c, Art. VI of the constitution, which provides for hearings in the state Supreme Court,

following decisions in the district courts of appeal. All this can be avoided by a "no" vote on S.C.A. No. 11.

EDWARD T. BISHOP
Judge, Superior Court (Retired)
County of Los Angeles

14	STREET AND HIGHWAY FUNDS: USE FOR LOCAL GRADE CROSSING BONDS.	YES
	Senate Constitutional Amendment No. 1. Includes separation of grade districts to which Legislature may appropriate fuel taxes and motor vehicle registration and license fee moneys. Such moneys allocated to local agencies may be used for paying bonds duly issued for grade crossing separation projects to extent of 50% of sums allocated.	NO

(For Full Text of Measure, See Page 16, Part II)

Analysis by the Legislative Counsel

This measure would amend Section 3 of Article XXVI of the Constitution. That article requires money collected from motor vehicle fuel taxes and from vehicle registration and license fees to be expended exclusively and directly for highway purposes. This constitutional amendment would add separation of grade districts to the list of governmental bodies to which such funds could be allocated by the Legislature to be expended for highway purposes.

It would also permit counties, cities and counties, cities, and separation of grade districts to use up to 50 percent of the highway funds allocated to them annually for the payment of principal and interest on bonds issued by them to finance grade separation projects involving the intersection of the streets and highways with rapid transit or road rights-of-way. The bonds would have to be approved by two-thirds of the electors and could not exceed 25 years. Such bond financing would not be possible under Article XXVI at the present time since the tax funds would not be used "exclusively and directly" for highway purposes.

Argument in Favor of Senate Constitutional Amendment No. 1

Railroad grade crossings have been the scene of many bad accidents through the years. But the elimination of these hazards has proven a very difficult problem for local governments because of the normally high costs involved.

Any extensive development of rapid transit could accentuate this problem by creating many new high speed grade crossings, so the problem may grow.

Although the railroads or transit companies are generally required (by the Public Utilities Commission) to pay a good proportion of the costs of grade crossing separations, and the State has stepped in to help, local governments are often financially unable to meet their share of the costs.

Frequently the sums are too great to be furnished from annual operating budgets and taxpayers are understandably reluctant to vote bond issues tied into local property taxes for projects of this nature.

This proposition would permit that portion of Motor Vehicle Fuel Fund (gasoline taxes, vehicle registration and drivers' license fees) which

are allocated to local governments to be used to pay principal or interest on bonds issued to build such grade separations.

This is NOT a bond issue. It doesn't appropriate a nickel of funds and doesn't furnish any added money to anyone. It doesn't impose any new or greater tax of any kind.

It is merely a permissive measure to allow cities and counties a flexibility in meeting their street and road problems, and specifically railroad or rapid transit grade crossing problems, which they are now prohibited under existing law.

There are a number of important restrictions in this proposition as a protection to the taxpayer. Any bond issue to which these funds may be applied must be approved by two-thirds of the voters of the local government involved.

The term of the bonds may not exceed 25 years and not more than 50 percent of the funds allocated in any one year may be used for these purposes.

Supplementary law already enacted by the legislature contingent upon passage of this proposition, spells out in detail the procedures to be used and the protection to be afforded.

There was no opposition expressed to this proposition at legislative hearings.

Many smaller cities in this state have critical deficiencies in their street system at intersections of those streets with railroads. Proposition 14 provides a means by which these deficiencies can be overcome.

Again, this proposition will permit a city or county to use a portion of its own share of the Motor Vehicle Fuel Fund for the payment of principal and interest on bonds for railroad or rapid transit grade crossing separations, but only if two-thirds of their people vote to do so.

Vote "Yes" on Proposition 14.

LUTHER E. GIBSON
Senator for Solano County

HUGO FISHER
Senator for San Diego County

Argument Against Senate Constitutional Amendment No. 1

1. It is a proposed amendment of the anti-diversion Article XXVI of the State Constitution, thus establishing a precedent for further amendments and weakening of said Article.

