

### Summary of Key Provisions for Regional Transportation Revenue Measure Enabling Legislation (Draft)

| TOPIC   | RECOMMENDATION   |
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| <b>Goal of Measure &amp; Expenditure Priorities</b> | Specify core goals of measure and expenditure categories (Transit Transformation, Safe Streets, Connectivity & Climate Resilience) in legislation. Given uncertainty on funding level to be authorized, defer recommendation on minimum shares for each expenditure category subject to further stakeholder and legislative engagement. Recommend including a "flexible" category to enable adjustments based on future needs and subject to changing circumstances.   |
| <b>Accountability</b>                               | <p>To deliver customer-facing priorities as soon as possible, establish MTC as the Regional Transit Network Manager with oversight over fare payment, fare integration, schedule coordination, mapping &amp; wayfinding, real time transit information, and other customer-facing operating policies that would benefit from a regional approach (e.g. safety and workforce development) upon enactment of enabling legislation.</p> <p>Upon ballot measure's approval, require establishment of ballot measure oversight committee to ensure funds are spent according to statute and ballot measure.</p> |
| <b>Travel Demand Management Provision</b>           | Require, subject to voter approval, that large employers of 50 or more employees in the Bay Area that are located near transit provide the Clipper BayPass to their employees.   |
| <b>Geographic Area of Tax</b>                       | Authorize MTC or voter initiative to place on ballot within the nine counties or a subset of the nine counties.  |
| <b>Citizen Initiative Option</b>                    | Allow measure to be placed upon the ballot directly by MTC or by a qualified voter initiative (e.g., S.F.'s Measure C, 2018), subject to a simple majority vote. (This approach is consistent with SB 679 (Kamlager, 2022) establishing the Los Angeles County Regional Housing Finance Act.)  |
| <b>Timing &amp; Duration of Ballot Measure</b>      | Allow on ballot November 2026 or later, subject to no sunset (allowing option to include time limit or not, dependent upon later polling) as determined by MTC or voter initiative.  |

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| <b>Revenue Options &amp; Amount</b> | Authorize a menu of options subject to voter approval no sooner than 2026. Menu includes a square footage based parcel tax, income tax, payroll tax and sales tax. Also authorize a regional vehicle miles traveled (VMT) charge subject to prior adoption of a statewide road usage charge and a vehicle registration charge (with higher rates based on vehicle's value) not sooner than 2030. Draft legislation without cap on tax rates to allow for further negotiation and discussions with the Legislature. Allow repeat ballot measure attempts and successive ballot measures. |
| <b>Funding Distribution</b>         | Specify intent to consider need and geographic balance in funding distribution. Defer specifics on distribution within each expenditure category subject to further legislative and stakeholder engagement.   |