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***Silicon Valley Leaders Launch Statewide Petition Drive
To Lower Voter Threshold for Traffic Relief***



San Jose -- Contending that gridlock and decay of our roads is undermining California's battered economy, Silicon Valley leaders today announced the launch of a statewide petition drive calling on the Legislature to put a measure before California voters that would lower the threshold for local tax increase measures from two-thirds to 55 percent.

"Failing legislative passage of such a measure, we will turn to a citizen initiative to allow a supermajority of voters to approve local funding of efforts to keep our communities moving," said Carl Guardino, president and CEO of the Silicon Valley Manufacturing Group.

"Because of the current two-thirds requirement, we can no longer build and maintain the roads, transportation systems and transit options vital to California's jobs and economic prosperity," said San Jose Mayor Ron Gonzales. "That's why we are beginning immediately to circulate petitions throughout the state to get the signatures of hundreds of thousands of citizens, urging the Legislature to pass legislation now being considered which would lower the voter threshold."

Several state legislators who support just such an approach joined in the news conference at a Highway 85-87 interchange construction site.

"Voters have already proven their willingness to change the two-thirds vote threshold for school bonds. Prop. 39 passed in November 2000 and authorizes a 55-percent approval vote for bonds for repair, construction or replacement of school facilities.

"Voters in 'self-help' counties have already shown they will put their own dollars forward for transportation," said state Sen. Tom Torlakson of Antioch, who is sponsoring an amendment to permit those counties to renew existing local sales tax measures with a majority vote.



Torlakson noted that voters in many counties must vote to reauthorize their local transportation sales tax votes in the next few years. "If these taxes are not reauthorized, the state will lose about \$48 billion in transportation revenues (adjusted for inflation) during the next 20 years," he warned.

South Bay Assemblyman John Dutra has proposed similar legislation, one that would permit approval of local sales taxes with a 55 percent majority, as recommended by the Governor's Commission on Building for the 21st Century.

"All of the existing local 20-year transportation taxes are up in the next six years, many of which are in California's largest and most populous counties," Dutra said. "These counties will be bringing tax extensions back to the voters, and each will need to pass by a two-thirds vote under current law -- something that has proven impossible in recent years.

"It's critical that we give local voters the option of taking action to improve their own roads, to provide their own transit, to keep traffic flowing in their own communities."

San Jose Assemblyman Manny Diaz, chairman of an important budget subcommittee, said he will work to get the Legislature to approve the reduced vote requirement because the goal is so critical to the state's economy.

"Over the next 20 years, the population of California will increase by an amount equal to the size of Texas," said Diaz. "California's aging and inadequate transportation system isn't equal to the task of absorbing this growth, or meeting the economic needs of the world's fifth-largest economy.

"But the two-thirds vote requirement is nearly impossible to achieve," Diaz continued. "Of the 37 local transportation sales tax increases that have been attempted in the past 20 years, most passed with good majority votes but only five have exceeded a two-thirds vote. Without a change, our economy threatens to grind to a halt."

Guardino noted that reducing the requirement for passing local transportation sales taxes from 67 percent to 55 percent has been a ten-year goal of the Silicon Valley Manufacturing Group.

"This lowered threshold would put passage of transportation taxes into alignment with the 55 percent voter requirement for passage of local school bonds established by Proposition 39 in 2000," Guardino said.

"Either the Legislature must approve such a step or voters will do it through an initiative, but it is absolutely essential to the economy of this state," he declared.