File No. <u>230818</u>

Committee Item No. \_\_\_\_\_ Board Item No. \_\_85

## COMMITTEE/BOARD OF SUPERVISORS

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Committee: \_\_\_\_\_ Board of Supervisors Meeting

Date:

Date: July 18, 2023

### **Cmte Board**

	Motion
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	Ordinance
	Legislative Digest
	Budget and Legislative Analyst Report
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$\square$	Introduction Form
	Department/Agency Cover Letter and/or Report
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	Grant Information Form
	Grant Budget
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	Form 126 – Ethics Commission
	Award Letter
	Application
	Public Correspondence

### OTHER

	Senate Bill No. 532 - 6/29/23
$\square$	CSAC and LCC Standing

Prepared by:	Lisa Lew	Date:	July 14, 2023
Prepared by:		Date:	

1	[Supporting California State Senate Bill No. 532 (Wiener) - The Safe, Clean & Reliable Bay Area Public Transportation Emergency Act]
2	
3	Resolution supporting California State Senate Bill No. 532, introduced by Senator Scott
4	Wiener, enabling the San Francisco Bay Area to raise funds to prevent a medium-term
5	public transportation operations budget shortfall while requiring transit safety,
6	cleanliness, and reliability improvements.
7	
8	WHEREAS, As public transportation gradually recovers ridership following the COVID-
9	19 pandemic, Bay Area public transportation agencies still face a looming "fiscal cliff," namely
10	a \$2.5 billion projected operating shortfall over the next five years; and
11	WHEREAS, This shortfall risks steep service cuts that would have a disastrous
12	economic impact on the region and San Francisco's downtown recovery, imperil mobility
13	options for commuters and transit-dependent riders, exacerbate road congestion, and
14	undermine efforts to meet our climate and housing goals; and
15	WHEREAS, The 2023 State budget agreement between the Governor and the
16	Legislature that provides \$1.1 billion for transit statewide and \$400 million to the Bay Area
17	over the next four years is insufficient to prevent transit service cuts; and
18	WHEREAS, The Legislature has the authority to raise tolls on state-owned bridges and
19	has done so in the past on the Bay Area's state-owned bridges; and
20	WHEREAS, Senate Bill (SB) 532 would require the Bay Area Toll Authority (BATA) to
21	temporarily raise the toll on the Bay Area's seven state-owned bridges by \$1.50, indexed to
22	inflation, over the five-year period from January 1, 2024, through December 31, 2028; and
23	WHEREAS, The toll increase is projected to yield roughly \$180 million annually over
24	the five-year period, and SB 532 directs the Metropolitan Transportation Commission (MTC)
25	to distribute 90% of the toll revenues to transit operators to maintain service at Fiscal Year

1	2022-2023 service levels, as well as for safety, reliability, cleanliness, and security
2	improvements; and
3	WHEREAS, SB 532 includes provisions for MTC to study, design, and implement an
4	equity-based program to mitigate the impact the toll increase would have on low-income
5	residents; now, therefore, be it
6	RESOLVED, That the Board of Supervisors of the City and County of San Francisco
7	supports Senate Bill No. 532; and, be it
8	FURTHER RESOLVED, That the Clerk of the Board send a copy of this Resolution to
9	Governor Gavin Newsom, President pro-Tempore Toni G. Atkins, and Speaker of the State
10	Assembly Robert Rivas.
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# AMENDED IN ASSEMBLY JUNE 29, 2023 AMENDED IN ASSEMBLY JUNE 22, 2023 AMENDED IN SENATE MAY 18, 2023 AMENDED IN SENATE APRIL 25, 2023 AMENDED IN SENATE APRIL 13, 2023 AMENDED IN SENATE MARCH 30, 2023

**SENATE BILL** 

No. 532

#### Introduced by Senator Wiener (Principal coauthors: Senators Becker and Cortese) (Principal coauthors: Assembly Members Bonta, Haney, Lee, Ting, and Wicks)

February 14, 2023

An act to amend Sections 30911, 30916, and 30920 of, and to add Section 30914.8 to, the Streets and Highways Code, *and to amend Section 40258 of Vehicle Code*, relating to transportation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 532, as amended, Wiener. San Francisco Bay area toll bridges: toll increase: tolls: transit operating expenses.

