

County Counsel's Impartial Analysis – Measure RR

The Peninsula Corridor Joint Powers Board (JPB or Caltrain) has placed Measure RR on the ballot, which would authorize a retail transactions and use tax (sales tax) of 0.125 percent (one-eighth cent) in the Counties of Santa Clara and San Mateo and the City and County of San Francisco (collectively “the Counties”) for a period of thirty (30) years, estimated to raise approximately \$100 million per year. The JPB is authorized to place Measure RR on the ballot under Section 7286.65 of the California Revenue and Taxation Code. Prior to placement on the ballot, submission of the measure to the voters was approved by the Boards of Supervisors for the three Counties and the governing boards of Santa Clara Valley Transportation Authority (VTA), San Mateo County Transit District (SamTrans), and San Francisco Municipal Transportation Authority (SFMTA).

Currently, Caltrain is primarily funded through passenger fares. Additional funding for Caltrain comes from member agency contributions from VTA, SamTrans, and SFMTA. The stated purpose of the sales tax is to establish a new, dedicated source of revenue to fund the operating and capital expenses of the Caltrain rail service, and for no other purposes. As stated in the full text of Measure RR, the tax proceeds from the measure will be prioritized as follows:

1. To support the operation of Caltrain service levels throughout the corridor from San Francisco to Gilroy;
2. To support the expansion of Caltrain peak hour service from six trains per hour per direction to eight trains per hour per direction, as well as the expansion of the Gilroy service to a minimum of five morning and five afternoon trains;
3. To develop and implement programs to expand access to Caltrain service and facilitate use of the system by passengers of all income levels;
4. To help leverage other local, regional, state and federal investments to advance capital projects necessary to implement the Caltrain Business Plan's 2040 Service Vision, adopted by Caltrain on October 3, 2019; and
5. To provide Caltrain with a steady stream of funding to support the annual operating, maintenance and capital needs of an electrified Caltrain service with increased frequency and capacity.

The tax will be administered and collected by the California Department of Tax and Fee Administration. An independent citizens' oversight committee will review the administration of the proceeds of the sales tax.

A “yes” vote is a vote to approve a sales tax of 0.125% within the Counties for thirty years.

A “no” vote is a vote to not approve the sales tax.

If at least two-thirds of all voters casting ballots vote “yes” on Measure RR, the sales tax will be approved.

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