

The Road to California Proposition 1A

A History of the California High-Speed Rail Movement

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On November 4, 2008, California voters passed Proposition 1A, the “Safe, Reliable, High-Speed Passenger Train Bond Act” with 52.6% of California voters supporting the proposition. The bond act provisioned for the issuance of \$9.95 billion in general obligation bonds to partially fund a clean, efficient high-speed train service linking Southern California, the Sacramento/San Joaquin Valley, and the San Francisco Bay Area with at least 90% of bond funds spent for specific high speed rail construction projects. The passage of Proposition 1A was a landmark event, marking the most ambitious step any state has ever taken to finance and construct a true high speed rail system in the United States. But the road to the development, creation, and passage of the proposition and the associated struggle for a high speed rail system in the state of California was an incredibly lengthy and convoluted process that was strongly shaped by a number of powerful political, economic, and historical forces. In fact, the first version of the \$9.95 billion bond act was approved by the state legislature and governor in 2002 and was scheduled to go before voters in the November 2004 general election. The history of the proposition and related efforts to finance the country’s first HSR system raise a number of intriguing questions, such as why the bond measure spent over six years in dormancy, and how it finally came to pass in 2008 despite California’s languishing economy. The story of the high speed rail movement in California began with a number of severe transportation challenges facing the USA’s most populous state.¹

In the second half of the twentieth century, the population of the state of California more than tripled from its 1950 population of 10.6 million to a year-2000 population of 33.9 million people. With an estimated 2007 population of over 36.5 million – more than 10% of the nation’s total population – and the third largest land area of any state in the union, California faces daunting transportation challenges on both the local and statewide levels. One of the chief factors

contributing to the statewide transit dilemma is the vast distance between major metropolitan areas in California. The state is home to Los Angeles, San Diego, and San Jose, three of the ten most populous cities in the United States, as well as the dense and economically flourishing San Francisco Bay Area and the seat of state government farther northeast in Sacramento. The great distances and correspondingly lengthy travel times required for automobile travel between principal city centers, shown in **Table 1**, is prohibitively high for regular travel by car. This fact,

City to City	Distance (miles)	Estimated Driving Time (hour:min depending on traffic)
San Diego to Los Angeles	120 mi	1:58 to 2:50
Los Angeles to San Francisco	382 mi	5:50 to 7:10
San Jose to San Francisco	49.4 mi	0:55 to 1:20
San Francisco to Sacramento	87.3 mi	1:35 to 2:10

Table 1: Distances and estimated driving times between major CA cities.
 Source: Google Maps (<http://maps.google.com>)

in conjunction with the unbearably congested condition of many of the state's highways in

urban areas, was a major impetus for the push towards high-speed rail (HSR) as an effective method of intercity transit in the state of California.²

The assessment of HSR as a viable solution to California's interregional transportation needs can be traced back to the late 1980s and early 1990s. As state leaders and politicians grew increasingly aware of the limitations of the highways and airports that bore the brunt of interregional transportation, they began to seek inspiration from the highly successful intermediate-distance public transportation paradigms of Western Europe and Japan which were based largely on HSR networks. In 1990, the Clean Air and Transportation Improvement Act allocated \$5 million of state funds to conduct a preliminary HSR feasibility study for a proposed route linking Los Angeles and Bakersfield. Three years later in 1993, a joint Executive Order from the Governor and Senate Concurrent Resolution 6 created the California Intercity High Speed Rail Commission, charged with the task of drafting a thorough plan for HSR service

between northern and southern California within two decades. Specifically, the Commission undertook extensive studies in four main areas: Corridor Evaluation, Ridership Analysis, Economic Impact, and Financing Options. The final conclusions of the Commission's studies determined that the development of a HSR network in California was technically and environmentally feasible, economically viable, and strongly supported by the public. The estimated cost of a statewide HSR system was \$25 billion in 1993 dollars, with a projected year of completion of 2013.³

After the Commission established that the HSR project was worthy of pursuit, the California High-Speed Rail Authority (CHSRA or the Authority) was established in 1996 as a "state entity responsible for planning, constructing and operating a high-speed train system serving California's major metropolitan areas." The creation of the CHSRA was provisioned for by the California High-Speed Rail Act, enacted by Senate Bill 1420 in the Statutes of 1996, which defined high speed rail as "intercity passenger rail service that utilizes an alignment and technology that make it capable of sustained speeds of 200 miles per hour or greater." The CHSRA was to be – and still is – composed of a policy board of nine members (five appointed by the governor, two by the Senate Rules Committee, and two by the speaker of the Assembly) and a small core staff. The Authority manages the contracting of design, planning, landscape, and engineering work to private firms which are responsible for performing the actual work related to the development of high-speed rail in the state. Interestingly, the CHSRA was originally slated to sunset in only four and a half years unless a complete financial plan for the implementation of a HSR system was approved by the legislature or California voters.⁴