Existing law creates the Metropolitan Transportation Commission (MTC) as a regional agency in the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Existing law creates the Bay Area Toll Authority (BATA) as a separate entity governed by the same governing board as MTC and makes BATA responsible for the administration of toll

revenues from the state-owned toll bridges in the San Francisco Bay area. Existing law requires the Department of Transportation to collect tolls on these state-owned toll bridges. Existing law requires those toll revenues to be deposited in the Bay Area Toll Account and requires BATA to control and maintain that account, as specified.

This bill would, until December 31, 2028, require BATA to increase the toll rate for vehicles for crossing the state-owned toll bridges in the San Francisco Bay area by \$1.50, as adjusted for inflation. The bill would require the revenues collected from this toll to be deposited in the Bay Area Toll Account, would continuously appropriate moneys from this toll increase and other specified tolls, and would require moneys from this toll to be transferred to MTC for allocation to transit operators that provide service within the San Francisco Bay area and that are experiencing a financial shortfall, as specified. The bill would direct MTC to require each transit operator eligible to receive an allocation from the account to, on an annual basis, submit a 5-year projection of its operating needs, as specified.

To the extent this bill would mandate that MTC or a transit operator provide a new program or higher level of service, the bill would impose a state-mandated local program.

Existing law, beginning July 1, 2024, prohibits a schedule of toll evasion penalties for a toll evasion violation on a toll bridge from exceeding \$25 for the notice of toll evasion violation and \$50 for the notice of delinquent toll evasion violation, as specified.

This bill, beginning July 1, 2024, would decrease the maximum amount of penalties that can be included in a schedule of toll evasion penalties for a toll evasion violation on a San Francisco Bay area state-owned toll bridge to instead be \$5 for the notice of toll evasion violation and \$10 for the notice of delinquent toll evasion violation, as specified.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known, and may be cited, as the 2 Safe, Clean, and Reliable *Bay Area* Public Transportation 3 Emergency Act.

4 SEC. 2. It is the intent of the Legislature to enact future 5 legislation to require the Metropolitan Transportation Commission to study, design, and implement an equity-based program to 6 7 mitigate the impacts of the \$1.50 toll increase required by this act 8 within two years of the effective date of this act. It is the intent of 9 the Legislature that the commission would establish the 10 equity-based program in a manner that is operationally feasible, 11 financially practicable, and effective, and that the commission 12 would consider including discounts, toll caps, and toll exemptions 13 as part of the program.

14 <del>SEC. 2.</del>

15 SEC. 3. Section 30911 of the Streets and Highways Code is 16 amended to read:

17 30911. (a) The authority shall control and maintain the Bay18 Area Toll Account and other subaccounts it deems necessary and

19 appropriate to document toll revenue and operating expenditures

20 in accordance with generally accepted accounting principles.

21 (b) (1) After providing for expenditures pursuant to subdivision 22 (a) of Section 30912 and for operating assistance pursuant to 23 subdivision (d) of Section 30914 and subdivision (c) of Section 24 30914.7 and after the requirements of any bond resolution or 25 indenture of the authority for any outstanding revenue bonds have 26 been met, the authority shall transfer on a regularly scheduled basis 27 as set forth in the authority's annual budget resolution, the revenues 28 defined in subdivision (b) of Section 30913 and Sections 30914, 29 30914.7, and 30914.8 to the commission. The funds transferred 30 are continuously appropriated to the commission to expend for the 31 purposes specified in subdivision (b) of Section 30913 and Sections 32 30914, 30914.7, and 30914.8. After the commission makes a 33 determination that the projects and programs funded by the 34 commission have been completed, the revenues transferred to the 35 commission shall be expended by the commission for supplemental 36 funding for the projects and programs identified in subdivision (a) 37 of Section 30914.7 if the voters approve a toll increase authorized 38 pursuant to Section 30923.

