LWVBA Pros and Cons
Regional Transit Measure

General Election — November 3, 2026 A Regional Sales Tax Measure

Measure would impose a sales tax in Alameda, **Contra Costa, San Francisco, San Mateo, and Santa Clara counties.**

The measure requires a simple majority vote for passage.

Ballot Question

To prevent major service cuts to BART and other transit, avoid increased traffic, and reduce pollution by:

- Preserving BART, Caltrain, VTA, SamTrans, AC Transit, Muni, **and** other transit **services** for everyone, including workers, students, seniors, and persons with disabilities;
- Supporting transit safety, cleanliness, affordability, and reliability;
- Repairing targeted roads and potholes; and
- Requiring financial transparency, oversight, and accountability;

shall the measure enacting a 0.5% sales tax in Alameda, Contra Costa, San Mateo, **and** Santa Clara counties and a 1% sales tax in San Francisco for 14 years, generating approximately $980,000,000 annually, be adopted?

The Situation

In 2025, the California Legislature passed SB 63 (Wiener/Arreguín), authorizing a transportation funding measure to be placed **on the November 2026 ballot** in Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara counties.

The legislation is intended to prevent major service cuts **to** BART, Muni, Caltrain, and AC Transit resulting from budget shortfalls following the COVID-19 pandemic.

It was also intended to improve the transit rider experience by making transit more affordable, easier to navigate, and more accessible **to all riders, including** seniors and persons with disabilities.

The legislation also authorized funding for other transportation improvements in Alameda, Contra Costa, San Mateo, and Santa Clara counties.

The 2026 California general election will be held on November 3, 2026.

The Proposal

The Bay Area’s transportation system is a vital component of the region’s economic vitality, environmental sustainability, and quality of life. Millions of residents rely on buses, ferries, commuter rail, and local transit services every day. Without a stable, long-term funding source, many of these essential services face significant reductions that would negatively ~~a~~ffect commuters, seniors, students, people with disabilities, and those who depend on public transportation as their primary means of mobility.

Regional challenges require regional solutions. Maintaining a connected transportation system benefits every community by supporting economic opportunity, reducing traffic congestion, improving mobility, and helping the region meet its climate goals.

The measure requires an independent oversight committee to confirm that revenues are distributed in accordance with the SB 63 expenditure plan.

The measure also includes county-level transit-agency accountability provisions~~.~~ If a transit agency fails to meet applicable standards relating to fares, service, station cleanliness, or maintenance, a county may convene a review committee composed of Metropolitan Transportation Commission commissioners from the affected counties. The committee would have the authority to withhold a portion of the agency’s measure funding until the identified problem is corrected.

In addition, SB 63 requires a deeper evaluation of transit-agency cost structures and strategies to support long-term financial sustainability.

Registrar of Voters:

> For the official ballot arguments for and against the measure, consult the voter information guide issued by the registrar of voters in each participating county.

Arguments For

1. **Prevents potentially severe transit cuts.** BART, Muni, Caltrain, and AC Transit face combined annual operating deficits exceeding $800 million. Without additional funding, the agencies warn of substantially less frequent service, station closures, higher fares, and shorter operating hours.
2. **Protects the regional economy.** Even people who rarely use transit benefit when employees, customers, and visitors can reach San Francisco and other employment centers. Major transit reductions would likely increase congestion on the Bay Bridge, Highway 101, and other regional corridors.
3. **Provides operating money, rather than merely capital funding.** Transportation funding frequently pays for construction while agencies lack sufficient money to operate existing services. SB 63 directly addresses that imbalance by supporting drivers, operators, maintenance, and service frequency.

4. **Includes useful passenger improvements.** Approximately 5% of the measure's revenue would support:
    - Free or reduced-cost transfers between transit operators;
    - Expansion of the Clipper START low-income discount;
    - Accessibility improvements for seniors and people with disabilities;
    - Better maps, signs, and coordinated transit information; and
    - Bus-priority and reliability projects.

    MTC estimates that improved transfers could generate roughly 30,000 additional transit trips per day.

5. **Establishes efficiency and accountability requirements.** SB 63 requires independent financial-efficiency reviews of BART, Muni, Caltrain, and AC Transit. Operators must respond with implementation plans and could have a portion of their funding withheld for noncompliance. The measure also requires an independent oversight committee.
6. **Benefits Marin without imposing a Marin sales tax.** Marin voters and purchases made in Marin are outside the taxing district. Nevertheless, Marin residents would benefit from maintaining BART, Muni, and Caltrain connections. Golden Gate Transit would receive a small allocation—0.40% of the revenue collected in San Francisco—for transit operations.

Arguments Against

1. **A sales tax is regressive.** Lower- and middle-income households generally spend a larger share of their income on taxable purchases. A **0.5% or 1%** increase therefore falls proportionately harder on households with limited incomes.
2. **Bay Area sales taxes are already high.** Some participating jurisdictions already have combined sales-tax rates near the statutory ceiling. Voters may regard another regional tax as excessive, particularly when household costs remain high.
3. **The measure may subsidize inefficient agencies.** Opponents argue that transit agencies should reduce administrative expenses, improve labor productivity, and make better use of their real estate before receiving nearly $1 billion annually. The efficiency reviews are valuable, but many of the strongest would take effect after voters approve the tax.
4. **It does not solve the underlying ridership problem.** The measure would fill operating deficits, but revenue alone may not restore riders lost because of remote work, public safety concerns, cleanliness problems, or inconvenient service. Agencies could remain dependent on subsidies if ridership does not recover.
5. **Accountability is complicated and somewhat limited.** SB 63 creates reviews, committees, and enforcement procedures, but governance remains divided among

numerous transit boards and MTC. It does not consolidate Bay Area transit agencies or establish a single, accountable regional operator.

6. **The allocation is largely predetermined.** Much of the money would be distributed according to formulas established in the legislation. That provides certainty but limits the ability to shift funding later toward the services producing the greatest ridership or public benefit.
7. **Benefits and taxation are geographically uneven.** Only five of the Bay Area's nine counties would participate. Marin, Napa, Sonoma, and Solano residents could benefit from the supported regional systems without paying the tax locally. Conversely, residents of participating counties may believe that too much of their tax money would support agencies or riders outside their immediate communities.
8. **It is a temporary solution.** The tax would expire after 14 years. Unless ridership, fare revenue, or another funding source improves, the region could confront another operating crisis when the measure ends.