Senate Bill 1420 also outlined many of the early arguments backing the movement to investigate HSR as a practical means of interregional travel in the state. The premise of the bill

focused on the numerous weaknesses of the existing network of freeways and airports, particularly regarding the future, reporting that the extensive transportation infrastructure of the state was already thoroughly congested and that the cost of expanding the highway and airport system to match the rapidly increasing population would be prohibitively high. Describing HSR as “a necessary and viable alternative to automobile and air travel in the state”, the Senate Bill cited the effectiveness of existing HSR networks in Europe and Japan for trips in the 200 to 500 mile range. Finally, the bill proposed that the creation of the infrastructure required for an HSR system in California would stimulate economic growth and the job market by tapping into the state’s existing human and manufacturing resources. Ultimately however, the true purpose of Senate Bill 1420 was to empower a new organization to continue research and advocacy for HSR to replace the California Intercity High Speed Rail Commission which was completing its work.⁵

The CHSRA’s activity between 1997 and 2000 was directed mainly at a variety of detailed feasibility studies conducted with the intent of releasing a comprehensive business plan in 2000. The Authority began public hearings in 1999 with debate focusing on location of the main corridor for the rail network, a process that turned out to be much more susceptible to politics than to concerns of technical feasibility or utility. For example, a heated contest emerged in May 1999 among the cities of Oakland, San Francisco, and San Jose over which Bay Area city would be best-suited for a HSR station. The leaders of these three cities were excited by the short-term prospect of thousands of construction jobs for local workers and the long-term results of reduced traffic and airport congestion, increased tourism, and stimulated development in the area of the new station. A senior transportation policy advisor to then-San Francisco Mayor Willie Brown, insisted, “we’re not interested in getting into a battle with Oakland. We don’t think that Oakland or San Jose or San Francisco has to be excluded, [but] San Francisco is a

world-class destination...[any rail line] must come through San Francisco". Meanwhile, Oakland officials cited data from CHSRA feasibility studies which indicated that an Oakland stop would be over \$1 billion cheaper than a San Francisco station: "We are a very cost-effective way to get people to the heart of the Bay Area," commented Diane Tannenwald, the Oakland HSR project manager. Additional concerns involved HSR linkages to major airports – especially San Francisco International (SFO) – along with ridership and financial considerations, with advocates for a San Francisco station quoting studies which indicated that up to half a million more travelers would use the system if it went through San Francisco rather than the East Bay. Similar controversies erupted throughout the state over the route alignment, the environmental impact of constructing the HSR line, and the effects of new stations on established urban areas. ⁶

Simultaneously, state officials were drafting a controversial proposal for the November 2000 ballot to raise the state sales tax by a half-cent to pay for the \$25 billion HSR line, so local and grassroots support was essential to gain voter backing for the tax. In June of 1999, the CHSRA presented its recommendations describing San Francisco and San Jose as the preliminary winners of Bay Area stations, but refused to eliminate all plans for a potential extension of an HSR network to Oakland. The chairman of the Authority, Michel Tenenbaum, told the San Francisco Examiner in July that "every one of the routes we're studying has equal importance to us" and emphasized the importance of postponing decisive votes to avoid upsetting cities and counties that were not included in the main corridor of the HSR system. This type of equivocation and absence of firm decisions became highly characteristic of the Authority's proceedings and reports throughout the year of 1999. This was largely due to the fact that the CHSRA was forced to balance the interests of many cities and regions with budgeting concerns. Including more cities in the HSR line would increase the construction and maintenance

expenses but would facilitate access to the route by more citizens, resulting in greater public support for the project and potentially greater revenue from the system in the future. Though the state's governor and legislature had the power to fund the project without consulting voters, voter approval would be required for the half-cent sales tax increase, so the CHSRA had to act carefully so as not to alienate voters or undermine its own mission in the eyes of the public. Thus the ambiguous and indecisive nature of CHSRA reports and rulings in this time period can be largely attributed to political concerns associated with garnering sufficient public support to finance construction of the HSR system in the November 2000 election.⁷

