



# **Government Finance and Administration Policy Committee Meeting**





# Agenda at a Glance

2:00 pm	Welcome and Introductions
2:05 pm	County Veterans Service Officers: Veterans' Local Lifeline
2:45 pm	Big Brother or Better Governing? The debate over public data in 2025
3:15 pm	Unlocking Local Dollars: Creative Revenue Solutions for Counties
3:50 pm	2026 GFA Legislative Advocacy Priorities
3:55 pm	2025 GFA Legislative Year in Review
4:00 pm	Adjourn

Please use this QR code to access meeting materials:



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# GFA Policy Committee Leadership



**Mani Grewal**  
Supervisor, Stanislaus  
County, Chair



**Anne Cottrell**  
Supervisor, Napa County,  
Vice Chair



**Angela Curro**  
Supervisor, San Benito  
County, Vice Chair



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# Advocacy Team

CSAC staff work diligently with legislators and their staff, as well as with local government partners to help shape the bills that impact counties.

Please reach out to the CSAC Advocacy Team to stay updated on the latest developments concerning the status and impact of pending legislation.

[www.counties.org/csac-advocacy](http://www.counties.org/csac-advocacy)



**Eric Lawyer**  
Senior Legislative Advocate  
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**Emma Jungwirth**  
Senior Legislative Advocate  
[ejungwirth@counties.org](mailto:ejungwirth@counties.org)