2. The amount of highway user taxes devoted to the payment of interest and expenses incurred in connection with issuance and sale of bonds would represent a diversion of these funds from street and road improvements.
3. Since the enactment of the original gasoline tax in 1923 all State highway financing and a large part of the financing of county roads has been on the pay-as-you-go basis, using current highway user tax revenues. The present proposal would permit mortgaging of motor vehicle fuel revenues by cities and counties and separation of grade districts.
4. Any such mortgaging of future revenues could be extremely detrimental because in most cities and counties there will be need for all current and future revenues for maintenance and additional improvements of roads and streets.
5. Mortgaging of said funds in advance would almost inevitably result in demands for additional contribution by the State of motor vehicle fuel revenues to cities and counties, thereby either depleting amounts available for State highways, or necessitating increase in the rate of motor vehicle fuel taxes.
6. In the event local governmental agencies issue bonds to be repaid from allocations made under present laws, serious question would be presented as to whether the Legislature would be restricted in the extent to which it could reduce or otherwise modify the present allocations.
7. At the present time there is an annual allocation of \$5-million from the State Highway Fund specifically marked for aiding local governmental agencies in the construction reconstruction of grade separation projects
8. Large funds are available under recent Federal-aid Highway Acts which help to relieve many of the traffic problems created by grade crossings. Therefore, there is less urgency for a speed-up in local separation of grade projects justifying the mortgaging of highway user revenues.
9. As the Legislature has required in SCR-62, a Senate committee is now engaged in developing a Statewide picture of the problem of the needs of county roads and city streets. This committee will also consider the advisability of legislation for a 1¢ increase in the State gasoline tax and upon what basis such additional revenue should be apportioned to the cities and counties of the State. It is expected the Legislature during the 1961 Legislative Session will take action upon this subject.
10. In view of the above it is untimely and it would be inappropriate for the people to approve Senate Constitutional Amendment No. 1, Proposition No. 14 on the November 1960 ballot, to give to local government agencies authority to mortgage future motor vehicle tax revenues.

ALAN G. ANDERSON, Secretary
California Highway Users Conference
1017 Phelan Building
San Francisco 2, California

15 "SENATE REAPPORTIONMENT. Initiative Constitutional Amendment. Establishes and apportions 40 senatorial districts. Provides for election of all Senators in 1962, one-half of Senators to be elected every two years thereafter. Requires Legislature in 1961 to fix boundaries of districts in counties having more than one district on basis of population, area, and economic affinity, which may be refixed following each decennial federal census. Permits Legislature following 1980 and each subsequent decennial federal census to reapportion senatorial districts on same basis; provided no county shall have more than 7 districts and 20 districts be apportioned to designated counties."

YES

NO

(For Full Text of Measure, See Page 16, Part II)

Analysis by the Legislative Counsel

This initiative measure would provide a new constitutional formula for dividing the State into 40 Senate districts, by amending Sections 5 and 6 of Article IV of the California Constitution.

Section 5 would be amended to provide that the terms of the senators elected from odd-numbered districts in 1960 shall expire at the end of 1962, instead of continuing until the end of 1964. Since the terms of senators elected in 1958 from even-numbered districts will expire at that time, all 40 senatorial seats would be vacated at the end of 1962. This measure would require 40 senators to be elected in November, 1962, from new senatorial districts. The terms of the 20 senators elected from the new odd-numbered districts would expire at the end of 1964, however, and one-half of the Senate would thereafter be elected each two years for four-year terms.

The provisions of Section 6 affecting Assembly districts would be rephrased without any substantive change in the present constitutional requirements. The amendment would delete all reference to Senate districts from the first two paragraphs of Section 6, and would add four paragraphs affecting senatorial districts only.

This measure would eliminate constitutional requirements that no county shall contain more than one senatorial district, that no county or city and county shall be divided to form senatorial districts and that counties of small population shall be grouped in districts with not more than three counties in any one senatorial district. It would create 40 senatorial districts by reference to the counties as they exist on January 1, 1961. Thus, 20 senators, representing District 1 to 20, would be allotted to the 45 counties located north of the line formed by the northern boundary

13	DISTRICT COURTS OF APPEAL: APPELLATE JURISDICTION. Senate Constitutional Amendment No. 11. Provides District Courts of Appeal shall have appellate jurisdiction of municipal and justice court cases as provided by law.	YES	
		NO	

(This proposed amendment does not expressly amend any existing section of the Constitution, but adds a new section thereto; therefore, the provisions thereof are printed in **BLACK-FACED TYPE** to indicate they are **NEW**.)

