Date of Hearing: July 1, 2026

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT
Juan Carrillo, Chair
SB 607 (Wiener) – As Amended June 8, 2026

SENATE VOTE: 37-0

SUBJECT: Golden Gate Bridge, Highway and Transportation District: contributions and loans.

SUMMARY: Authorizes the Golden Gate Bridge, Highway and Transportation District (District) to accept contributions and loans from the State and the United States for the purpose of financing capital improvements related to seismic safety on the Golden Gate Bridge (GGB), as specified. Specifically, **this bill**:

1) Provides that the District may accept contributions or loans from the United States or this state or any of its political subdivisions, or any department, instrumentality, agency, or authority of either thereof, for the purpose of financing capital improvements or modifications relating to seismic safety of the bridge.

2) Specifies that the District may authorize the acceptance of those contributions or loans in 1), above, by resolution, which shall specify the purposes for which the contribution or loan is being accepted, the maximum principal amount of the loan, and the maximum rate of interest to be payable on the loan, as applicable.

3) Provides that the District may do any and all things necessary in order to avail itself of that aid, assistance, and cooperation under any federal or state legislation now or hereafter enacted, including pledging toll revenues for the repayment of those loans and entering into contracts ancillary to those loans. Any evidence of specified indebtedness shall constitute a negotiable instrument.

4) Clarifies that this bill is a complete, additional, and alternative method for the District to authorize and accept a contribution or loan from an entity for the purposes specified herein and shall be regarded as supplemental and additional to all other powers conferred to the District by law.

EXISTING LAW:

1) Authorizes the formation of a bridge and highway district, prescribing related procedural and governance requirements, powers and duties, taxation, bonding, toll and financing authorities [Streets and Highways Code (SHC) § 27000, et seq.].

2) Authorizes a district to sell or issue bonds, if approved by a 2/3 vote threshold in a special election, and imposes related procedural and due process requirements (SHC § 27226).

3) Authorizes the use of toll revenues to pay any indebtedness or lien against a district (SHC § 27281).

4) Establishes the District as a special district to operate and maintain the GGB and two public transit systems (Golden Gate Transit and Golden Gate Ferry) connecting the counties of Marin, Sonoma, San Francisco, and Contra Costa (SHC § 27500).

5) Prohibits the District from issuing general obligation bonds, revenue bonds, or any other form of long-term indebtedness except to finance its interim system of buses and ferries or to finance capital improvements or modifications relating to seismic safety of the bridge (SHC § 27556).

FISCAL EFFECT: None.

COMMENTS:

1) **Bill Summary.** This bill authorizes the District to accept contributions and loans from the State and the United States for the purpose of financing capital improvements related to seismic safety on the GGB, as specified. This bill allows the District to accept those contributions or loans by resolution, which must specify the purposes for which the contribution or loan is being accepted, the maximum principal amount of the loan, and the maximum rate of interest to be payable on the loan, as applicable. Lastly, this bill provides that the District may pledge toll revenues for the repayment of those loans and may enter into contracts ancillary to those loans. The District is the sponsor of this bill.

2) **Author's Statement.** According to the Author, "The Golden Gate Bridge is a critical, iconic piece of infrastructure and symbol of our state. The bridge - constructed in a period of great adversity - was an engineering marvel of its time, and it continues to serve millions of people every year - whether they drive, ride the bus, walk, or bike on the bridge. By modernizing the Golden Gate Bridge District's ability to enter into long-term loan agreements, SB 607 will help ensure the Golden Gate Bridge remains safe, seismically resilient, and operational for generations to come."

3) **Golden Gate Bridge, Highway and Transportation District.** Formed in 1928, the District is a special district which operates and maintains the Golden Gate Bridge and two unified public transit systems, Golden Gate Transit and Golden Gate Ferry, connecting the counties of Marin, Sonoma, San Francisco, and Contra Costa. In 1969, the Legislature passed AB 584 (Foran), Chapter 584, Statutes of 1969, authorizing the District to develop a transportation facility plan for implementing a mass transportation program in the U.S. Highway 101/Golden Gate Corridor. This was to include any and all forms of transit, including ferry. At that time, the word "Transportation" was added to the District name to indicate its new commitment to public transportation. The District is required to have a board that consists of 17 members as follows:

   a) One director representing Del Norte County, one director representing Mendocino County, and one director representing Napa County, appointed by the board of supervisors of the respective represented county.

   b) Four directors representing Marin County, appointed by the board of supervisors. One of the directors must be an elected member of the board of supervisors, another must be an elected member of a city council of a city within Marin County, and another must be a member of the general public.

   c) Three directors representing Sonoma County, appointed by the board of supervisors. One of the directors may be an elected member of the board of supervisors, and another of the directors must be an elected member of a city council of a city within Sonoma County.

d) Nine directors, representing the City and County of San Francisco, eight of whom must be appointed by the board of supervisors, and one of whom must be appointed by the mayor. Four of the directors shall be elected members of the board of supervisors.

