



County of San Mateo

Inter-Departmental Correspondence

Department: BOARD OF SUPERVISORS
DISTRICT 1
File #: 18-905

Board Meeting Date: 10/2/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Board President David Pine and Supervisor Warren Slocum
Subject: Opposition to State Proposition 6 on November 6, 2018 Ballot

RECOMMENDATION:

Adopt a resolution opposing Proposition 6 on the November 6, 2018 ballot, joining with the Coalition to Protect Local Transportation Improvements, a diverse coalition of local government, business, labor, transportation and other organizations throughout the state.

BACKGROUND:

In April 2017 the Legislature enacted Senate Bill 1, sponsored by Senator Jim Beall. This landmark transportation bill provides approximately \$5 billion per year in ongoing state funding after decades of underinvestment by the state. The primary goal of SB 1 was to restore the condition of the state highway and local road systems, which face maintenance backlogs of \$59 billion and \$78 billion respectively. While state and local roadway maintenance projects receive the vast majority of SB 1 funds, the law also provides vital new funding for enhanced travel options and congestion reduction. It establishes the Corridor Mobility Improvement Program that rewards local jurisdictions with voter-approved funding for transportation, plus provides funding increases for existing transit and intercity rail, a Trade Corridors Improvement Program and the Local Partnership Program, State Transit Assistance and Active Transportation programs.

SB 1 is funded by adjustments to roadway user fees assisted on gasoline, diesel fuel and motor vehicles. Proposition 69-approved by 81 percent of voters in June 2018-added a provision to the California Constitution ensuring that all SB 1 funding sources are protected from diversion to the General Fund or to any non-transportation purpose. New revenue measures contained in SB 1 include:

- A 12 cent/gallon increase in the state's gasoline excise tax. This amounts to an inflation adjustment to restore the purchasing power lost since the gas tax was last raised in 1994.
- A Transportation improvement Fee, an annual vehicle registration surcharge which varies

based on the value of the vehicle and depreciates over time.

- A zero-emission vehicle registration surcharge of \$100 per year
- A 10-cent/gallon increase in the diesel excise tax
- A 4 percent rate increase in the sales tax on diesel fuel

Proposition 6 would repeal each of these sources of transportation funding.

Impacts On San Mateo County:

SB 1 funds will provide critical dollars to San Mateo County, including but not limited to, \$21.55 million to fix potholes and address the maintenance backlog and improve safety on local roads. It will provide a contribution of \$164 million to upgrade and improve Caltrain service, \$250 million to address congestion on US 101, \$14.5 million towards bridge safety and repair traffic devices on state highways, \$4.5 million towards bicycle, pedestrian and safe routes to school improvements and \$1.83 million for climate change adaptation planning to protect the transportation network from the effects of climate change.

Accountability Measures:

SB 1 contains strong accountability provisions to streamline projects by cutting bureaucratic redundancies and red tape to ensure transportation funds are spent efficiently and effectively, while also establishing the independent office of Transportation Inspector General to perform audits, improve efficiency and increase transparency.

FISCAL IMPACT:

The repeal of SB 1 would lead to the loss of substantial new funding for critical infrastructure projects for San Mateo County and for the cities within the County. There is no other direct impact on the County budget.