

Sales Tax to Fund Transportation Projects*

Digest by the Ballot Simplification Committee

Status: Draft for Consideration
On: Tuesday, July 26, 2020
Members: Packard, Anderson, Merrill, Patterson

Deadline to Request Reconsideration: TBD

The Way It Is Now: The City imposes a one-half cent sales tax to pay for transportation projects under a 30-year transportation spending plan approved by the voters at the November 4, 2003 election. The authorization for this tax will expire on March 31, 2034.

The San Francisco County Transportation Authority (TA) oversees the use of these sales tax funds. The TA may issue up to \$1.88 billion in bonds to be repaid from the sales tax funds.

State law limits the amount of revenue, including tax revenue, the TA can spend each year. State law authorizes San Francisco voters to approve increases to this limit to last for up to four years.

The Proposal: Proposition __ would continue the existing one-half cent sales tax until 2053.

Proposition __ would also replace the current transportation spending plan with a new 30-year plan through the end of the extended term of the tax. The new plan would cover transportation projects, after the completion of any required environmental review, such as:

- transit projects for Muni, BART, and Caltrain;
- a Caltrain extension to the Transbay Terminal;
- construction of a Bayview Caltrain station and a Mission Bay ferry landing;
- support for paratransit services;
- maintenance of streets, pedestrian and bicycle facilities, and traffic signs and signals;
- projects to improve freeway safety and speeds; and
- community-based projects, including in underserved neighborhoods and areas with vulnerable populations.

Under Proposition __, the TA may issue up to a total of \$1.91 billion in bonds to pay for these projects, to be repaid from the sales tax funds.

Proposition __ would also increase the state's limit on the TA's annual tax revenue spending by the amount of the one-half cent sales tax collected. The increased limit would last for four years.

A "YES" Vote Means: If you vote "yes," you want to continue the one-half cent sales tax until 2053 to pay for transportation projects described in a new 30-year spending plan, allow the Transportation Authority to issue up to \$1.91 billion in bonds to pay for these projects, and increase the total amount of money the Transportation Authority may spend each year for the next four years.

A "NO" Vote Means: If you vote "no," you do not want to make these changes.

**Working title, for identification only. The Director of Elections determines the title of each local ballot measure; measure titles are not considered during Ballot Simplification Committee meetings.*