But only a few months later in December of 1999, the CHSRA announced that it would not seek voter approval in November 2000 for a sales tax increase to provide the 25 billion dollars required to construct the proposed 700-mile HSR network. Instead, the Authority recommended that progress be made gradually, with an initial \$25 million allocated for preliminary engineering and environmental studies with a timeframe of two to three years, followed by an additional four years of more detailed planning and engineering research. Estimated operation date for the first high-speed train was now pushed back three years to 2016. This surprising move was principally a result of two critical factors that the leadership of the CHSRA grew increasingly mindful of towards the end of 1999. The primary concern was that the Authority was due to expire in 2001 due to the original sunset provisions of Senate Bill 1420 which created the agency. The Senate Bill stipulated that the Authority would be dissolved if California voters rejected a comprehensive financing plan for an HSR project in the state, so the CHSRA policy board was highly wary of placing its own future in the hands of voters any sooner than it had to. Furthermore, the policy board was planning to introduce bills in early 2000 to make the Authority a permanent state entity and realized that this measure had a much higher

chance of success if associated with a comparably minor \$25 million funding proposal, rather than pairing the permanency proposal with a tax increase and \$25 billion funding package. Secondly, the HSR movement was facing low levels of political and financial support from California Governor Gray Davis who called the project a “Buck Rogers” idea, the state legislature which was beginning to distance itself from the expensive plan, and even the public who were highly reluctant to subject themselves to tax increases to fund large government projects. Highlighting the lack of support from state officials was Governor Davis, who informed reporters in the state’s capital of Sacramento, "I do not want the priority of this administration to be a high-speed rail from Los Angeles to San Francisco." ⁸

Given the unsupportive political climate and the impending deadline of the Authority’s expiration date, the CHSRA believed it was making a politically savvy decision to delay seeking the \$25 billion required for the project. However, some ardent supporters of the HSR movement criticized the Authority for failing to capitalize upon the increasingly severe congestion of the state’s airports and freeways and more importantly, the flourishing California economy resulting from the technology and Internet boom of the late 1990s. One such supporter observed that “the authority and its predecessor commission have spent about six years and somewhere in the neighborhood of \$12 million to create a veritable mountain of paper about building a California bullet train...the time to do this is now”. Contrastingly, other proponents of the HSR network stood by the Authority’s decision, such as a Caltrain board member and retired Amtrak employee who agreed that moving slowly would allow for the gradual accumulation of public support and described that “it would be tough to ask voters to raise the gas tax or float a bond issue” in the current climate. Furthermore, CHSRA leaders stressed that additional time and detailed research would allow the Authority to craft a more compelling and credible business plan to present to the

private investors who would eventually be involved in building the HSR line. Ultimately, criticism of the Authority's decision to move incrementally rather than pushing for the entire \$25 billion funding package in the upcoming election may have been justified, as the next few years would give rise to a statewide budget crisis and turbulent times for the Californian economy.⁹

Nevertheless, if the Authority's primary goal was to preserve its own existence, it succeeded in doing just that – at least temporarily – beginning in March 2000 when the California Assembly's Transportation Committee approved a bill that allowed the CHSRA to continue its work until 2003 before seeking approval from state voters. By September, the bill had been passed by the state Assembly and Senate and signed by Governor Davis, who was heavily swayed by the promise of receiving broader appointment powers for the Authority's leadership board and the June release of the of the CHSRA's 2000 Final Business Plan. The plan included a number of compelling financial statistics that highlighted the power of an HSR system to compete effectively with in-state air travel by offering considerably lower ticket prices and similar travel times after accounting for travel to and from airports (about 2.5 hours between San Francisco and Los Angeles). Additionally, the CHSRA calculated annual ridership at over 42 million passengers per year contributing to \$900 million in total revenue, about a third of which would translate into profits. The comprehensive and persuasive nature of the Authority's 2000 Business Plan paired opportunely with strong lobbying of Governor Davis led by Assemblyman Dean Florez, the sponsor of the initial legislation to extend the CHSRA's expiration timeline to 2003, to drive new life into the HSR movement. In October 2000, the San Francisco Chronicle reported that the Authority had awarded major engineering and environmental studies contracts to three private firms, funded by a \$5 million appropriation from Governor Davis' mid-year budget revision. This initial \$5 million was to be part of a \$25 million, three year comprehensive

environmental impact research study that aligned with the CHSRA's plans of slow but steady progress on the HSR system. The contracts were lauded by John Barna, deputy director of the Authority, as "a milestone for this project. This is no longer a vision. California is in the high-speed rail business now".¹⁰