PROPOSED AMENDMENT TO ARTICLE VI
Sec. 4e. The district courts of appeal shall have appellate jurisdiction on appeal in all cases within the original jurisdiction of the municipal and justice courts, to the extent and in the manner provided for by law.

14	STREET AND HIGHWAY FUNDS: USE FOR LOCAL GRADE CROSSING BONDS. Senate Constitutional Amendment No. 1. Includes separation of grade districts to which Legislature may appropriate fuel taxes and motor vehicle registration and license fee moneys. Such moneys allocated to local agencies may be used for paying bonds duly issued for grade crossing separation projects to extent of 50% of sums allocated.	YES	
		NO	

(This proposed amendment expressly amends an existing section of the Constitution; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** are printed in **STRIKEOUT TYPE**, and **NEW PROVISIONS** proposed to be **INSERTED** are printed in **BLACK-FACED TYPE**.)

porarily loaned to the State General Fund upon condition that the amount so loaned shall be repaid therefrom to the funds from which so borrowed to be used for the purposes specified in Sections 1 or 2 hereof. The moneys referred to in Sections 1 or 2 hereof, allocated for general expenditure in counties, cities and counties, cities, or separation of grade districts, may be used for the payment of the principal and interest of bonds issued by counties, cities, cities and counties, or by separation of grade districts to the extent of 50 percent of sums so allocated in any one year. Such bonds must be approved by a two-thirds vote of the electors and the term thereof shall not exceed 25 years. The proceeds from such bonds shall be used to finance grade crossing separation projects involving the intersection of public streets and highways with railroad or rapid transit rights-of-way.

PROPOSED AMENDMENT TO ARTICLE XXVI

SEC. 3. The provisions of this article are self-executing but the Legislature shall have full power to appropriate such moneys and to provide the manner of their expenditure by the State, counties, cities and counties, or cities, or separation of grade districts for the purposes specified and to enact legislation not in conflict with this article. This article shall not prevent any part of the moneys referred to in Sections 1 or 2 hereof from being tem-

15	'SENATE REAPPORTIONMENT. Initiative Constitutional Amendment. Establishes and apportion 40 senatorial districts. Provides for election of all Senators in 1962, one-half of Senators to be elected every two years thereafter. Requires Legislature in 1961 to fix boundaries of districts in counties having more than one district on basis of population, area, and economic affinity, which may be refixed following each decennial federal census. Permits Legislature following 1980 and each subsequent decennial federal census to reapportion senatorial districts on same basis; provided no county shall have more than 7 districts and 20 districts be apportioned to designated counties."	YES	
		NO	

(This proposed amendment expressly amends existing sections of the Constitution; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** are printed in **STRIKEOUT TYPE** and **NEW PROVISIONS** proposed to be **INSERTED** are printed in **BLACK-FACED TYPE**.)

expiration of the second year, so that in the year 1962 a Senator shall be elected from each senatorial district, as provided in Section 6 of this Article. The seats of the 20 Senators elected in the year 1962 from the odd-numbered districts shall be vacated at the expiration of the second year, so that one-half of the Senators shall be elected every two years; provided, that all the Senators elected at the first election under this Constitution shall hold office for the term of three years.

PROPOSED AMENDMENTS TO ARTICLE IV

Section 5 and Section 6 of Article IV of the Constitution of the State of California is hereby amended to read:

SEC. 5.
The Senate shall consist of 40 members, and the Assembly of 80 members, to be elected by districts, numbered as hereinafter provided. The seats of the ~~twenty~~ **twenty** Senators elected in the year ~~eighteen hundred and eighty-two~~ **1960** shall be vacated at the

SEC. 6.
For the purpose of choosing members of the ~~Legislature~~ **Legislature Assembly**, the State shall be divided into 40 ~~Senatorial~~ **Senatorial** and 80 assembly districts. ~~Such~~ **Such** districts shall be composed of contiguous territory,