

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: September 13, 2018
To: ABAG Legislation Committee
From: Executive Director
Subject: **Proposition 6: Overview of Bay Area Impacts**

Proposition 6 ballot would cut funding for California's transportation system on a level that is hard to overstate. Its repeal of the \$5 billion in annual funding sources approved by Senate Bill 1 (2017) would cut state funding for the Bay Area's local roads – distributed directly to cities and counties – by over \$200 million per year. In most cases, local governments would lose about 40 percent of their local streets and roads funding. Without a replacement source of revenue, staff estimates that the region's pavement condition would deteriorate to the "at risk" level, driving up the cost of road repairs as well as the cost to motorists from driving on rough roads.

For public transit, operating funding from the State Transit Assistance Program would be cut in half, a loss of over \$150 million per year. Numerous high priority projects, including BART to Silicon Valley Phase 2, BART Transbay Core Capacity, San Mateo U.S. 101 Managed Lanes, the Marin-Sonoma Narrows and the Interstate 80/Interstate 680/State Route 12 Interchange would lose funds that were awarded through SB 1's competitive programs, creating significant funding gaps that would put their current schedules at risk, as illustrated in Attachment A. A flow chart detailing the source and uses of new SB 1 revenues is included in Attachment B.

If Proposition 6 passes, it would also be very difficult to replace the funds approved by SB 1. The measure provides that the Legislature will no longer have the authority to raise fees on fuel or vehicles without statewide voter approval. Local taxes dedicated to transportation are subject to a two-thirds vote and are generally geared towards congestion relief and transit expansion rather than state of good repair, which was the focus of SB 1. Lastly, given the condition of the federal Highway Trust Fund and the political climate in Washington, it's hard to imagine Congress augmenting California's funding by hundreds of millions of dollars, let alone \$5 billion per year.

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In July, the ABAG Executive Board voted to oppose Proposition 6. At your September meeting staff will present the attached presentation, a similar version of which will be presented to the MTC Legislation Committee, which highlights the specific impacts of Proposition 6 for Bay Area local roads, transit operators and specific high priority projects, including projects that received funding in the recently approved bridge toll measure, Regional Measure 3. A summary of the information we will present is contained in the attached PowerPoint presentation.



Steve Heminger

Attachments

- A. Map of SB 1 Competitively Funded Projects
- B. Flow chart of SB 1 Programs Prepared by CALCOG
- C. Transportation Funds at Risk: Proposition 6

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