



SB-595 Metropolitan Transportation Commission: toll bridge revenues. (2017-2018)

Current Version: 07/03/17 - Amended Assembly

Compared to Version: 05/26/17 - Amended Senate ▼

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SECTION 1. The Legislature finds and declares all of the following:

(a) The San Francisco Bay area's strong economy and growing population are placing a tremendous burden on its aging transportation infrastructure. Between 2010 and 2040, the population is forecasted to grow by 2.3 million, while the number of jobs are projected to grow by 1.3 million.

(b) Traffic congestion on the region's seven state-owned toll bridges degrades the bay area's quality of life, impairs its economy, and shows no signs of abating. Between 2010 and 2015, combined volumes on the region's seven state-owned toll bridges grew by 11 percent, while volumes on just the Dumbarton Bridge, the Richmond-San Rafael Bridge, and the San Mateo-Hayward Bridge grew by 20 percent.

(c) In 2015, five of the region's top 10 worst congested roadways were in the South Bay (San Mateo or Santa Clara Counties).

(d) In the San Francisco-Oakland Bay Bridge corridor from Hercules to San Francisco, weekday traffic speeds average less than 35 mph from 5:35 a.m. until 7:50 p.m.

(e) Weekday congestion on the west approach to the San Francisco-Oakland Bay Bridge in the eastbound direction typically begins before 1 p.m. and continues until 9:30 p.m.

(f) Weekday northbound traffic congestion on State Highway Route 101 from Novato to Petaluma begins by 3 p.m. and typically lasts over three hours.

(g) Daily peak-hour traffic on State Highway Route 37 between Marin and Solano Counties jumped over 40 percent from 2010 to 2015.

(h) The region's only rail link across San Francisco Bay, the Bay Area Rapid Transit District (BART), is 44 years old and faces multibillion-dollar capital funding shortfalls to accommodate growing ridership and achieve a state of good repair. Meanwhile, BART ridership is at record levels, exceeding 128 million in fiscal year 2016, a 27-percent increase from fiscal year 2010.

(i) Annual ridership on ferries from Alameda, Oakland, and Vallejo to San Francisco and South San Francisco more than doubled between 2010 and 2016, from 1.1 million to 2.5 million.

(j) Ridership on the weekday transbay bus service provided by the Alameda-Contra Costa Transit District rose 33 percent between 2012 and 2016.

(k) Truck traffic in and out of the Port of Oakland grew by 33 percent since 2000 and contributes to worsening congestion on the region's bridges and roadways. An estimated 99 percent of the containerized goods moving through northern California are loaded or discharged at the port.

(l) The last time bay area voters had the opportunity to approve new funding for improvements in the bridge corridors was in 2004, when voters approved Regional Measure 2, a \$1 toll increase.

(m) To improve the quality of life and sustain the economy of the San Francisco Bay area, it is the intent of the Legislature to require the Metropolitan Transportation Commission to place on the ballot a measure authorizing the voters to approve an expenditure plan to improve mobility and enhance travel options on the bridges and bridge corridors to be paid for by an increase in the toll rate on the seven state-owned bridges within its jurisdiction.

~~**SEC. 3. 2.** If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. It is the intent of the Legislature to authorize or create a transportation inspector general to conduct audits and investigations of activities involving any toll revenues generated pursuant to the regional measure described in Section 30923 of the Streets and Highways Code, if the voters approve that measure.~~

SEC. 3. Section 30102.5 of the Streets and Highways Code is amended to read:

30102.5. Consistent with Section 30918, the Bay Area Toll Authority shall fix the rates of the toll charge, except as provided in Sections 30921 and 30923, and may grant reduced-rate and toll-free passage on the state-owned toll bridges within the jurisdiction of the Metropolitan Transportation Commission.

SEC. 4. Section 30891 of the Streets and Highways Code is amended to read:

30891. The commission may retain, for its cost in administering this article, an amount not to exceed one-quarter of 1 percent of the revenues allocated by it pursuant to Section 30892 and of the revenues allocated by it pursuant to Sections 30913, 30914, and 30914.7.

SEC. 5. Section 30911 of the Streets and Highways Code is amended to read:

30911. (a) The authority shall control and maintain the Bay Area Toll Account and other subaccounts it deems necessary and appropriate to document toll revenue and operating expenditures in accordance with generally accepted accounting principles.

(b) (1) After the requirements of any bond resolution or indenture of the authority for any outstanding revenue bonds have been met, the authority shall transfer on a regularly scheduled basis as set forth in the authority's annual budget resolution, the revenues defined in subdivision (b) of Sections 30913, 30914, and 30914.7 to the commission. The funds transferred are continuously appropriated to the commission to expend for the purposes specified in subdivision (b) of Sections 30913, 30914, and 30914.7.

