

**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**

Action

Staff propose the Committee receive an update about the status of Senate Bill (SB) 63 and proposed amendments.

Significance

Several San Francisco Bay Area transit operators – including Caltrain, Bay Area Rapid Transit District (BART) and San Francisco Municipal Transportation Agency (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 because 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 14 years.

At its August 6, 2025 meeting, the San Mateo County Transit District (District) Board of Directors (Board) voted to opt in to SB 63 with a 1/2 cent tax rate (8 ayes, 1 no) in accordance with the following motion:

Adopt a motion exercising San Mateo County’s option to join the SB 63 Regional Transportation Tax Measure with a 1/2 cent tax rate. Also, instruct the Bay Area delegation:

(a) to advance SMCTD’s proposed alternative to the SB 63 expenditure plan (with a lower attribution of San Mateo County revenues to SF Muni and a higher “return-to-source” allocation to facilitate San Mateo County’s increased contribution to Caltrain), and

(b) there will be oversight and accountability measures to ensure San Mateo County has fair and meaningful representation in oversight and that the County benefits fairly from its attributions to SF Muni and BART, while

(c) preserving San Mateo County’s ability to participate in the measure.

Budget Impact

There is no budget impact associated with these presentations.

Background

During its deliberations about SB 63, the Board prioritized oversight and accountability measures and a reduced contribution to San Francisco Municipal Transportation Agency (SF Muni) from San Mateo County. As of September 2, 2025, there are no new amendments in print. Meanwhile, the authors continue to discuss elements related to accountability with various legislative colleagues and we anticipate new amendments by Friday, September 5, 2025.

The staff presentation will summarize current developments.

Prepared By: Jessica Epstein

Director, Government and
Community Affairs

650-400-6451



Regional Transit Measure

Item #11.d.
9/3/2025



SamTrans Board Meeting | Jessica Epstein, Director
Government and Community Affairs | September 3, 2025

Item #11.d. Page 3

Agenda

- Motion Adopted on August 6, 2025
- Status of SB 63 Amendments
- Update on Cap and Invest Advocacy

SamTrans Board Action Aug. 6, 2025:

Opt In to SB 63 (8 ayes, 1 no)

Adopt a motion exercising San Mateo County's option to join the SB 63 Regional Transportation Tax Measure with a 1/2 cent tax rate. Also, instruct the Bay Area delegation:

- (a) to advance **SMCTD's proposed alternative to the SB 63 expenditure plan** (with a lower attribution of San Mateo County revenues to SF Muni and a higher "return-to-source" allocation to facilitate San Mateo County's increased contribution to Caltrain), and
- (b) there will be **oversight and accountability measures** to ensure San Mateo County has fair and meaningful representation in oversight and that the County benefits fairly from its attributions to SF Muni and BART, while
- (c) **preserving San Mateo County's ability to participate in the measure.**

SB 63 Remaining Steps

Process:

- Author shared proposed amendments; Assembly Appropriations Committee passed bill out of committee with no new amendments except addition of urgency clause; bill now requires 2/3 legislative vote to pass and would take effect immediately upon becoming law, allowing signature gathering to begin
- Accountability and other key issues currently being discussed
- Final amendments expected by end of week (9/4 or 9/5) – 9/5 is last day bill can be amended per normal legislative rules
- After release of amendments: Likely to return to Senate and Assembly Transportation Committees for up or down vote only
- 9/9: Last day bill can be amended with rule waiver
- 9/12: Deadline to pass legislature

Cap and Invest

- Name change from “Cap and Trade” to “Cap and Invest”
- Not part of SB 63 negotiations until associated by VTA
- VTA SB 63 action item not conditioned on Cap and Invest funding
- SamTrans:
 - Advocacy in coordination with California Transit Association (CTA) for preservation and expansion of Transit and Intercity Rail Capital Program (TIRCP), Low Carbon Transit Operations Program (LCTOP), and Affordable Housing and Sustainable Communities Program (AHSC)
- SMCTA:
 - Will have substantive discussion on Caltrain Corridor advocacy efforts in legislature to direct \$2.2M High Speed Rail funding to local capital projects