During the early phases of the environmental impact studies, the Authority turned its attention to focusing on community input, both to garner broad public support for the HSR project and to address public concerns regarding regional transportation issues. To facilitate this mission, the Authority hosted a series of statewide Town Hall meetings geared at local communities that would be affected by the proposed HSR route. However, this program rapidly took a backseat to growing financial concerns that were plaguing the Californian economic landscape during the summer of 2001 due factors such as a statewide energy crisis, the dot-com "bubble burst", slowing tax revenues, and a general slump in the state's economy. In June of 2001, the state Senate Transportation Committee approved a meager \$1 million of funding for the CHSRA, \$13 million short of the requested amount for staying on track with the \$25 million/3-year plan for environmental impact research. Faced with dwindling financial resources and damaged optimism, the Authority began to examine financing its ambitious environmental reviews through bonds. Fortunately for the CHSRA, the federal government pulled through later in the year with a \$1.25 billion Transportation Appropriations package thanks to California's strong representation in the US Congress led by US Senator Diane Feinstein and US Congressman Robert Matsui. The Authority leadership was ecstatic at the prospect of federal funding, reflected in the comments of Rod Diridon, CHSRA's chair at the time, who described the Authority as "thrilled that the considerable work and investment California has committed to pursuing this safe and reliable transportation option is being recognized and supported by the

federal government.” However, Diridon also underscored that while the federal funds were a welcome and vital contribution to the project, completion of the environmental impact reports would be impossible without a continued funding commitment from the California state government in conjunction with increased enthusiasm and support from the governor and state legislators.¹¹

The next major breakthrough for the Authority and the future of HSR in California would not come until nearly a year later in September 2002 when Governor Davis signed two critical state Senate Bills, both sponsored by state Senator Jim Costa from Fresno, a co-sponsor of Senate Bill 1420 in 1996 and a continual advocate for HSR. The first crucial bill was the CHSRA’s long-awaited permanence legislation through Senate Bill 796, which fully removed the expiration date associated with the Authority, previously due to sunset in January 2003. The signing of SB 796 by Governor Davis not only ensured the continued existence of the Authority, but was also a vital demonstration of tacit support from the governor for the HSR movement as a whole. Authority Chair Diridon confidently remarked, “[the governor’s] support declares very publicly that we are going to build this system.” Secondly and arguably even more significant was Governor Davis’ signing of Senate Bill 1856, the first iteration of the “Safe, Reliable, High-Speed Train Bond Act for the 21st Century”, the original predecessor and true birthplace of Proposition 1A. SB 1856 provisioned for the placement of a \$9.95 billion bond measure to finance construction of the first leg of the HSR line before California voters on the November 2004 ballot. If voters approved, the state would issue \$9.95 billion of general obligation bonds, \$9 billion of which would be used along with federal funding to begin construction on the HSR line with the remaining \$950 million allocated for the development and improvement of light rail and inner-city passenger rail lines providing connectivity to the HSR network. With the cost of

the initial line connecting the cities of Los Angeles, Bakersfield, Fresno, San Jose, and San Francisco projected at \$13.7 billion, the bond money would serve as a significant down payment on preliminary construction of the complete 700-mile HSR network. Davis' signing decision reached newspapers and media across the nation, with the governor declaring a "new era of public transportation in this state" and state officials calling California's proposed HSR system "the largest public works project in US history." ¹²

By this point, it was growing steadily more apparent to the public that Governor Davis' swift change in stance on the HSR project was due to more than visions for "a new era of public transportation", particularly with the state gubernatorial election rapidly approaching in November 2002. Many of the governor's biggest campaign donors were construction unions and engineering firms such as the California Laborers and Operating Engineers unions, which were highly supportive of the HSR system that would inject billions of dollars into the development of new state infrastructure and the associated workforce. To make matters worse for Davis, Diridon (a Davis appointee himself) scheduled a \$50,000 fundraiser for the governor's upcoming campaign with high-speed rail executives and potential HSR contract bidders just one day after Davis signed Senate Bill 1856 into California law. Under extreme pressure from political opponents, Davis was embarrassingly forced to cancel the September 2002 fundraiser which contributed to a growing number of accusations that the governor had created an administration that his critics deemed "a pay-to-play atmosphere in which those who do business with the state believe they must contribute to the governor's campaign to compete for the work". The situation undermined the credibility of CHSRA Chair Diridon and the Authority itself at a time when the HSR movement had just begun to regain momentum in California's political realm, with the

opposition labeling the public-relations fiasco as “the latest installment of an administration that is for sale.”¹³

However, the controversial fundraiser involving HSR executives was soon to be the least of the governor’s worries, as a movement to recall Governor Davis from office began in early 2003 and by July, recall advocates had gained enough petition signatures to qualify for a special recall election of Davis. With the first statewide recall election in California’s history scheduled for October 7, 2003, the leadership of the CHSRA recognized that it was hardly an opportune time to associate itself with Sacramento politics during the turbulent summer, particularly those involving the governor. Consequently, the Authority chose to focus on citizens instead of politicians by launching a campaign aimed at generating a broad public support base for the \$9.95 billion bond measure that was to be voted on in November of 2004. By the end of July 2003, a non-partisan research group had reported that 65% of voters supported the bond measure, and the CHSRA quoted statistics that over 80% of Californians thought favorably of HSR. On the national stage, the US House of Representatives Transportation Committee approved an appropriation of \$60 billion for HSR projects throughout the country, and the Authority was hopeful of receiving up to \$9 billion for financing construction of California’s system from the federal government if the measure was approved by Congress and the President. Though Davis was indeed recalled as governor of California and replaced by Republican candidate Arnold Schwarzenegger on November 17, 2003, the CHSRA successfully managed to distance itself sufficiently from the controversial outgoing administration. Levels of public support for HSR remained high for the rest of 2003 with several of California’s major metropolitan newspapers running stories about the futuristic and speedy bullet trains, and prospects for the approval of the \$9.95 billion bond sale appeared promising once again.¹⁴

