San Mateo County Transit District Staff Report

To: Legislative Committee

Through: April Chan, General Manager/CEO

From: Emily Beach, Chief Communications Officer

Subject: Receive Senate Bill 63 Update

a. San Mateo County Polling Updates

b. Presentations From Transit Agencies Seeking Senate Bill 63 Funding Regarding

Their Fiscal Conditions

d. Senate Bill 63 Opt In Decision - Discussion

Action

Staff proposes the Committee receive:

- 1. An update from public opinion research and consulting firm EMC Research on a poll conducted for the San Mateo County Transportation Authority (TA) on regional and local transportation sales tax feasibility and opinions.
- 2. Presentations by representatives of the Peninsula Corridor Joint Powers Board (Caltrain) and the San Francisco Municipal Transportation Authority (SF Muni) on their respective agencies' financial conditions, revenue generation and cost containment efforts.
- 3. A related update from staff.

Significance

Several San Francisco Bay Area transit operators – including Caltrain, Bay Area Rapid Transit (BART) and SF Muni, all of which serve San Mateo County – are facing significant budget deficits, rhetorically referred to as "fiscal cliffs." Senator Scott Wiener has introduced Senate Bill (SB) 63 to authorize a regional sales tax measure to be put before Bay Area voters in hopes of minimizing or avoiding public transit service reductions and other cuts as a result of these deficits. As currently drafted, SB 63 would authorize a tax measure to be placed on the November 2026 ballot, take effect in 2027, and last between 10 and 15 years.

SB 63 passed the Senate on June 2, 2025 and will be heard next in the Assembly Transportation Committee. The San Mateo County Transit District (District) Board of Directors (Board) must determine by August 11 whether San Mateo County will "opt in" to SB 63 – thereby joining the potential regional measure – and, if so, at a 1/4 cent or 1/2 cent sales tax rate. Either of these new taxes would increase the tax rate in multiple San Mateo County cities to over 10 percent.

The above-referenced presentations are intended to inform the Board's decision on whether to "opt in" to SB 63 at its August 6 meeting.

Budget Impact

There is no budget impact associated with these presentations.

Background

Staff and leaders of the District and TA Boards of Directors are working together, along with staff and board leaders of the City/County Association of Governments of San Mateo County (C/CAG), to determine whether San Mateo County should opt in to SB 63 or, in the alternative, whether to attempt to help regional transportation agencies operating in San Mateo County another way, such as through a ballot measure to renew and potentially increase TA's Measure A sales tax, which will expire in 2033.

At its May 7, 2025 meeting, the Board authorized the District to enter into an agreement under which TA could utilize the District's agreement with EMC to gauge San Mateo County voters' potential support for a regional funding measure, as well as renewal of Measure A. EMC, on behalf of TA, conducted this poll between May 14 and June 1, 2025. EMC's findings are based on 2,400 interviews countywide.

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Community Affairs