Metropolitan Transportation Commission

Regional Network Management Committee

June 12, 2026 **Agenda Item 4a – 26-0622**

MTC Resolution No. 4767. Connect Bay Area Act - Senate Bill 63 (2025) Rider-Focused Improvements Expenditure Plan

Subject:

Overview of a proposed expenditure plan to guide the use of revenues focused on transit rider improvements from a future ballot measure authorized by the Connect Bay Area Act (Senate Bill 63 of 2025).

Background:

Senate Bill 63 (Wiener/Arreguín), the Connect Bay Area Act, was enacted in October 2025 and authorizes a transportation funding measure to be placed on the November 2026 ballot in Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara counties. An authorized measure would generate approximately $980 million annually to sustain and improve transit and would be funded by a 14-year regional transportation sales tax (0.5% in each county except San Francisco, where the rate would be 1%). Any measure would be administered by the newly established Public Transit Revenue Measure District (District), governed by the same board as the Metropolitan Transportation Commission (MTC).

The Connect Bay Area Act aims to:

- Prevent major service cuts on BART, Muni, Caltrain, and AC Transit resulting from budget shortfalls following the COVID-19 pandemic.
- Improve the transit rider experience by making transit more affordable, easier to navigate, and more accessible for all riders, including seniors and persons with disabilities.
- Make other transportation improvements in Alameda, Contra Costa, San Mateo and Santa Clara counties.

The Connect Bay Area Act, as enacted by the California Legislature, dedicates approximately 5% of total retail transactions and use tax revenues generated in Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara Counites to rider-focused improvements that aim to improve the rider experience and support increased ridership. Revenues from this 5% are statutorily dedicated to three broad expenditure categories as defined by law: 1) “Fare programs,

including free and reduced-cost transfers and expanding the Clipper START program"; 2) "Accessibility programs and projects"; and 3) "Mapping and wayfinding and transit priority projects and programs" (California Government Code Section 67750 § 10-12).

MTC Resolution No. 4767 proposes a Rider-Focused Improvements Expenditure Plan which is intended to serve as a guide to provide additional detail on the types of projects and programs that could be funded and delivered using funds from the rider-focused investment categories in the Connect Bay Area Act. The resolution also lays out a process for stakeholder engagement and Commission approval of a program of projects to be funded with rider-focused improvement revenues. Over the life of any voter-approved Connect Bay Area Act revenue measure, MTC Resolution No. 4767 may be amended by the Commission, within the parameters established by statute, to update specific project/program eligibility, to update the programming of funds process, or to reflect other changes as appropriate.

Issues:

None identified.

Recommendations:

Refer MTC Resolution No. 4767 to the Commission for approval.

Attachments:

- MTC Resolution No. 4767
- Attachment A: Connect Bay Area Act Senate Bill 63 (2025) Rider-Focused Improvements Expenditure Plan
- Attachment A: Presentation

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