In January 2004, the CHSRA released the results from its three-year environmental impact research project along with an updated financial report. The price tag for the project had ballooned to \$37 billion, fifty percent higher than the original estimate. CHSRA officials attributed the cost increase to the decision to construct the HSR line through major cities where the land acquisition and construction costs were significantly higher than in rural areas. Furthermore, detailed tunnel analysts concluded in the environmental studies that the mountain tunnels required for the proposed route would cost more than initially anticipated due to additional earthquake-safety reinforcement. While the Authority publicly stated that the increased cost would not weaken public and governmental support for the project due to increased ridership estimates now projected at 68 million passengers per year, some legislators and state government officials disagreed. A state Assemblyman on the Transportation Committee commented to the Sacramento Bee that the augmented cost for the HSR system “makes you wonder, when we are struggling to secure dollars for so many basic construction projects all over the state. That would be a huge drain on the transportation budget, and I would not look very kindly on it.”¹⁵

Meanwhile with the state in the midst of another budget crisis, newly-elected Governor Arnold Schwarzenegger began pushing state legislators to remove the \$9.95 billion bond measure from the November 2004 ballot. Some supporters of HSR agreed that waiting to place the bond measure on the 2006 ballot would be prudent, sharing the sentiments of a gubernatorial spokesman who argued, "notwithstanding the potential merit of providing high-speed rail as part of the transportation system, and given the state's financial situation, we think it's premature to put a bond measure of that magnitude on the ballot at this time." They also cited concerns that \$9.95 billion would not be sufficient even to finance construction of the first leg of the proposed

line between Los Angeles and San Francisco given the increased price tag. But others including Diridon and the CHSRA were reluctant to postpone the measure any longer, explaining that “we need to be under construction by 2006 or 2007. Otherwise, we’ll lose \$1.5 billion a year in cost increases with delays.” Diridon stressed the fact that the CHSRA would not sell any bonds until money is needed to begin construction, so there was no harm in keeping the bond measure on the November 2004 ballot even during troubling financial times for the state. Furthermore, the Authority argued that there was still a good chance of obtaining the \$9 billion from the federal government to finance construction, and referenced the fact that HSR systems in Europe and Japan were profitable ventures with the proposed California system maintaining projected profits of \$300 million annually. Development beyond the first leg could also be sustained by allowing private investors to build and operate the system while claiming some of the profits, with eventual expansion goals including stretches to San Diego in the south and Sacramento in the north.¹⁶

The coalition to delay the bond measure ultimately triumphed a few months later with the June 2004 chaptering of Senate Bill 1169, which officially postponed the submission of the “Safe, Reliable High-Speed Passenger Train Bond Act” to California voters until the November 2006 general election. With the state tightening financial expenditures even more, legislators agreed that keeping the bond act slated for 2004 would simply be politically and financially unrealistic. Though the CHSRA was obviously disappointed with the vote, they did not commiserate for long and quickly capitalized on a \$2.5 million HSR allocation from Governor Schwarzenegger in September with continued, heavily detailed route analysis for the HSR line. As in 1999, a number of controversies over the final route were still raging, particularly concerning the plan for linking the coastal Bay Area to heavily populated inland areas in the

Central Valley. By November 2004, the CHSRA had released a tentative map of the proposed line between Los Angeles and San Francisco, which did not yet feature any connections to the Central Valley from the San Francisco Bay Area. However, the additional detailed route analysis led to a solution that would include San Jose, Oakland, and San Francisco – the three major Bay Area cities that had previously grappled over a HSR station – in the final line. The Authority’s board decided in January of the following year that the preferred route would run inland through the Central Valley from the state capital of Sacramento, through Palmdale to Los Angeles, followed by another inland path through Riverside to San Diego in the south. Connection to the Bay Area was now to be offered through a separate branch of the line through the Central Valley to please environmental groups and residents of major inland cities.¹⁷

