



CALIFORNIA STATE TREASURER JOHN CHIANG

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Contact: Marc Lifsher
(916) 653-2995

Treasurer Releases Blueprint for Growth and Innovation

First Biennial Report Outlines Plan to Improve Infrastructure, Government Efficiency

SACRAMENTO – State Treasurer John Chiang today released an extensive blueprint for fixing California’s dilapidated roads, bridges and other infrastructure. The report also takes on many of the seemingly-intractable problems facing Californians today, from its affordable housing shortage and emerging retirement security crisis to local government bankruptcy and predatory-ADA lawsuits.

The 25-page, document -- “Building California’s Future Begins Today,” expresses in detail the treasurer’s vision for modernizing public finance and creating better lives for all Californians.

Chiang made his report public during a meeting of the California Business Roundtable, where he stressed the importance of working with private sector leaders in solidifying the Golden State’s deserved reputation as a home to some of the world’s most innovative corporations.

“I want you to join me in the effort to construct a 21st-century economy. One that cements our position as a world economic power, but remembers that a thriving private sector is reliant on a thriving private sector workforce. One that embraces the high-tech, bio-tech, and green-tech giants which have made California the cradle of global innovation but also the ma-and-pa entrepreneurs which account for much of our new job growth,” said Chiang.

The Biennial Report contains a series of concrete proposals to identify, prioritize and pay for new public works construction of highways, water projects, state buildings, parks, schools and universities. At least \$850 billion worth of new public works must be built in coming years, warns California Forward, a nonpartisan think-tank.

“Finding that kind of money is an enormous challenge,” said Chiang. “That is why I have come up with necessary foundational steps in a long-range plan for rebuilding California’s public works.”

Here is an outline of the Treasurer’s three-step approach to reinvesting in California:

- First, perform a statewide inventory of California’s growing infrastructure deficit. This inventory would include a detailed list of all major capital assets, an evaluation of its remaining useful life and the cost replacing it or doing nothing.

- Then, figure out the best way to pay for construction, using a combination of innovative public and private investments.
- Lastly, create a reserve fund to tap excess tax revenues when the state's economy performs exceptionally well.

"Now is a particularly good time to share these ideas with lawmakers, who are currently in a special session on infrastructure called last summer by the governor," added Chiang. "I am urging legislators to think creatively about how to inventory and pay for nearly a trillion dollars in new transportation links, hospitals, schools and water projects."

The Treasurer's biennial report spells out an ambitious agenda. One section of the plan focuses on strengthening our oversight of California's financial ecosystem by:

- Seeking legislation to make state and local government officials more accountable for how proceeds from the sale of municipal bonds are tracked and spent.
- Establishing "fiscal red teams" to help distressed local governments craft recovery options short of bankruptcy.
- Building open-government technology to promote transparency and accountability in how public debt is being utilized.

Read the [full report here](#).

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