1 (2) For purposes of paragraph (1), the revenues defined in 2 subdivision (b) of Section 30913 and subdivision (a) of Section

3 30914 include all revenues accruing since January 1, 1989.

5 *SEC. 4.* Section 30914.8 is added to the Streets and Highways 6 Code, to read:

7 30914.8. (a) The Metropolitan Transportation Commission 8 shall, from proceeds of the toll imposed pursuant to subdivision 9 (f) of Section 30916 and transferred pursuant to Section 30911, 10 provide funding to transit operators that provide service within the 11 commission's geographic jurisdiction and that are experiencing a 12 financial shortfall. A transit operator shall only be eligible to 13 receive an allocation pursuant to this section if it operates 14 fixed-route public transit-services services, including by bus, rail, 15 or ferry, within the commission's geographic jurisdiction and does not directly receive the majority of its revenues from the Golden 16 17 Gate Bridge, Highway, and Transportation District.

18 (b) The commission shall annually distribute at least 90 percent 19 of the revenues described in subdivision (a) to eligible transit 20 operators in order to avoid service cuts and maintain operations, 21 including safety, security, reliability, or cleanliness services and 22 improvements. The commission may only allocate funds pursuant 23 to this subdivision to a transit operator after it makes a 24 determination that the funds are necessary to avoid service cuts 25 relative to service levels provided by that transit operator during 26 2022–23 fiscal year. In providing allocations pursuant to this 27 subdivision, the commission shall prioritize averting service cuts 28 for transit operators that serve the highest number of transit riders. 29 The commission shall also take into consideration the extent of 30 local funding to support transit service and may also consider 31 operator fares and other sources of revenue. 32 (c) The commission shall annually distribute no more than 10

percent of the revenues described in subdivision (a) to assist eligible transit operators with restoring or reconfiguring service above levels provided during the 2022–23 fiscal year or for the purpose of funding initiatives to transform transit service pursuant to the commission's adopted Transit Transformation Action Plan, or to make specific safety, security, reliability, or cleanliness improvements.

<sup>4</sup> SEC. 3.

1 (d) The commission shall require each transit operator eligible 2 to receive an allocation pursuant to this section to, on an annual 3 basis, submit a five-year projection of its operating needs. This 4 projection of operating needs shall be based on standardized 5 assumptions and guidance developed by the commission in 6 collaboration with transit operators. The commission may reasonably audit, request revision to, or directly amend operating 7 8 needs projections if appropriate or necessary to ensure consistency 9 of assumptions and fairness across transit operators. 10 **SEC.** 4. SEC. 5. Section 30916 of the Streets and Highways Code is 11 12 amended to read: 13 30916. (a) The base toll rate for vehicles crossing the 14 state-owned toll bridges within the geographic jurisdiction of the 15 commission as of January 1, 2003, is as follows: 16 17 Number of Axles Toll 18 \$1.00 Two axles 19 Three axles 3.00 20 Four axles 5.25 21 Five axles 8.25 22 Six axles 9.00 23 Seven axles & more 10.50 24 25 (b) If the voters approve a toll increase, pursuant to Section 26 30921, commencing July 1, 2004, the base toll rate for vehicles 27 crossing the bridges described in subdivision (a) is as follows: 28 29 Number of axles Toll 30 Two axles \$ 2.00 31 4.00 Three axles

 32
 Four axles
 6.25

 33
 Five axles
 9.25

 34
 Six axles
 10.00

 35
 Seven axles & more
 11.50

 36
 36
 36

(c) (1) If the voters approve a toll increase, pursuant to Section
30923, the authority shall increase the base toll rate for vehicles
crossing the bridges described in subdivision (a) from the toll rates
then in effect by the amount approved by the voters pursuant to

1 Section 30923. The authority may, beginning six months after the

2 election approving the toll increase, phase in the toll increase over

3 a period of time and may adjust the toll increase for inflation based

4 on the California Consumer Price Index after the toll increase has

5 been phased in completely.

