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

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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: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

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

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

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

SEC. 2.

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SEC. 3. 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 providing for expenditures pursuant to subdivision (a) of Section 30912 and for operating assistance pursuant to subdivision (d) of Section 30914 and subdivision (c) of Section 30914.7 and 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 Section 30913 and Sections 30914, 30914.7, and 30914.8 to the commission. The funds transferred are continuously appropriated to the commission to expend for the purposes specified in subdivision (b) of Section 30913 and Sections 30914, 30914.7, and 30914.8. After the commission makes a determination that the projects and programs funded by the commission have been completed, the revenues transferred to the commission shall be expended by the commission for supplemental funding for the projects and programs identified in subdivision (a) of Section 30914.7 if the voters approve a toll increase authorized pursuant to Section 30923.

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(2) For 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. 3.

- SEC. 4. Section 30914.8 is added to the Streets and Highways Code, to read:
- 30914.8. (a) The Metropolitan Transportation Commission shall, from proceeds of the toll imposed pursuant to subdivision (f) of Section 30916 and transferred pursuant to Section 30911, provide funding to transit operators that provide service within the commission's geographic jurisdiction and that are experiencing a financial shortfall. A transit operator shall only be eligible to receive an allocation pursuant to this section if it operates fixed-route public transit-services services, including by bus, rail, or ferry, within the commission's geographic jurisdiction and does not directly receive the majority of its revenues from the Golden Gate Bridge, Highway, and Transportation District.
- (b) The commission shall annually distribute at least 90 percent of the revenues described in subdivision (a) to eligible transit operators in order to avoid service cuts and maintain operations, including safety, security, reliability, or cleanliness services and improvements. The commission may only allocate funds pursuant to this subdivision to a transit operator after it makes a determination that the funds are necessary to avoid service cuts relative to service levels provided by that transit operator during 2022–23 fiscal year. In providing allocations pursuant to this subdivision, the commission shall prioritize averting service cuts for transit operators that serve the highest number of transit riders. The commission shall also take into consideration the extent of local funding to support transit service and may also consider operator fares and other sources of revenue.
- (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.

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(d) The commission shall require each transit operator eligible to receive an allocation pursuant to this section to, on an annual basis, submit a five-year projection of its operating needs. This projection of operating needs shall be based on standardized assumptions and guidance developed by the commission in collaboration with transit operators. The commission may reasonably audit, request revision to, or directly amend operating needs projections if appropriate or necessary to ensure consistency of assumptions and fairness across transit operators.

SEC. 4.

- SEC. 5. 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:

17	Number of Axles	Toll
18	Two axles	\$1.00
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

(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:

29	Number of axles	Toll
30	Two axles	\$ 2.00
31	Three axles	4.00
32	Four axles	6.25
33	Five axles	9.25
34	Six axles	10.00
35	Seven axles & more	11.50

(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

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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.

- (2) Revenue generated from the adjustment of the toll to account for inflation pursuant to paragraph (1) may be expended for the following purposes:
- (A) Bridge maintenance and rehabilitation necessary to preserve, protect, and replace the bridge structures consistent with subdivision (b) of Section 30950.3.
- (B) Supplemental funding for the projects and programs authorized 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.
- (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.
- (f) (1) Beginning January 1, 2024, and until December 31, 2028, 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 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 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 SEC. 5.
- 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 finance any or all of the projects and purposes, including those

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specified in Sections 30913, 30914, 30914.7, and 30914.8, 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 or purposes shall have no adverse effect will be binding and conclusive in all respects.

SEC. 7. Section 40258 of the Vehicle Code, as added by Section 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.
- (2) Notwithstanding paragraph (1), the schedule of toll evasion penalties for a toll evasion violation on a San Francisco Bay area state-owned toll bridge shall not exceed five dollars (\$5) for the notice of toll evasion violation, and shall not exceed ten dollars (\$10) for the notice of delinquent toll evasion violation for a cumulative total of fifteen dollars (\$15) for each individual toll evasion violation. For purposes of this paragraph, "San Francisco Bay area state-owned toll bridge" means any of the toll bridges described in Section 30910 of the Streets and Highways Code.

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- (3) Notwithstanding paragraph (1), paragraphs (1) and (2), the schedule of toll evasion penalties may include any administrative 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 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.
- (c) The maximum penalty for each toll evasion violation included in a notice of toll evasion for either a toll highway, toll road, or express lane shall be sixty dollars (\$60). The maximum

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cumulative toll evasion penalty shall not exceed one hundred dollars (\$100) for each individual toll evasion violation.

- (d) Toll evasion penalties under this article shall be collected as civil penalties.
- (e) The amounts specified in this section may be adjusted periodically by an issuing agency at a rate not to exceed any increase in the California Consumer Price Index as compiled and reported by the Department of Industrial Relations.
- (f) An issuing agency shall waive the toll evasion penalty for a first violation with the issuing agency if the person contacts, as applicable, the issuing or processing agency customer service center within 21 days from the mailing of the notice of toll evasion violation, and the person is not currently an accountholder with the issuing agency, signs up for an account, and pays the outstanding toll.
- (g) This section shall become operative on July 1, 2024.
 SEC. 6.
- SEC. 8. 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.