Daily Brief

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Governor's May Revise to State Budget

Both the Senate and Assembly Budget Subcommittees met today to consider the state budget and the proposals made by the governor in the May Revise. We have had two chief concerns with respect to the May Revise. First is the recommendation to use Public Transportation Account Spillover revenues to repay the transportation bond. Government Relations staff have been in Sacramento working to oppose this proposal. Today, each subcommittee recommended disapproval of the Governor's proposal to use Spillover funds as bond repayment. This action will leave Spillover funds available to public transit although subsequent legislation will be forthcoming.

Secondly, the Governor's budget originally proposed to repay \$920 million of the outstanding Proposition 42 loans. The budget subcommittees are recommending lowering that repayment due to the passage of SCA 7 which allows for a longer repayment period. Staff will continue to monitor this issue as the process moves forward.

Lastly, the Governor's budget included a slight increase in funding for the Freeway Service Patrol program. The subcommittees are recommending approval of this increase.

Proposed FY 07 Budget Public Hearing

The Los Angeles Times, Daily News and City News Service attended today's public hearing on the proposed FY 07 budget. Stories may run tomorrow regarding the discussions that took place concerning the budget process and the proposed FY 07 budget.

Metro System Advertising

The Daily News has inquired about Metro system advertising revenues for a story regarding Metro's budget and additional revenue generating opportunities. Staff reported that the agency received \$17.1 million in annual advertising revenue from its contract with CBS Outdoor Group, which places ads on the interior and exteriors of Metro Buses. Additionally, the agency contracts with Transit Television Network for a minimum \$100,000 guarantee for television advertising on board its bus fleet. No advertising is currently allowed on the exteriors of rail cars per Board policy due to Board concern over decreasing the visibility of trains. Advertising, however, has been approved for Metro Rapids. A story is expected to run tomorrow.

Bike To Work Day

Media Relations conducted a number of radio and television interviews today promoting Bike To Work Day set for tomorrow, May 19. Stories regarding various individuals participating in the program are expected to be highlighted in various news reports tomorrow.

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