

Date of Hearing: January 8, 2018

ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

AB 1041 (Levine) – As Amended January 3, 2018

SUBJECT: Transportation funding: transportation improvement fee

SUMMARY: Specifies individuals that are not eligible to be members of the independent oversight committee created by the Bay Area Toll Authority (BATA) following the increase of bridge tolls approved by voters pursuant to Regional Measure 3 (RM3). Specifically, **this bill** restricts the following individuals from being appointed to membership of the oversight committee:

- 1) Members, former members, staff, or former staff of the Metropolitan Transportation Commission (MTC) or BATA;
- 2) Employees of any organization that has received or is receiving funding from MTC or BATA; or,
- 3) Former employees who, within one year, have worked for or contracted with any organization that has received or is receiving funding from MTC or BATA.

EXISTING LAW:

- 1) Establishes MTC as the transportation planning, coordinating, and financing agency for the nine-county San Francisco Bay Area.
- 2) Creates BATA, within MTC, to administer toll revenues collected on the seven state-owned Bay Area toll bridges (except for revenues derived from the \$1 seismic toll surcharge). BATA is governed by the same board as MTC.
- 3) Authorizes BATA to increase toll rates to meet bond obligations; to provide funds for the planning, design, construction, operation, maintenance, repair, replacement, rehabilitation, and seismic retrofit of the state-owned toll bridges; and to provide funding to meet requirements of two existing regional measures (RM1 and RM2).
- 4) Directs the San Francisco Bay Area counties to place on the ballot a third regional measure (RM3) that, if approved by a majority of the voters, would increase tolls on the seven state-owned toll bridges by up to \$3.
- 5) Upon approval of RM3, directs BATA to establish an independent oversight committee to ensure RM3 toll revenues are expended consistent with the authority being granted; prescribes the membership of the oversight committee to include two representatives from each county within MTC's jurisdiction, appointed by the applicable county board of supervisors, each representative to serve a four-year term on the oversight committee.

FISCAL EFFECT: Unknown

COMMENTS: San Francisco Bay Area voters have twice approved toll increases to date: RM1 in 1988 and RM2 in 2004. Revenue from RM1 was directed to fund a list of bridge and

public transit improvements. RM2 imposed a \$1 toll increase to fund a regional traffic relief plan for highway, transit, bicycle, and pedestrian projects in the bridge corridors and to provide operating funds for key transit services. Both RM1 and RM2 toll charges are levied in perpetuity. In addition to RM1 and RM2, existing toll rates include surcharges to pay for costs associated with seismically retrofitting and/or replacing the bridges.

In 2017, the Legislature passed and Governor Brown signed SB 595 (Beall), Chapter 650, Statutes of 2017, which directs the nine Bay Area counties to place RM3 on the ballot for voters to consider whether or not to increase bridge tolls. Among other things, SB 595 includes a list of projects to be funded by the new revenues, and also requires BATA to establish an independent oversight committee responsible for ensuring the RM3 revenues are expended consistent with that list.

According to the author, this bill clarifies language in SB 595 to help ensure the representatives on the oversight committee are not burdened in completing their assigned responsibilities “by undue influence from the agencies they are directed to oversee.” This bill is intended to assist in protecting voters and the agencies the oversight committee oversees from deviating from the original intent of SB 595.

REGISTERED SUPPORT / OPPOSITION:**Support**

None on file

Opposition

None on file

Analysis Prepared by: Eric Thronson / TRANS. / (916) 319-2093