Unfortunately for the CHSRA and proponents of HSR in the state of California, April 2005 would bring more bad news for the future of the bond measure. State legislators introduced Assembly Bill 713 which proposed to delay the vote on the bond act for the second year in a row, now until the November 2008 election. Supporters of the bill once again cited economic instability and argued that voters would be highly unsupportive of the HSR bond act given the continued financial concerns of the state. "We're just in debt already. Members of the public pay attention to that... [The HSR bond act] is a big, big price tag," said state Senator Kevin Murray, sponsor of SB 1169, the original bill to delay the bond vote to 2006, and a self-declared supporter of HSR. Opposing legislators contended that the November 2006 elections were still over a year and a half away, which they described as more than enough time for the economy to restabilize. "We'll have as good a chance to pass it next November as we would have in 2008," commented Senator Costa. "Certainly there are indicators that strongly [show] that California's economy is on the rebound," he added. "If it continues at this rate, the timing could be very good

for passage in 2006." Perhaps even more important than the state's economic woes were the relevant concerns that postponing the bond vote until 2008 would require the CHSRA to rework their three-year, multimillion dollar environmental impact research because the landscape of the Central Valley was changing rapidly and the studies would be outdated by late 2008. In May 2005, only a month after AB 713's introduction, the bill was approved by the California Assembly and sent on to the state Senate. The assembly bill would not be addressed by the Senate for a full year.¹⁸

In the meantime, a number of battering events occurred that seemed to all but destroy any prospects of ever financing and constructing the HSR system in California. With many of the state's roads, prisons, hospitals, and schools in shambles and heavily outdated, Governor Schwarzenegger introduced his own \$222 billion Public Works Bond in January 2006 to repair the state's aging infrastructure over a ten year period. If Schwarzenegger's bond plan wasn't strong enough competition for the HSR bond, the California Alliance for Jobs, an association of more than 50,000 union workers and 1700 construction companies, also released a bond plan that proposed a quarter-cent increase in state sales tax to finance infrastructure development. Neither plan included any allocation for the HSR project based on the conclusion that other priorities such as highway repairs, prison reconstruction, and flood-control retrofitting took precedence over the construction of the futuristic bullet-train network. State Finance Director Mike Genest insisted that construction of the HSR system in the near future was simply not practical, stating, "under our calculations, we could not afford this entire package of infrastructure if we also did the \$10 billion for high-speed rail -and we don't see that being affordable in this 10-year cycle." Observers on both sides of the debate noticed that the HSR bond act was quickly losing popularity in the state legislature, especially given the strong push from the governor directed at

a competing bond issue. The final blow to the project culminated with Senate approval of AB 713 in June 2006 followed by Governor Schwarzenegger’s signature on the bill later that summer, resulting in the official postponement of the HSR bond act until November 2008. Supporters of HSR were crushed, with many believing that the rising costs of construction and environmental research resulting from postponement would effectively destroy any chance of the HSR bond act ever passing.¹⁹

At this point in the historical saga of the HSR movement in California, it seemed as if Proposition 1A (or its 2006 predecessor) was certainly doomed to fall through the cracks of legislative oversight as an expensive and unconvincing proposal that lacked a sufficiently visionary champion. How then did the proposition come to be passed by nearly 53% of California voters in the November 2008 election? The answer lies in a combination of the original factors such as highway and airport congestion, a number of pressing economic and environmental concerns including soaring fuel prices during summer 2008, and a strong “finish-line” push by the CHSRA with support from a broad coalition of influential individuals and groups, particularly in the dense urban areas that would likely see the first benefits of the HSR system. By 2008, interregional traffic in the state had predictably grown even worse than the

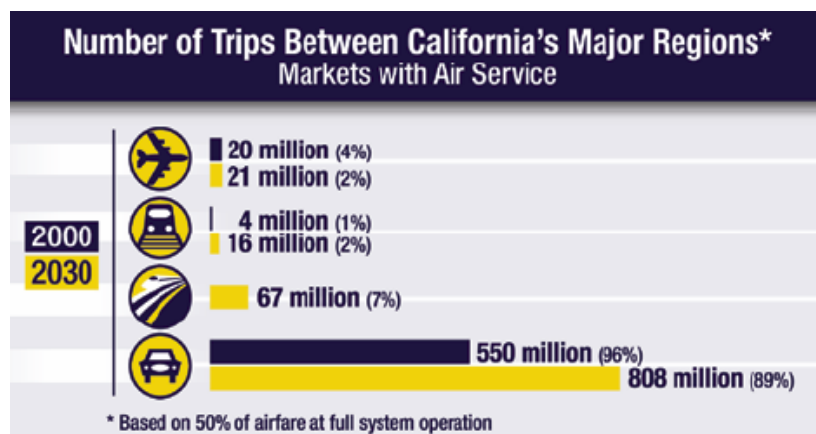


Figure 1: Interregional transit data for various modes of transportation in 2000 and predicted data for 2030. From top to bottom: air, regular train, high-speed train, automobile.
(Source: CHSRA 2008 Business Plan)