(2) For the purposes of paragraph (1), the revenues defined in subdivision (b) of Section 30913 and subdivision (a) of Section 30914 include all revenues accruing since January 1, 1989.

SEC. 6. Section 30914.7 is added to the Streets and Highways Code, to read:

30914.7. (a) If the voters approve a toll increase pursuant to Section 30923, the authority shall, consistent with the provisions of subdivisions (b) and (c), fund the projects and programs described in this subdivision that shall collectively be known as the Regional Measure 3 expenditure plan by bonding or transfers to the Metropolitan Transportation Commission. These projects and programs have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, from toll revenues of all bridges:

(b) (1) Not more than ____ percent of the revenues generated from the toll increase shall be made available annually for the purpose of providing operating assistance for transit services as set forth in the authority's annual budget resolution. The funds shall be made available to the provider of the transit services subject to the performance measures described in paragraph (2). If the funds cannot be obligated for operating assistance consistent with the performance measures, these funds shall be obligated for other operations consistent with this chapter.

(2) Prior to the allocation of revenue for transit operating assistance under paragraph (1), the Metropolitan Transportation Commission shall:

(A) Adopt performance measures related to fare-box recovery, ridership, or other indicators, as appropriate. The performance measures shall be developed in consultation with the affected project sponsors.

(B) Execute an operating agreement with the sponsor of the project. This agreement shall include, but is not limited to, an operating plan that is consistent with the adopted performance measures. The agreement shall include a schedule of projected fare revenues and any other operating funding that will be dedicated to the service. For any individual project sponsor, this operating agreement may include additional requirements, as determined by the commission.

(C) In an operating agreement executed pursuant to subparagraph (B), the Metropolitan Transportation Commission shall grant a project sponsor at least five years to establish new or enhanced service. The

Metropolitan Transportation Commission shall use a ridership forecast as the basis for performance measures adopted pursuant to subparagraph (A) and to establish performance measures in following years. If transit service does not achieve the performance targets within the timeframe granted to the project sponsor, the project sponsor shall notify the Metropolitan Transportation Commission, agree to a new timeframe determined by the commission to achieve the performance targets, and take needed steps to remedy the transit service to meet the performance standards. The Metropolitan Transportation Commission may take action to redirect funding to alternative project sponsors if the performance targets are not met within the new timeframe.

(c) (1) For all projects authorized under subdivision (a), the project sponsor shall submit an initial project report to the Metropolitan Transportation Commission before July 1, _____. This report shall include all information required to describe the project in detail, including the status of any environmental documents relevant to the project, additional funds required to fully fund the project, the amount, if any, of funds expended to date, and a summary of any impediments to the completion of the project. This report, or an updated report, shall include a detailed financial plan and shall notify the commission if the project sponsor will request toll revenue within the subsequent 12 months. The project sponsor shall update this report as needed or requested by the commission. No funds shall be allocated by the commission for any project authorized by subdivision (a) until the project sponsor submits the initial project report, and the report is reviewed and approved by the commission.

(2) If multiple project sponsors are listed for projects listed in subdivision (a), the commission shall identify a lead sponsor in coordination with all identified sponsors, for purposes of allocating funds. For any projects authorized under subdivision (a), the commission shall have the option of requiring a memorandum of understanding between itself and the project sponsor or sponsors that shall include any specific requirements that must be met prior to the allocation of funds provided under subdivision (a).

(d) If the voters approve a toll increase pursuant to Section 30923, the authority shall within 24 months of the election date include the projects in a long-range plan. The authority shall update its long-range plan as required to maintain its viability as a strategic plan for funding projects authorized by this section. The authority shall, by January 1, 2020, submit its updated long-range plan to the transportation policy committee of each house of the Legislature for review.

SEC. 7. Section 30915 of the Streets and Highways Code is amended to read:

30915. With respect to all construction and improvement projects specified in Sections 30913, 30914, and 30914.7, project sponsors and the department shall seek funding from all other potential sources, including, but not limited to, the State Highway Account and federal matching funds. The project sponsors and department shall report to the authority concerning the funds obtained under this section.