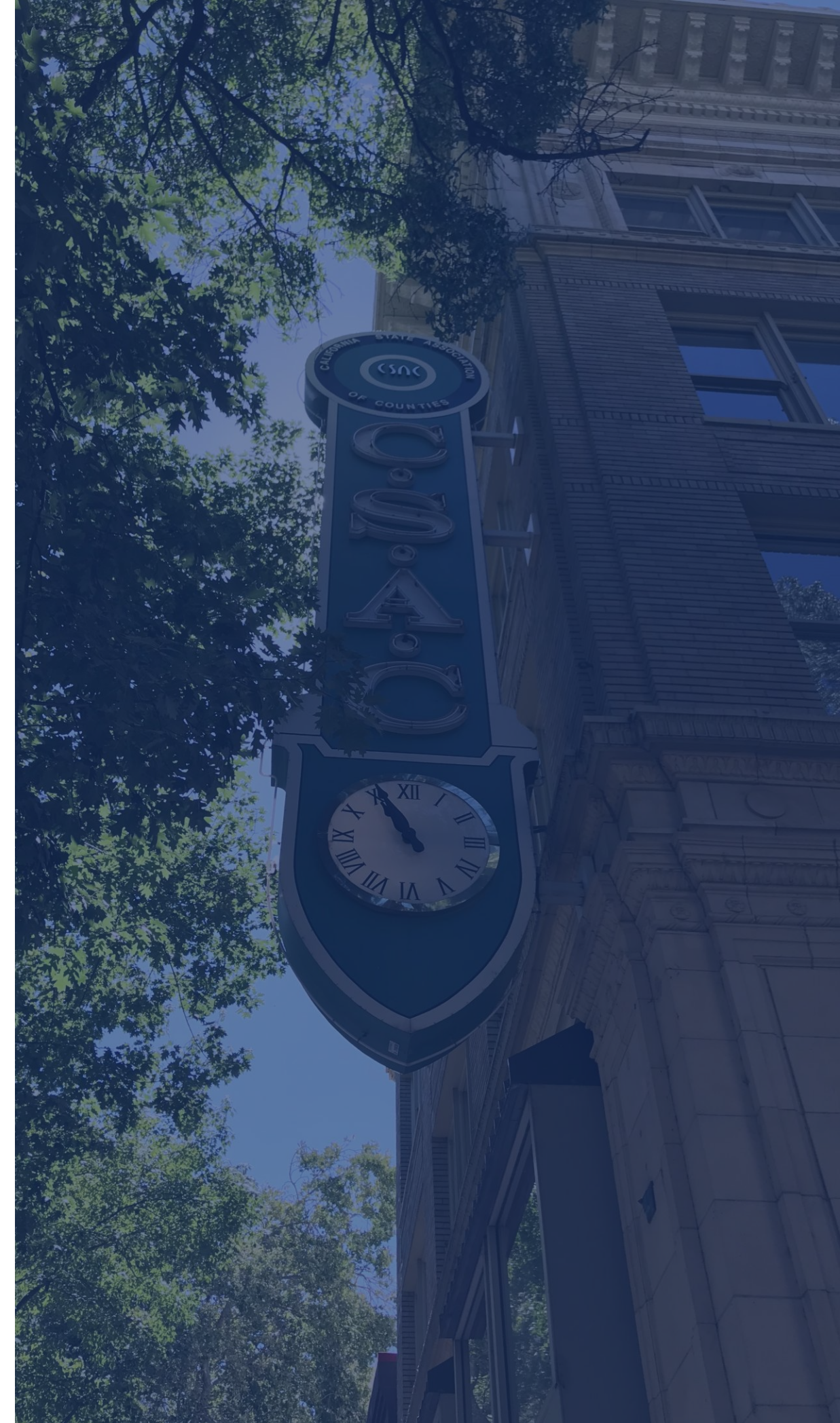


**Julissa Ceja Cardenas**  
Legislative Analyst  
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# The Government Finance and Administration (GFA) Policy Committee is responsible for:

- Revenue and taxation
- State and local finance/budgets
- State mandates
- Economic development
- Labor and employment
- Retirement and pensions
- Workers' compensation
- Workforce development
- Elections
- Public records
- The Brown Act
- Artificial Intelligence
- And more.





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# County Veterans Service Officers: Veterans' Local Lifeline

**Moderated by:** Supervisor Mani Grewal, Stanislaus County

## **Panelists:**

- Senator Bob Archuleta, Chair, Senate Committee on Military and Veterans Affairs
- Assemblywoman Pilar Schiavo, Chair, Assembly Committee on Military and Veterans Affairs
- David West II, Veterans Services Officer, Nevada County & President, California Association of County Veterans Service Officers
- Jim Zenner, Director, Military & Veterans Affairs, Los Angeles County & Legislative Chair, California Association of County Veterans Service Officers



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# Big Brother or Better Governing? The debate over public data in 2025

**Moderated by:** Supervisor Ann Cottrell, Napa County

**Panelists:**

- Evan White, Executive Director, California Policy Lab
- Charles Loudon, Legislative Director, Assemblymember Chris Ward





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# Unlocking Local Dollars: Creative Revenue Solutions for Counties

**Moderated by:** Supervisor Angela Curro, San Benito County

**Panelists:**

- Bobby Young, Director of Client Services, HdL Companies
- Karen Lange, Partner, Shaw Yoder Antwih Schmelzer & Lange, Legislative Advocate, California Association of County Treasurers and Tax Collectors





# CSAC Government Finance and Administration (GFA) Policy Committee

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## *County Revenue Discussion*

*December 3, 2025*

HdL<sup>®</sup> Companies







# Considering County Revenues

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- Federal/State (*Intergovernmental*) Funding
- **Local Taxes** (Requiring Ballot Measures)
  - **Property Taxes (Parcel Tax)**
  - **Sales Taxes (Transaction & Use Tax)**
  - **Other – Hotel/Transient Occupancy (TOT), Business Licenses, etc**
- Licenses, Permits and Franchise Fees
  - Mostly Cost Recovery





# Transaction & Use Tax







# General vs Specific Tax - GENERAL

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## Rev & Tax Code 7285 (County) & 7285.9 (City)

The *board of supervisors/governing body* of any *county/city* may levy, increase, or extend a transactions and use tax for general purposes at a rate of 0.125 percent or a multiple thereof, if the ordinance proposing that tax is approved by a ***two-thirds vote of all members of that governing body*** and the tax is approved by a ***majority vote of the qualified voters*** of the city voting in an election on the issue.





# General vs Specific Tax - SPECIFIC

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## Rev & Tax Code 7285.5 (County) & 7285.91 (City)

...for the purpose for which it is established,

(1) The ordinance proposing that tax is approved by a ***two-thirds vote of all members of the board of supervisors/governing body*** and is subsequently approved by a ***two-thirds vote of the qualified voters*** of the county/city voting in an election on the issue





# What about the 'CAP'

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## Rev & Tax Code 7251.1

The combined rate of all taxes imposed in accordance with this part in any county may not exceed 2 percent (above the base sales tax rate), except...

