San Francisco
County Transportation
Authority

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AGENDA ITEM 4

STATE LEGISLATION – SEPTEMBER 2025

(Updated September 15, 2025)

To view documents associated with the bill, click the bill number link.

Staff is not recommending any new positions on state legislation this month.

Table 1 provides an update on Senate Bill (SB) 63 (Wiener, Arreguín), which passed out of the Legislature on September 13. A summary of SB 63 and a funding distribution chart prepared by the Metropolitan Transportation Commission for the bill are provided as **Attachments 1 and 2**, respectively.

Table 2 shows the status of bills on which the Board has already taken a position or that staff have been monitoring as part of the Watch list. The governor has until October 12 to sign or veto bills that passed out of the Legislature. If the governor takes no action on a bill, it will become law.

Table 1. Notable Updates on Bills in the 2025-2026 Session

Current Position	Bill # Author	Title and Update
Support	SB 63 Wiener D, Arreguín D	**San Francisco Bay area: local revenue measure: transportation funding.** The bill, also known as the Connect Bay Area Act, passed out of the Assembly 46-20 on September 12 and out of the Senate 29-8 on September 13. The bill is now headed to the Governor's desk for signature. The final version of the bill authorizes a five-county, 14-year transportation revenue measure to be placed on the ballot in November 2026 with a sales tax rate of 0.5% in Alameda, Contra Costa, San Mateo and Santa Clara counties and a rate of 1.0% in San Francisco. The measure would be administered by the Metropolitan Transportation Commission (MTC) with most funding dedicated to transit operations and capital as well as transit rider-focused improvements. In Fiscal Year 2031, major transit operators in the region are expected to receive the following amounts: • AC Transit - $51 million • BART - $330 million • Caltrain - $75 million • Muni - $170 million The final bill language also contains several other provisions including: • An accountability framework that allows for withholding of measure funding via Ad Hoc Adjudication Committees which would hear complaints via county petition if a major operator funded by the measure is not applying or achieving a certain policy or standard as compared to other parts of that operator's service area • An efficiency review framework that calls for a two-part study to identify one-time and on-going cost saving opportunities for major operators • Judicial review streamlining and maintenance of effort language

Table 2. Bill Status for Positions Taken in the 2025-26 Session

Below are updates for the two-year bills for which the Transportation Authority has taken a position or identified as a bill to watch. Updates to bills since the Board's last state legislative update are italicized.

Adopted Positions / Monitoring Status	Bill # Author	Bill Title and Description	Update to Bill Status[1] (as of 09/15/2025)
Support	AB 891 Zbur D	**Quick-Build Pilot Program.** Establish a state Quick-Build Pilot Program and commit to funding a minimum of 6 quick-build improvements statewide by the end of 2028.	Dead
	AB 1085 Stefani D	**License plates: obstruction or alteration.** Prohibits manufacturing and sale of devices that shield license plates from detection.	Enrolled
	AB 1532 Communications and Conveyance Committee	**Public Utilities Commission.** Among other things, extends the expiration date of the TNC Access for All program from 2026 to 2032.	*Enrolled*
	SB 63 Wiener D, Arreguín D	**San Francisco Bay area: local revenue measure: transportation funding.** Authorizes MTC to pursue a regional revenue measure for transit.	*Enrolled*
	SB 71 Wiener D	**California Environmental Quality Act: exemptions: environmental leadership transit projects.** Makes permanent and extends the sunset date for certain existing California Environmental Quality Act (CEQA) exemptions for specified types of sustainable transportation plans and projects.	*Enrolled*

	SB 572 Gonzalez D	**Vehicles: advanced driver assistance system: crash reports.** Requires manufacturers of Level 2 autonomous vehicles to report crash data to the Department of Motor Vehicles (DMV) if no longer required at the federal level.	Dead
Watch	AB 939 Schultz D	**The Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026.** Places a $20 billion state transportation bond measure on the November 2026 ballot.	Two-Year Bill

[1]Under this column, "Chaptered" means the bill is now law, "Dead" means the bill is no longer viable this session, and "Enrolled" means it has passed both Houses of the Legislature. Bill status at a House's "Desk" means it is pending referral to a Committee, and "Two Year Bill" means the bill didn't meet its statutory deadlines but is eligible to proceed in the second year of the two-year session.