4) **Golden Gate Bridge Seismic Safety.** The Golden Gate Bridge spans the Golden Gate Strait linking the City of San Francisco and the counties to the north. Serving up to 40 million vehicles a year, it serves a vital transportation link for the San Francisco Bay Area. The Loma Prieta Earthquake was a magnitude of 7.1 on October 17, 1989. According to the District, "Immediately following the Loma Prieta quake, the District engaged a team of consultants to conduct a vulnerability study. The conclusion of the study was that under a Richter magnitude 7.0 or greater earthquake with an epicenter near the Bridge, it would experience severe damage that could close this important transportation link for an extended period. If a Richter magnitude 8.0 or greater earthquake centered near the Bridge, there would be a substantial risk of impending collapse of the San Francisco and Marin Approach Viaducts and the Fort Point Arch, and extensive damage to the remaining Bridge structures, including the Main Suspension Bridge. It must be noted that, as of July 2008, with the completion of the second phase of construction, the seismic retrofit of the Golden Gate Bridge is far enough along that the Bridge no longer faces the potential for collapse and until the entire retrofit is completed, the risk of significant damage to the Main Suspension Bridge remains.

"After determining that retrofitting the Bridge would be more cost-effective than replacing it, in 1992, the District hired engineering consultants to develop seismic retrofit design criteria. As part of this task, the site-specific design ground motions associated with different magnitudes of earthquakes and expected performance levels were defined as the basis for the Bridge retrofit design. The site-specific, moderate earthquake was defined as one having a 10 percent chance of being exceeded in a 50-year period or having an acceleration of 0.46g. The site-specific, maximum credible earthquake was defined as one having a return period of 1,000 years or having an acceleration of 0.65g, which is equivalent to the 1906 San Francisco earthquake of a magnitude 8.3 on the Richter scale."

In 1996, three construction phases were established as follows:

a) Phase 1: Retrofit the Marin (north) Approach Viaduct, which took place from 1997-2001, cost $71 million.

b) Phase 2: Retrofit the San Francisco (south) Approach Viaduct, San Francisco (south) Anchorage Housing, Fort Point Arch, and Pylons S1 and S2, which took place from 2001-2008, cost $189 million.

c) Phase 3A and 3B: Retrofit the Main Suspension Bridge and Marin (north) Anchorage Housing. Phase 3A took place from 2008-2014 and cost $125 million. The final phase includes upgrades to the 4,200-foot main span, two 1,125-foot side spans, the two 746-foot towers, and repainting of the South Tower. Construction Contract #1 for the final phase was awarded in December 2025 and is planned to be undertaken from 2026-2031. The budget for Contract #1 is $1.012 billion funded through a combination of:

   i) $396 million (39%) – Federal Bridge Investment Program (BIP).

   ii) $200 million (20%) – Federal Highway Bridge Program (HBP) (via Caltrans).

iii) $416 million (41%) – Local Bridge tolls.

Following completion of Contract #1 in 2031, the District plans to award Contract #2 (planned 2031-2036) for seismic retrofit of the Bridge's main center span, which is nearly twice the length of the two side spans. The estimated cost for Construction Contract #2 is approximately $1 billion.

5) **Financial Constraints.** According to the District, "The District is facing several pressures, creating an immediate need for long-term financing. The commitment of $416 million of tolls to Contract 1 will significantly reduce our reserves. Furthermore, downtown San Francisco is still recovering from the pandemic, which equates to less toll dollars. Weekday morning commute traffic remains approximately 25 percent below pre-pandemic levels, reducing toll revenues – the District's primary funding source -for Bridge operations, maintenance, and transit service.

   "Additionally, the District's bus drivers are in a standalone pension plan known as the Golden Gate Transit Amalgamated Retirement Plan (GGTARP). According to GGTARP's latest actuarial valuation report, GGTARP's funded ratio is 42.9 percent. The District will need the financial flexibility to provide additional funding to GGTARP. The ability to take on long-term debt for seismically retrofitting the Bridge would provide the District with the capacity to use a portion of its reserves to provide additional funding to GGTARP."