SEC. 8. Section 30916 of the Streets and Highways Code is amended to read:

30916. (a) The base toll rate for vehicles crossing the state-owned toll bridges within the geographic jurisdiction of the commission as of January 1, 2003, is as follows:

| Number of Axles | Toll |
|--------------------|---------|
| Two axles | \$ 1.00 |
| Three axles | 3.00 |
| Four axles | 5.25 |
| Five axles | 8.25 |
| Six axles | 9.00 |
| Seven axles & more | 10.50 |

(b) If the voters approve a toll increase, pursuant to Section 30921, commencing July 1, 2004, the base toll rate for vehicles crossing the bridges described in subdivision (a) is as follows:

| Number of axles | Toll |
|-----------------|---------|
| Two axles | \$ 2.00 |
| Three axles | 4.00 |
| Four axles | 6.25 |
| Five axles | 9.25 |

| | |
|--------------------|-------|
| Six axles | 10.00 |
| Seven axles & more | 11.50 |

(c) 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) by the amount approved by the voters pursuant to Section 30923. The authority may, beginning January 1, 2019, phase in the toll increase over a period of time and may adjust the toll increase for inflation based on the California Consumer Price Index after the toll increase has been phased in completely.

(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.

(e) Nothing in this section shall be construed to prohibit the adoption of either a discounted commute rate for two-axle vehicles or of special provisions for high-occupancy vehicles under terms and conditions prescribed by the authority in consultation with the department.

SEC. 9. *Section 30918 of the Streets and Highways Code is amended to read:*

30918. *(a) It is the intention of the Legislature to maintain tolls on all of the bridges specified in Section 30910 at rates sufficient to meet any obligation to the holders of bonds secured by the bridge toll revenues. The authority shall retain authority to set the toll schedule as may be necessary to meet those bond obligations. The authority shall provide at least 30 days' notice to the transportation policy committee of each house of the Legislature and shall hold a public hearing before adopting a toll schedule reflecting the increased toll rate.*

(b) The authority shall increase the toll rates specified in the adopted toll schedule in order to meet its obligations and covenants under any bond resolution or indenture of the authority for any outstanding toll bridge revenue bonds issued by the authority and the requirements of any constituent instruments defining the rights of holders of related obligations of the authority entered into pursuant to Section 5922 of the Government Code and, notwithstanding Section 30887 or subdivision (d) of Section 30916 of this code, or any other law, may increase the toll rates specified in the adopted toll schedule to provide funds for the planning, design, construction, operation, maintenance, repair, replacement, rehabilitation, and seismic retrofit of the state-owned toll bridges specified in Section 30910 of this code, to provide funding to meet the requirements of Sections 30884 and 30911 of this code, and to provide funding to meet the requirements of voter-approved regional measures pursuant to Sections 30914 and 30921 of this code.

(c) The authority's toll structure for the state-owned toll bridges specified in Section 30910 may vary from bridge to bridge and may include discounts for vehicles classified by the authority as high-occupancy vehicles, notwithstanding any other law.

(d) If the authority establishes high-occupancy vehicle lane fee discounts or access for vehicles classified by the authority as high-occupancy vehicles for any bridge, the authority shall collaborate with the department to reach agreement on how the occupancy requirements shall apply on each segment of highway that connects with that bridge.

(e) All tolls referred to in this section and Sections 30916, 31010, and 31011 may be treated by the authority as a single revenue source for accounting and administrative purposes and for the purposes of any bond indenture or resolution and any agreement entered into pursuant to Section 5922 of the Government Code.

(f) It is the intent of the Legislature that the authority should consider the needs and requirements of both its electronic and cash-paying customers when it designates toll payment options at the toll plazas for the toll bridges under its jurisdiction.

SEC. 10. *Section 30920 of the Streets and Highways Code is amended to read:*

30920. *The authority may issue toll bridge revenue bonds to finance any or all of the projects, including those specified in Sections 30913, 30914, and 30914.7, if the issuance of the bonds does not adversely affect the minimum amount of toll revenue proceeds designated in Section 30913 and in paragraph (4) of subdivision (a) of, and subdivision (b) of, Section 30914 for rail extension and improvement projects and transit projects to reduce vehicular traffic. A determination of the authority that a specific project or projects shall have no adverse effect will be binding and conclusive in all respects.*

SEC. 11. *Section 30922 of the Streets and Highways Code is amended to read:*

30922. *Any action or proceeding to contest, question, or deny the validity of a toll increase provided for in this chapter, the financing of the transportation program contemplated by this chapter, the issuance of any bonds secured by those tolls, or any of the proceedings in relation thereto, shall be commenced within 60 days from the date of the election at which the toll increase is approved. After that date, the financing of the program, the issuance of the bonds, and all proceedings in relation thereto, including the adoption, approval, and collection of the toll increase, shall be held valid and incontestable in every respect.*

SEC. 2. 12. *Section 30923 is added to the Streets and Highways Code, to read:*

30923. *(a) For purposes of the special election to be conducted pursuant to this section, the authority shall select an amount of the proposed increase in the toll rate, not to exceed three dollars (\$3), for vehicles crossing the bridges described in Section 30910 to be placed on the ballot for approval by the voters.*