Supplemental Materials:

- Attachment 1 – MTC Summary of Senate Bill 63
- Attachment 2 – MTC SB 63 Funding Distribution Tree

ATTACHMENT 1

MTC Summary of Senate Bill 63: Public Transit Revenue Measure

September 12, 2025

SB 63 authorizes placement of a 14-year regional transportation sales tax on the November 2026 ballot in Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara counties. The measure would generate approximately $1 billion annually to sustain and improve public transit. It could be placed on the ballot either through action by a newly formed Public Transit Revenue Measure District (governed by the MTC board) or via a citizen's initiative.

Summary of the Public Transit Revenue Measure Authorized by SB 63

Geography	The five counties of Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara
Ballot	November 2026
Revenue Mechanism	Sales tax
Tax Rate	½ cent in Alameda, Contra Costa, San Mateo and Santa Clara; 1 cent in San Francisco
Duration	14 years
Expenditures	Detailed expenditure plan prescribed in statute (see below). Funds are directed to transit agencies and county transportation entities serving the geography of the district as well as to MTC to invest in transit rider-focused improvements.
Funding Eligibility	Public transit operations, transit capital, rider-focused investments to make transit more affordable, accessible, faster and easier to use, and repaving of roads serving fixed route public transit.
Accountability	Independent oversight committee, financial efficiency study, maintenance of effort requirement (prohibiting supplanting of existing transit operations funding) and county-led adjudication of transit agency performance concerns ensure taxpayer accountability.

Expenditure Plan

The bill includes a detailed expenditure plan that prescribes the share of annual funding to be provided to transit agencies providing service in the five counties, county transportation agencies, and to MTC for rider-focused transit improvements (fare affordability programs, including Clipper® START and free and reduced-cost transfers, accessibility improvements, mapping and wayfinding and transit priority projects and programs).

SB 63 defines how much funding each recipient will receive based on a percentage of revenue generated by each county in the Public Transit Revenue Measure District. This reflects the bottom-up nature of how the expenditure plan was developed, with careful consideration of local perspectives regarding how much funding each county should contribute to specific transit agencies.

Some recipients receive funds directly via a transfer of funds from the District with no authority for the funds to be conditioned based on performance factors (Alameda County Transportation Commission, Contra Costa Transportation Authority, SamTrans and Santa Clara Valley Transportation Authority). For all others, the funds are transferred to MTC for allocation to the recipients consistent with the expenditure plan. MTC is required to ensure compliance with certain accountability provisions, which are described in the “accountability” section below. On matters of transit agency performance, determinations regarding any corrective actions or withholding of funds are made by a subset of Commissioners representing counties that contribute new tax revenues to that transit agency. Attachment A depicts the funding flow.

Public Transportation Revenue Measure Expenditure Plan

(Funding Estimate by Recipient)

Fund Recipient/Purpose	**Fiscal Year 2031 Estimate*** ($ in millions)
BART operations	$330
Santa Clara Valley Transportation Authority (VTA) transit capital, operating and repaving streets with bus routes**	$264
San Francisco Municipal Transportation Agency operations	$170
Caltrain operations	$75
AC Transit operations	$51
SamTrans transit capital, operating and repaving streets with bus routes**	$50
Small transit agency operations [SF Bay Ferry, County Connection, WestCat, TriDelta Transit, Livermore Amador Valley Transit Authority (LAVTA), Union City Transit]	$29
Contra Costa Transportation Authority (CCTA) transit capital, operating and repaving streets with bus routes**	$26.5
Alameda County Transportation Commission (ACTC) transit capital, operating and repaving streets with bus routes**	$10.3
Transit rider-focused improvement programs through MTC**	$46.4
Public Transit Revenue Measure District Administration**	$2.3
Total	$1,054.5

*Based on fiscal year 2031 estimates of the percentage shares provided for in the legislation, as provided by authors. Estimates are based on technical assistance provided by county transportation agencies to bill authors.

** These recipients receive funds directly from the District.

What does SB 63 mean for Bay Area Residents?