conditions present during the original analyses nearly 20 years earlier. The CHSRA reported in its 2008 update of the Business Plan that well over half a billion interregional

trips were made annually in the state, with 96% of the interregional travel market still dominated by car (**Figure 1**). Meanwhile, in the post-9/11 world of rigorous travel security leading to insufferably long waits and delays at airports, citizens had grown highly frustrated with spending more time waiting in the terminal than actually flying for intermediate-distance flights such as San Diego to San Francisco (about 1.5 hour flight time). To worsen matters for automobile and air travel, fuel prices reached an all time high of \$4.58 per gallon on average for California in late June 2008. Though prices did begin to drop off towards the end of summer and into Election Day in November, Californians had already witnessed the devastating economic effects of an energy crisis earlier in the decade and were highly reluctant to take further chances with volatile fuel and energy markets. The economic recession of late 2008 also played an important role in the passage of Proposition 1A, with several proponents touting the power of governmental deficit spending to reinvigorate the state's ailing economy, referencing examples from the federal government's post-Depression public works projects. Literature in favor of the bond act lauded the potential economic benefits of HSR construction which was projected to create 160,000 construction-related jobs and 450,000 jobs in related industries such as operations and tourism, work that the campaign literature emphasized as "American jobs that cannot be outsourced."²⁰

Additionally, the work of the CHSRA and its coalition of proponents was essential to the success of Proposition 1A. In the time since the second postponement of the bond act, the CHSRA had doubled its efforts to establish routes and alignments for the HSR network that were meticulously planned to optimize accessibility from both coastal and inland areas, offering service to a combination of rural and urban areas and up to 90% of state residents (**Figure 2**).