6 (2) Revenue generated from the adjustment of the toll to account

7 for inflation pursuant to paragraph (1) may be expended for the 8 following purposes:

9 (A) Bridge maintenance and rehabilitation necessary to preserve, 10 protect, and replace the bridge structures consistent with 11 subdivision (b) of Section 30950.3.

(B) Supplemental funding for the projects and programsauthorized pursuant to subdivision (a) of Section 30914.7.

(d) The authority shall increase the amount of the toll only if
required to meet its obligations on any bonds or to satisfy its
covenants under any bond resolution or indenture. The authority
shall hold a public hearing before adopting a toll schedule reflecting
the increased toll charge.

19 (e) Nothing in this section shall be construed to prohibit the

adoption of either a discounted commute rate for two-axle vehiclesor of special provisions for high-occupancy vehicles under terms

22 and conditions prescribed by the authority in consultation with the

23 department.

24 (f) (1) Beginning January 1, 2024, and until December 31, 25 2028, the authority shall increase the base toll rate for vehicles

262 crossing the bridges described in subdivision (a) from the toll rates
27 then in effect by one dollar and fifty cents (\$1.50).

(2) The authority shall adjust the toll increase imposed pursuant
to paragraph (1) on an annual basis for inflation based on the

30 California Consumer Price Index.

(3) Notwithstanding Section 30918, the toll increase imposed
pursuant to paragraph (1) shall not be reduced without statutory
authorization by the Legislature.

34 (4) This subdivision shall become inoperative on January 1,35 2029.

36 <del>SEC. 5.</del>

37 *SEC. 6.* Section 30920 of the Streets and Highways Code is 38 amended to read:

39 30920. The authority may issue toll bridge revenue bonds to 40 finance any or all of the projects and purposes, including those

specified in Sections 30913, 30914, 30914.7, and 30914.8, if the 1 2 issuance of the bonds does not adversely affect the minimum 3 amount of toll revenue proceeds designated in Section 30913 and 4 in paragraph (4) of subdivision (a) of, and subdivision (b) of, 5 Section 30914 for rail extension and improvement projects and 6 transit projects to reduce vehicular traffic. A determination of the 7 authority that a specific project or projects or purposes shall have 8 no adverse effect will be binding and conclusive in all respects. 9 SEC. 7. Section 40258 of the Vehicle Code, as added by Section 10 13 of Chapter 969 of the Statutes of 2022, is amended to read:

40258. (a) (1) The schedule of toll evasion penalties for a toll evasion violation on a toll bridge shall not exceed twenty-five dollars (\$25) for the notice of toll evasion violation, and shall not exceed fifty dollars (\$50) for the notice of delinquent toll evasion violation for a cumulative total of fifty dollars (\$50) for each individual toll evasion violation.

17 (2) Notwithstanding paragraph (1), the schedule of toll evasion 18 penalties for a toll evasion violation on a San Francisco Bay area 19 state-owned toll bridge shall not exceed five dollars (\$5) for the 20 notice of toll evasion violation, and shall not exceed ten dollars 21 (\$10) for the notice of delinquent toll evasion violation for a 22 cumulative total of fifteen dollars (\$15) for each individual toll 23 evasion violation. For purposes of this paragraph, "San Francisco 24 Bay area state-owned toll bridge" means any of the toll bridges 25 described in Section 30910 of the Streets and Highways Code. 26 (2)27 (3) Notwithstanding paragraph (1), paragraphs (1) and (2), the 28 schedule of toll evasion penalties may include any administrative 29 fee, fine, or assessment imposed by the state after enactment of

this chapter in addition to the cumulative fifty-dollar (\$50) limit
per each individual toll evasion violation.
(b) If the registered owner, by appearance or by mail, makes

(b) If the registered owner, by appearance of by mail, makes
payment to the processing agency within 15 days of the mailing
of the notice of toll evasion violation issued pursuant to subdivision
(a) of Section 40254 for a bridge toll evasion, the amount owed
shall consist of the amount of the toll without any additional
penalties, administrative fees, or charges.

