



Yesterday, the non-partisan Legislative Analysts Office released its report on the 2010-2011 Transportation Budget (attached). Key recommendations made in the report included a reduction in Caltrans' workforce by 1,500 in order to better meet actual workload and capture savings of \$200 million in the \$2B Capital Outlay Support (COS) budget. Tom Blackburn, president, and Paul Meyer, Executive Director of the private sector American Council of Engineering Companies of California have read the report and made the following comments:

Tom Blackburn, President, American Council of Engineering Companies-California, says:

“Finally, the LAO has addressed the elephant in the room. The public unions' stranglehold on California's transportation infrastructure has brought California taxpayers a huge cost to bear in the present and the future in unfunded pensions and medical benefits. The LAO concluded that, “the program's budget lacks sufficient workload justification.” That's because too much money goes into benefits rather than box culverts, pensions rather than projects and salaries rather than streets. And, once the public union employee is hired, it's virtually impossible to terminate them. While \$200M is a great start it's not enough to get us back on track and we need fundamental change at the state level to get our finances in order, the economy back on track and jobs where they will be less of a drain on state coffers now and in the future: in the private sector.”

Paul Meyer, Executive Director, American Council of Engineering Companies-California, says:

“The report from the non-partisan state LAO confirms exactly what many transportation experts have witnessed for years: The public employee unions' control over a key state agency, Caltrans, has resulted in a huge and inefficient bureaucracy—one which is sapping away the state's limited financial resources. What the public wants are real transportation improvements—not a bloated bureaucracy. The LAO is exactly correct in calling for a dramatic reduction in the Caltrans bureaucracy and modern management systems for controlling costs and holding state employees accountable.”

For more information or to arrange an interview with Tom or Paul, contact:

Andrew Neilly
925.915.0759-c
925.930.9848-o
www.gallen.com