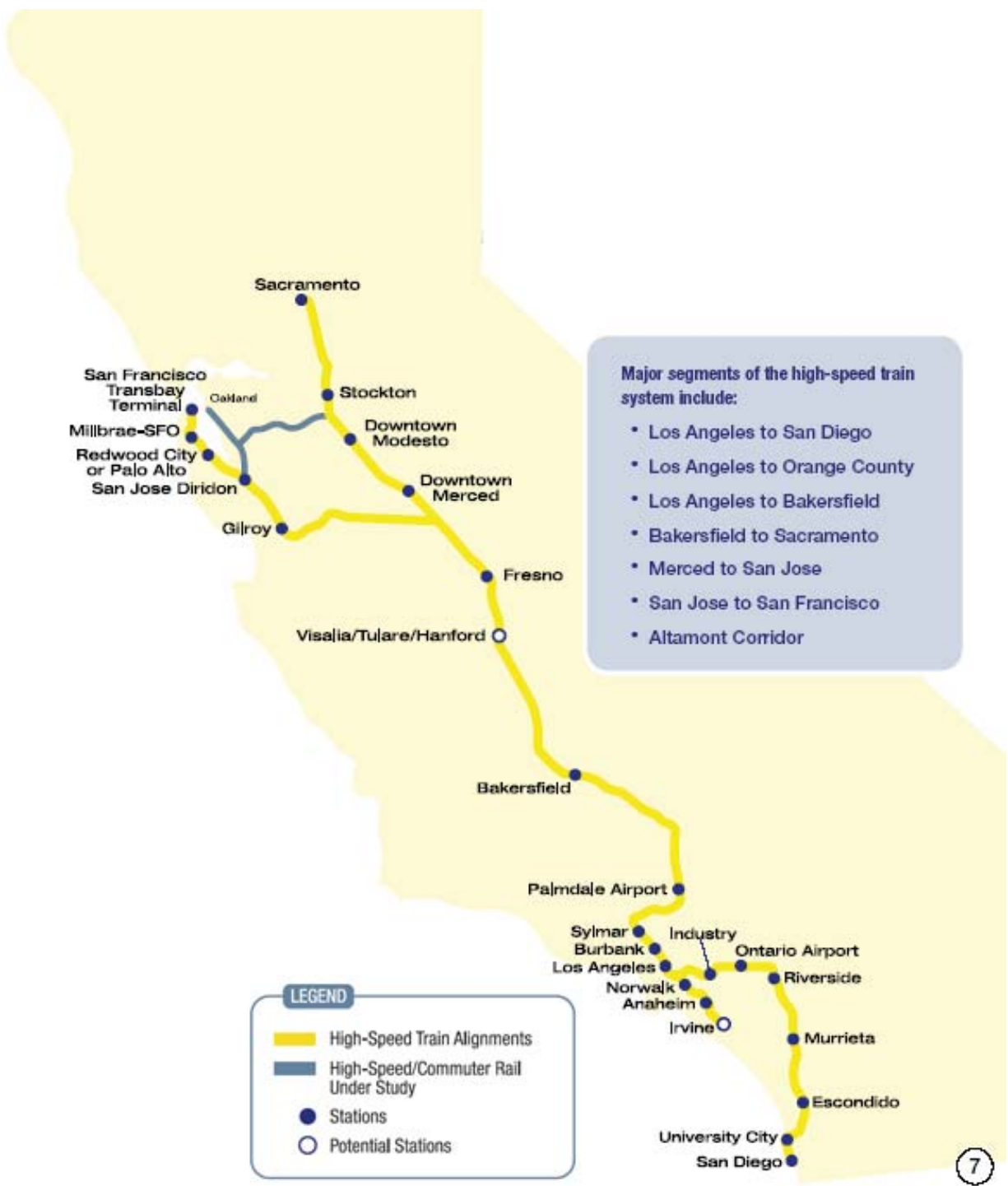


Figure 2: The proposed high-speed train alignment route from the 2008 CHSRA Business Plan.

By late 2008, the proposition enjoyed the support of Governor Schwarzenegger, the leaders and Chambers of Commerce of some of the state’s most populous cities (including Los Angeles, San

Francisco, San Jose, Oakland, Sacramento, and San Diego), prominent transportation commissions and authorities, and several powerful construction and engineering unions. Editorial boards from the Los Angeles Times, the San Francisco Chronicle, the San Jose Mercury News, and several other of the state's largest and most influential newspapers endorsed the proposition, describing its benefits as "overwhelming" (SJ Mercury News) and using high-minded progressive rhetoric that stressed, "[Proposition 1A is] not too much to wager on a visionary leap that would cement California's place as the nation's most forward-thinking state" (LA Times). This coalition, backed by seemingly endless data and statistics from the CHSRA's research argued that the HSR system would lessen California's dependence on foreign oil, reduce greenhouse gases leading to global warming including the removal of about 12 billion pounds of CO₂ emissions, save commuters' time and money, expand statewide transportation options, and inject new vitality into the state's economy. For example, the CHSRA made the appealing claim that the high speed trains would be relatively inexpensive at about \$50 for a 2.5 hour one-way ride from Los Angeles to San Francisco, compared to the 6-7 hour journey by car which could cost nearly \$90 in fuel. The argument in favor of the proposition printed on the California voter guide assured voters that through the passage of the bond act, all of these benefits could be delivered to the citizens of California without a tax increase.²¹

Contrastingly, the opposition coalition drew the bulk of its endorsements from a handful of taxpayer associations and Chambers of Commerce of much smaller cities in the rural and less-populated areas of the state. These challengers of Proposition 1A contended that the bond act was "a boondoggle that will cost taxpayers at least \$20 billion in principal and interest" with the entire project potentially costing up to \$90 billion, making it "the most expensive railroad in history." With California still facing a budget deficit of over \$100 billion including existing

voter-approved bond debt, they claimed that the state could spend the money in much more productive ways such as funding 22,000 new teachers, firefighters, or law enforcement personnel for 10 years, improving healthcare in the state, or upgrading and expanding the state’s existing transportation systems. Furthermore, the opponents of the proposition stressed the lack of accountability of the bond money, which they believed would be controlled by politicians, bureaucrats, and special interests, rather than voters and everyday citizens. With the costs of the rail system escalating every year, critics avowed that even with nearly \$10 billion from the bond sale, there was no guarantee that the HSR network would ever be built. Ultimately, the numbers of the rural and inland population forming the opposition coalition were no match for the urban powerhouses of Los Angeles, the San Francisco Bay Area, and much of California’s coastal region. Proposition 1A passed in the November 4, 2008 general election, gaining its support mainly from urban areas and the coasts



Figure 3: November 4, 2008 Election Results by County for Proposition 1A.
 (Source: CA Secretary of State Website)

(**Figure 3**). Unsurprisingly, the counties that voted in favor of the proposition correlate highly with regions serviced by HSR stations along the proposed route (**Figure 2**).²²

The road to Proposition 1A was remarkably lengthy and tortuous, with a complex history spanning nearly 20 years. Factors ranging from the chaotic recall of an unpopular governor, to a

statewide energy crisis, to political scandal, to the continually troubled state of California's economy since 2000 all contributed heavily to the delay of the bond act and the hindrance of the high speed rail movement in California. From its humble and experimental beginnings in the original research of the California Intercity High Speed Rail Commission, this movement has made enormous strides through the work of the California High Speed Rail Authority and a dynamic coalition of mostly unknown but tenacious supporters. The passage of Proposition 1A represents a significant triumph for proponents of high speed rail, but with projected costs rising immensely each year, there is much work to be done if California truly seeks to visualize its dreams of constructing America's first high-speed train system.

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