38 (c) The maximum penalty for each toll evasion violation
39 included in a notice of toll evasion for either a toll highway, toll
40 road, or express lane shall be sixty dollars (\$60). The maximum

- 1 cumulative toll evasion penalty shall not exceed one hundred 2 dollars (\$100) for each individual toll evasion violation.
- 3 (d) Toll evasion penalties under this article shall be collected 4 as civil penalties.
- 5 (e) The amounts specified in this section may be adjusted
- 6 periodically by an issuing agency at a rate not to exceed any
- 7 increase in the California Consumer Price Index as compiled and
- 8 reported by the Department of Industrial Relations.
- 9 (f) An issuing agency shall waive the toll evasion penalty for a
- 10 first violation with the issuing agency if the person contacts, as
- 11 applicable, the issuing or processing agency customer service
- 12 center within 21 days from the mailing of the notice of toll evasion
- 13 violation, and the person is not currently an accountholder with
- 14 the issuing agency, signs up for an account, and pays the 15 outstanding toll.
- 16 (g) This section shall become operative on July 1, 2024.
- 17 <del>SEC. 6.</del>
- 18 SEC. 8. If the Commission on State Mandates determines that
- 19 this act contains costs mandated by the state, reimbursement to
- 20 local agencies and school districts for those costs shall be made
- 21 pursuant to Part 7 (commencing with Section 17500) of Division
- 22 4 of Title 2 of the Government Code.

0

From:	Green, Ross (BOS)
То:	BOS Legislation, (BOS); Somera, Alisa (BOS)
Cc:	Mandelman, Rafael (BOS); Heiken, Emma (BOS); Tam, Madison (BOS)
Subject:	Re: Introduction: Resolution Supporting SB 532
Date:	Tuesday, July 11, 2023 2:58:57 PM
Attachments:	image001.png
	image.png
	<u>20230SB532_93.pdf</u>

SB 532 attached.

#### CSAC has not taken a position, and the League of CA Cities has Watch position:

#### <u>SB 532</u> (Wiener D) San Francisco Bay area toll bridges: tolls: transit operating expenses.

This bill would exempt fiscal disclosure requirements for local tiered-tax and bond measures from the 75-word cap on local ballot labels by allowing bullets and smaller fonts to be used.
Cal Cities Position: Watch Primary Lobbyist: Ben Triffo Policy Committee : RT

1st House 2nd House Conc. Conc. Chrolied Vetoed Chaptered	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Concella d	) (stard	Chantanad
	1st House 2nd House						Conc.	Enrolled	Vetoed	Chaptered		

Cal Cities Position Letter(s) & City Sample Letter(s): Letter Pending - See Cal Cities Position

#### **Ross Green**

Legislative Aide Office of Supervisor Rafael Mandelman, District 8 <u>Ross.Green@sfgov.org</u> | (415) 554-6987 *Pronouns: he/him/his* 

From: BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Sent: Tuesday, July 11, 2023 2:53 PM
To: Green, Ross (BOS) <ross.green@sfgov.org>; BOS Legislation, (BOS) <bos.legislation@sfgov.org>;
Somera, Alisa (BOS) <alisa.somera@sfgov.org>
Cc: Mandelman, Rafael (BOS) <rafael.mandelman@sfgov.org>; Heiken, Emma (BOS) <emma.heiken@sfgov.org>; Tam, Madison (BOS) <madison.r.tam@sfgov.org>
Subject: RE: Introduction: Resolution Supporting SB 532

Hi Ross,

Pursuant to <u>Board Rule 2.8.2</u>, please provide the following to complete this submission:

- a copy of SB 532
- confirm that organizations such as the <u>California State Association of Counties</u> and <u>League of California Cities</u> have <u>not</u> taken a position on these bills. If they have, please provide a copy of their statement for completeness of the file

Please note that we will add the co-sponsors after each office has confirmed, since their names were not included on the Introduction Form.