6) **Conduit Financing.** Some state and local agencies can serve as conduit bond issuers. For example, the California Infrastructure and Economic Development Bank (IBank) issues bonds on behalf of a borrower and then lends those proceeds to that borrower. The bonds are special, limited obligations payable by the borrower's payments with IBank serving as the conduit issuer.

7) **Policy Consideration.** According to the District, its ability to issue debt is significantly more restrictive than that of comparable public agencies. In order for the District to issue bonds, it must seek a two-thirds majority vote from all of its voters in 6 counties of Del Norte, Mendocino, Napa, Sonoma, Marin, and San Francisco (SHC § 27226). Existing law prohibits the District from issuing general obligation bonds, revenue bonds, "or any other form of long-term indebtedness" *except* for the necessity to finance its interim system of buses and ferries or the necessity to finance capital improvements or modifications relating to seismic safety of the bridge.

   The District is seeking legislation to authorize a streamlined form of borrowing that does not require full bond issuance authority and would allow the District to partner with conduit revenue bond issuers to finance the seismic improvements. Under this structure, the conduit issuer would issue bonds and enter into a loan agreement with the District, through which the proceeds of the bonds would be provided to the District. The District would make loan payments to the conduit issuer, and those funds would then be applied to repay the bonds. However, given its ability to issue debt under SHC § 27226, and as the District would not actually issue the bonds itself, the District may already have the authority to participate in such conduit financings. Given the information provided above, the Committee may wish to consider if the additional clarity that this bill would provide regarding the District's ability to incur debt is needed.

8) **Committee Amendment.** The Author has asked the Committee to make the following amendment to this bill:

SHC 27556(b). Notwithstanding subdivision (a) or any provision of Part 3 (commencing with Section 27000) of Division 16, the district may accept contributions or loans from the United States or this state or any of its political subdivisions, or any department, instrumentality, agency, or authority of either thereof, for the purpose of financing capital improvements or modifications relating to seismic safety of the bridge. The district may authorize the acceptance of those contributions or loans by resolution, which shall specify the purposes for which the contribution or loan is being accepted, the maximum principal amount of the loan, **the maximum duration of the loan,** and the maximum rate of interest to be payable on the loan, as applicable. The district may do any and all things necessary in order to avail itself of that aid, assistance, and cooperation under any federal or state legislation now or hereafter enacted, including pledging toll revenues for the repayment of those loans and entering into contracts ancillary to those loans. Any evidence of indebtedness issued under this section shall constitute a negotiable instrument. This subdivision is a complete, additional, and alternative method for the district to authorize and accept a contribution or loan from an entity for the purposes specified herein and shall be regarded as supplemental and additional to all other powers conferred to the district by law.

9) **Arguments in Support.** According to the District, the sponsor of this bill, "In December 2025 the Bridge District awarded Construction Contract 1 to retrofit the Bridge's north and south towers and side spans. Contract 1 is anticipated to employ on-site over 220 ironworkers, operating engineers, carpenters, and laborers as well as over 70 painters. Following completion of Contract 1 in 2031, the Bridge District plans to award Contract 2 for seismic retrofit of the Bridge's main center span, which is nearly twice the length of the two side spans.

"However, in order to address the needs of funding Contract 2 and other operating pressures, modernizing the Bridge District's authority to incur debt would allow the Bridge District to leverage toll revenues to efficiently manage cash flow needs. This authority is not new, and has been available to other cities, counties, and special districts for decades. The content of SB 607 is based on existing laws that allow for public agency debt financing.

"While existing law already provides cities, counties, and special districts with broad authority to use various forms of debt financing, the Bridge District's authorizing statute restricts the use of debt financing. SB 607 would afford the Bridge District the authority to authorize a streamlined form of borrowing that does not require full bond issuance authority. This would allow the Bridge District to partner with a conduit revenue bond issuer to finance seismic improvements.

"Senate Bill 607 will provide the Bridge District with the financial tools already available to other special districts and allow for the efficient use of resources to protect and maintain the Golden Gate Bridge for future generations."

Arguments in Opposition. None on file.

Double-Referral. This bill is double referred to the Transportation Committee, where it passed on 16-0 vote on June 22, 2026.

REGISTERED SUPPORT / OPPOSITION:

Support

Golden Gate Bridge, Highway and Transportation District [SPONSOR]
International Union of Operating Engineers, California-Nevada Conference

Opposition

None on file

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