Economic and Mobility Benefits

Bay Area transit riders take more than 1 million trips each day, with over 80 percent of those trips on just four systems: BART, SF Muni, Caltrain and AC Transit. Riders include tens of thousands of K-10 students, seniors and individuals with disabilities, and low-income residents who can’t afford to own a car. The Bay Area’s $1.2 trillion economy depends on a wellfunctioning transit system. Even a small shift of transit riders to solo driving would overwhelm the region's roadways – research shows that just 3 to 5 percent fewer vehicles on the road can cut traffic delays by 50 to 70 percent. Bay Area transit supports good paying jobs. Thousands of workers are directly employed by transit systems proposed to be funded through the measure and planned transit modernization and expansion projects can create tens of thousands more jobs, but those projects only make sense if the core system is operational. SB 63 will allow voters to decide if they want to prevent devastating cuts to transit service and instead invest in a stronger, more reliable system.

Sustaining and Enhancing Transit, Including Road Repairs on Routes that Serve Transit

Approximately 60 percent of the measure is dedicated to BART, Muni, Caltrain, AC Transit, San Francisco Bay Ferry and other small transit agencies providing service in the district to keep buses, trains and ferries moving. About one-third is guaranteed to Santa Clara VTA, SamTrans, Alameda County Transportation Commission, and Contra Costa Transportation Authority, with flexibility to use funds for transit capital, operations, or pavement projects on roads with regular bus service.

Transit Rider-Focused Improvements

A little less than 5 percent of the funds will be dedicated to improving transit affordability, accessibility, and ease of use – priorities identified in the 2021 Bay Area Transit Transformation Action Plan. These initiatives are already underway on a pilot basis through the Bay Area's Regional Network Management framework, a collaboration between MTC and transit agencies. Funding from this measure will accelerate their deployment and long-term expansion for even greater benefits.

The suite of rider-focused improvements includes:

- Free and reduced transfers that could save multi-agency riders up to $1,500 per year. On a regional basis, this is estimated to increase ridership by approximately 30,000 trips per day.
- Expansion of the Clipper® START program, which provides a 50 percent means-based fare discount, to extend this savings to an estimated 100,000 additional low-income adults.
- Transit access improvements for seniors and individuals with disabilities
- Transit-priority projects to make bus trips faster and more reliable and mapping and wayfinding improvements to make transit easier to use.

Finally, the bill includes a strict 0.22 percent cap on administration, maximizing the share of revenue used for improving and sustaining transit service.

SB 63 Accountability Provisions

The bill includes provisions aimed at ensuring accountability to taxpayers, transit riders, and local government partners through:

1. **Independent Oversight Committee:** The bill requires the district to establish an independent oversight committee to ensure expenditures are consistent with the statute. Membership will include at least one representative of each county comprising the district, appointed by each county's board of supervisors.

2. **Financial efficiency requirements:** BART, Muni, Caltrain, and AC Transit must undergo a two-phase independent third-party financial efficiency review overseen by an

Oversight Committee composed of four independent experts, four transit agency representatives, and a Commissioner from within the district's geographic boundaries. MTC is responsible for procuring the third-party consultant to conduct the review, staffing the Oversight Committee. Each transit agency identifies the efficiency measures it will implement, with a new Oversight Committee responsible for reviewing and approving those commitments. Funds are conditioned upon the Commission determining a transit agency's ongoing compliance with the implementation actions.

3. **Maintenance of effort:** BART, Muni, Caltrain, AC Transit, Golden Gate Transit, SF Bay Ferry and Alameda County and Contra Costa County small bus operators must maintain existing levels of operations funding so the measure augments, rather than replaces, current resources dedicated to transit operations. The Commission must verify compliance before allocating funds. This provision allows for exceptions under specified circumstances, such as allowing the use of funds previously used for operations for state of good repair, subject to Commission approval.

4. **Enhanced Transit Agency Accountability via Ad Hoc Adjudication Committees:** Empowers counties in the geography of the district to ensure their taxpayers are treated fairly by BART, Muni, Caltrain and AC Transit. A county transportation agency or board of supervisors may petition to establish an ad-hoc adjudication committee if a transit agency is not applying standards, policies and commitments related to key operational and maintenance issues (such as service levels, fare policy, cleanliness, maintenance, access, and safety) consistently across counties or if such standards, policies or commitments disproportionately disadvantage service or state of good repair in a county without compelling justification. The committee is composed solely of representatives from counties contributing revenue measure funds to the transit agency under review. Its determinations are binding and may result in withholding up to 7 percent of the transit agency's funds. The process includes an initial 3.5 percent withholding with a 90-day period for corrective action; if the issue is not resolved, an additional 3.5 percent may be withheld.

ATTACHMENT 2

SB 63 Funding Distribution Tree

September 12, 2025