#### Lisa Lew

San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place, Room 244

#### San Francisco, CA 94102 T 415-554-7718 | F 415-554-5163 <u>lisa.lew@sfgov.org</u> | <u>www.sfbos.org</u>

(VIRTUAL APPOINTMENTS) To schedule a "virtual" meeting with me (on Microsoft Teams), please ask and I can answer your questions in real time.

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From: Green, Ross (BOS) <ross.green@sfgov.org>

Sent: Tuesday, July 11, 2023 2:47 PM

To: BOS Legislation, (BOS) <bos.legislation@sfgov.org>; Somera, Alisa (BOS)
<alisa.somera@sfgov.org>
Cc: Mandelman, Rafael (BOS) <rafael.mandelman@sfgov.org>; Heiken, Emma (BOS)

<emma.heiken@sfgov.org>; Tam, Madison (BOS) <madison.r.tam@sfgov.org>

Subject: Introduction: Resolution Supporting SB 532

Good afternoon,

Submitting the attached resolution and introduction form for intro today.

These items are routine and non-contentious in nature, and of no special interest.

Please note the following co-sponsors: Mandelman; Melgar, Dorsey

Thank you, Ross

**Ross Green** Legislative Aide Office of Supervisor Rafael Mandelman, District 8 <u>Ross.Green@sfgov.org</u> | (415) 554-6987 *Pronouns: he/him/his* 

		Introduction Form	
		(by a Member of the Board of Supervisors or the Mayor)	
I heret	y subr	it the following item for introduction (select only one):	
	1.	For reference to Committee (Ordinance, Resolution, Motion or Charter Amendm	nent)
	2.	Request for next printed agenda (For Adoption Without Committee Reference) (Routine, non-controversial and/or commendatory matters only)	
	3.	Request for Hearing on a subject matter at Committee	,
	4.	Request for Letter beginning with "Supervisor	inquires"
	5.	City Attorney Request	
	6.	Call File No. from Committee.	
	7.	Budget and Legislative Analyst Request (attached written Motion)	
. par	8.	Substitute Legislation File No.	
	9.	Reactivate File No.	
	10.	Topic submitted for Mayoral Appearance before the Board on	
The pr	oposed	legislation should be forwarded to the following (please check all appropriate box	xes):
	🗆 Sn	nall Business Commission $\Box$ Youth Commission $\Box$ Ethics Commiss	ion
	🗆 Pl	anning Commission 🛛 🗆 Building Inspection Commission 🖾 Human Resourc	es Department
Gener	al Plan	Referral sent to the Planning Department (proposed legislation subject to Charter	4.105 & Admin 2A.53
	□ Ye	es 🗌 No	
(Note:	For Im	perative Agenda items (a Resolution not on the printed agenda), use the Imperati	ve Agenda Form.)
Spons	or(s):	· ·	
Mano	delmai	<u>ו</u>	
Subjec	et:		
		California Senate Bill 532 (Wiener) – The Safe, Clean & Reliable Bay Area ion Emergency Act]	a Public
Long	Title or	text listed:	
the S	an Fra	supporting California Senate Bill No. 532, introduced by Senator Scott Wie ncisco Bay Area to raise funds to prevent a medium-term public transporta tfall while requiring transit safety, cleanliness, and reliability improvements	ation operations

Signature of Sponsoring Supervisor: