

**PROP
1A**

OFFICIAL TITLE AND SUMMARY

SAFE, RELIABLE HIGH-SPEED PASSENGER TRAIN BOND ACT.

- Provides long-distance commuters with a safe, convenient, affordable, and reliable alternative to driving and high gas prices.
- Reduces traffic congestion on the state's highways and at the state's airports.
- Reduces California's dependence on foreign oil.
- Reduces air pollution and global warming greenhouse gases.
- Establishes a clean, efficient 220 MPH transportation system.
- Improves existing passenger rail lines serving the state's major population centers.
- Provides for California's growing population.
- Provides for a bond issue of \$9.95 billion to establish high-speed train service linking Southern California counties, the Sacramento/San Joaquin Valley, and the San Francisco Bay Area.
- Provides that at least 90% of these bond funds shall be spent for specific construction projects, with private and public matching funds required, including, but not limited to, federal funds, funds from revenue bonds, and local funds.
- Requires that use of all bond funds is subject to independent audits.
- Appropriates money from the General Fund to pay bond principal and interest.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- State costs of about \$19.4 billion, assuming 30 years to pay off both principal (\$9.95 billion) and interest (\$9.5 billion) costs of the bonds. Payments of about \$647 million per year.
- When constructed, additional unknown costs, probably in excess of \$1 billion a year, to operate and maintain a high-speed train system. The costs would be at least partially, and potentially fully, offset by passenger fare revenues, depending on ridership.