



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 3e
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Memorandum

TO: Legislation Committee

DATE: April 7, 2017

FR: Executive Director

W. I. 1131

RE: SCA 6 (Wiener): Lower Vote Threshold for Local Transportation Taxes to 55 Percent

Background

Senate Constitutional Amendment (SCA) 6, authored by Senator Wiener, would lower the vote threshold for local special taxes dedicated to transportation from 2/3 to 55 percent. In 2000, voters passed Proposition 39, a similar constitutional amendment allowing school districts, community colleges and county offices of education to issue school bonds (capped at a certain amount based on the tax burden it would impose on property owners) by 55 percent. Similar proposals have been introduced in Sacramento virtually every year, including others specific to transportation. To date, few have progressed beyond the committee stage due to the challenge of the legislation itself obtaining two-thirds support of each house. MTC has traditionally endorsed this effort and given the current makeup of the Legislature – with Democrats constituting super-majorities in both chambers – the chance of this proposal reaching the Governor’s desk appears more feasible.

Recommendation: Support

Discussion

As you know, Bay Area voters are extremely generous and enthusiastic supporters of taxing themselves to help fund transportation improvements. It’s hard to imagine the dire straits our transportation system would face were this not the case. Local and regional funds comprise 70 percent of revenue in Plan Bay Area 2040’s Final Preferred Scenario, the majority of which were voter approved.

Nonetheless, there are parts of the region, such as Solano County, where a special local sales tax measure has been tried numerous times, but repeatedly fell short of the two-thirds margin. In 2016, Solano County attempted a general tax with an advisory measure indicating the intent to spend funds on transportation, but even that approach fell short of the lower majority-vote standard for general taxes due to concern the funds would be diverted. In addition, self-help counties seeking approval of measure extensions or increases face a tough road. In November 2012, Alameda County Transportation Commission lost support, by less than 1 percent, for Measure B1, which would have made an existing tax permanent and added another permanent ½-cent tax. Alameda County subsequently passed a new tax measure in November, 2014. Similarly, last November, Contra Costa County had a close defeat of Measure X, a 30-year local sales tax measure, which won 62 percent support, falling short of the two-thirds margin by less than 5 percent.

In recognition that this proposed constitutional amendment would help ensure passage of future local transportation measures which will remain the largest component of the region's transportation funding portfolio for the foreseeable future, staff recommends a support position on SCA 6.

Known Positions

Support

California Conference Board of the Amalgamated Transit Union
California Conference of Machinists
California Transit Association
San Francisco Bay Area Rapid Transit District
Teamsters

Oppose

California Association of Realtors
California Taxpayers Association
Howard Jarvis Taxpayers Association
Western States Trucking Association.



Steve Heminger

SH:rl