~~(a)~~ *(b) The toll rate for vehicles crossing the bridges described in Section 30910 shall not be increased to the ~~_____ rate~~ rate described in subdivision (c) of Section 30916 prior to the availability of the results of a special election to be held in the City and County of San Francisco and the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma to determine whether the residents of those counties and of the City and County of San Francisco approve the toll increase.*

~~(b)~~ *(c) The revenue derived from the toll increase shall be used to meet all funding obligations associated with ~~_____~~ projects and ~~programs.~~ programs described in Section 30914.7. To the extent additional toll funds are available from the toll increase, the authority may use them for bridge rehabilitation and for projects and programs aimed at reducing congestion and improving travel options in the bridge corridors.*

~~(c)~~ *(d) (1) Notwithstanding any provision of the Elections Code, the Board of Supervisors of the City and County of San Francisco and of each of the counties described in subdivision ~~(a)~~ (b) shall call a special election to be conducted in the City and County of San Francisco and in each of the counties that shall be consolidated with the November ~~_____~~ 6, 2018, general election.*

(2) The following question shall be submitted to the voters as Regional Measure 3 and stated separately in the ballot from state and local measures: "Shall voters authorize the Regional Measure 3 expenditure plan that does the following:

(A) Directs revenues generated through the collection of bridge tolls to provide the following projects:

(B) Approves a _____ toll increase and authorizes the Bay Area Toll Authority, beginning January 1, 2019, to phase in the toll increase and to adjust that amount for inflation after the toll increase has been phased in completely, on all toll bridges in the bay area, except the Golden Gate Bridge?"

(3) The blank provision in the portion of the ballot question described in subparagraph (B) of paragraph (2) shall be filled in with the amount of the toll increase selected pursuant to subdivision (a).

~~(d)~~ *(e) The ballot pamphlet for the special election shall include a ~~detailed description~~ summary of the Regional Measure 3 expenditure plan ~~detailing regarding~~ the eligible projects ~~to be funded~~ and programs to be funded pursuant to Section 30914.7. The Metropolitan Transportation Commission shall prepare a summary of the Regional Measure 3 expenditure plan.*

~~(e)~~ *(f) The county clerks shall report the results of the special election to the authority. If a majority of all voters voting on the question at the special election vote affirmatively, the authority ~~shall adopt~~ may phase in the increased toll schedule ~~to be effective _____~~ beginning January 1, 2019, consistent with subdivision (c) of Section 30916.*

(g) If a majority of all the voters voting on the question at the special election do not approve the toll increase, the authority may by resolution resubmit the measure to the voters at a subsequent general election. If a majority of all of the voters vote affirmatively on the measure, the authority may adopt the toll increase and establish its effective date and establish the completion dates for all reports and studies required by Sections 30914.7 and 30950.3.

(h) (1) Each county and city and county shall share translation services for the ballot pamphlet and shall provide the authority a certified invoice that details the incremental cost of including the measure on the ballot, as well as the total costs associated with the election.

~~(f)~~ (2) The authority shall reimburse each county and city and county participating in the election for the incremental cost of submitting the measure to the voters. These costs shall be reimbursed from revenues derived from the tolls if the measure is approved by the voters, or, if the measure is not approved, from any bridge toll revenues administered by the authority.

(i) If the voters approve a toll increase pursuant to this section, the authority shall establish an independent oversight committee no later than January 1, 2020, to ensure that any toll revenues generated pursuant to this section are expended consistent with the applicable requirements set forth in Section 30914.7. The oversight committee shall include two representatives from each county within the jurisdiction of the commission. Each representative shall be appointed by the applicable county board of supervisors and serve a four-year term and shall be limited to two terms. The oversight committee shall annually review the expenditure of funds by the authority for the projects and programs specified in Section 30914.7 and prepare a report summarizing its findings. The oversight committee may request any documents from the authority to assist the committee in performing its functions.

(j) If voters approve a toll increase pursuant to this section, the authority shall annually prepare a report to the Legislature, in conformance with Section 9795 of the Government Code, on the status of the projects and programs funded pursuant to Section 30914.7.

(k) Except as provided in subdivision (c) of Section 30916 and Section 30918, the toll rates contained in a toll schedule adopted by the authority pursuant to this section shall not be changed without statutory authorization by the Legislature.

SEC. 13. *Section 30950.3 of the Streets and Highways Code is amended to read:*

30950.3. *(a) The authority shall prepare, adopt, and from time to time revise, a long-range plan for the completion of all projects within its jurisdiction, including those of the Regional Traffic Relief Plan described in subdivision (c) of Section 30914 and the Regional Measure 3 expenditure plan described in subdivision (a) of Section 30914.7.*

(b) The authority shall give first priority to projects and expenditures that are deemed necessary by the department to preserve and protect the bridge structures.

SEC. 14. *If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.*