### Specific Legislative Approval:

*“that would, in combination with all taxes imposed in accordance with Part 1.6 (commencing with Section 7251), exceed the limit established in Section 7251.1.”*





# Base Sales Tax Rate Breakdown

State General Fund	3.9375 %
City/County General Fund (Bradley-Burns)	1.0000 %
County Public Safety (Prop 172)	0.5000 %
County Realignment (Mental Health/Welfare/Public Safety)	1.5625 %
Countywide Transportation Fund	0.2500 %
<b>Total Rate</b>	<b>7.2500 %</b>

**Cap** = Total 2% above statewide base 7.25%

**Multiple Counties Have Reached the Cap Including:  
Alameda, Los Angeles, San Mateo, Santa Cruz,  
Sonoma**



# Examples of Different Local Sales Tax Rates

## City of San Jose:

State Base Rate	7.25%	
Santa Clara Countywide Add-Ons	1.875%	Includes 0.125% Exempt from Cap
City of San Jose Add-On	0.25%	
Total	<u>9.375%</u>	

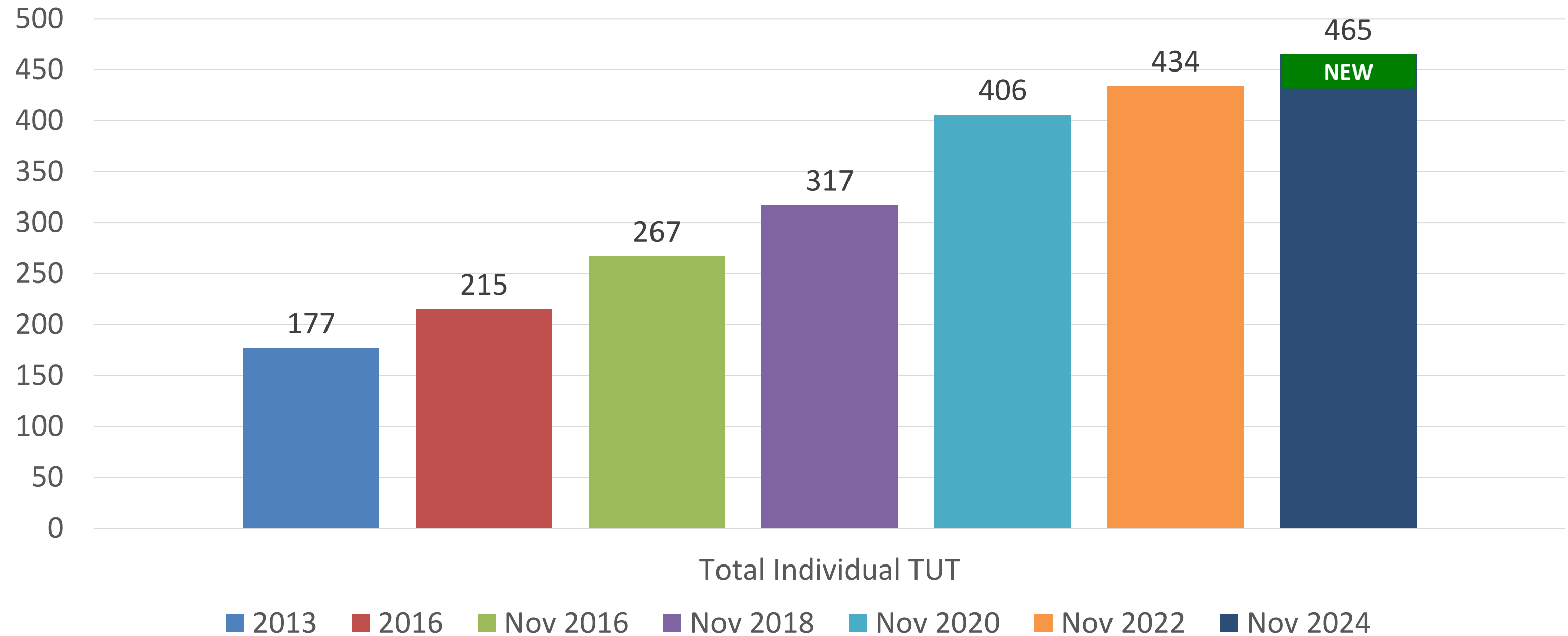
## City of Santa Cruz:

State Base Rate	7.25%	
Santa Cruz Countywide Add-Ons	1.25%	Includes 0.50% Exempt from Cap
City of Santa Cruz Add-Ons	1.25%	
Total	<u>9.75%</u>	





# Number of TUTs Continues to Increase



**Approximately 95%+ of the state's population live in one or more transactions and use tax district**





# Where in CA...

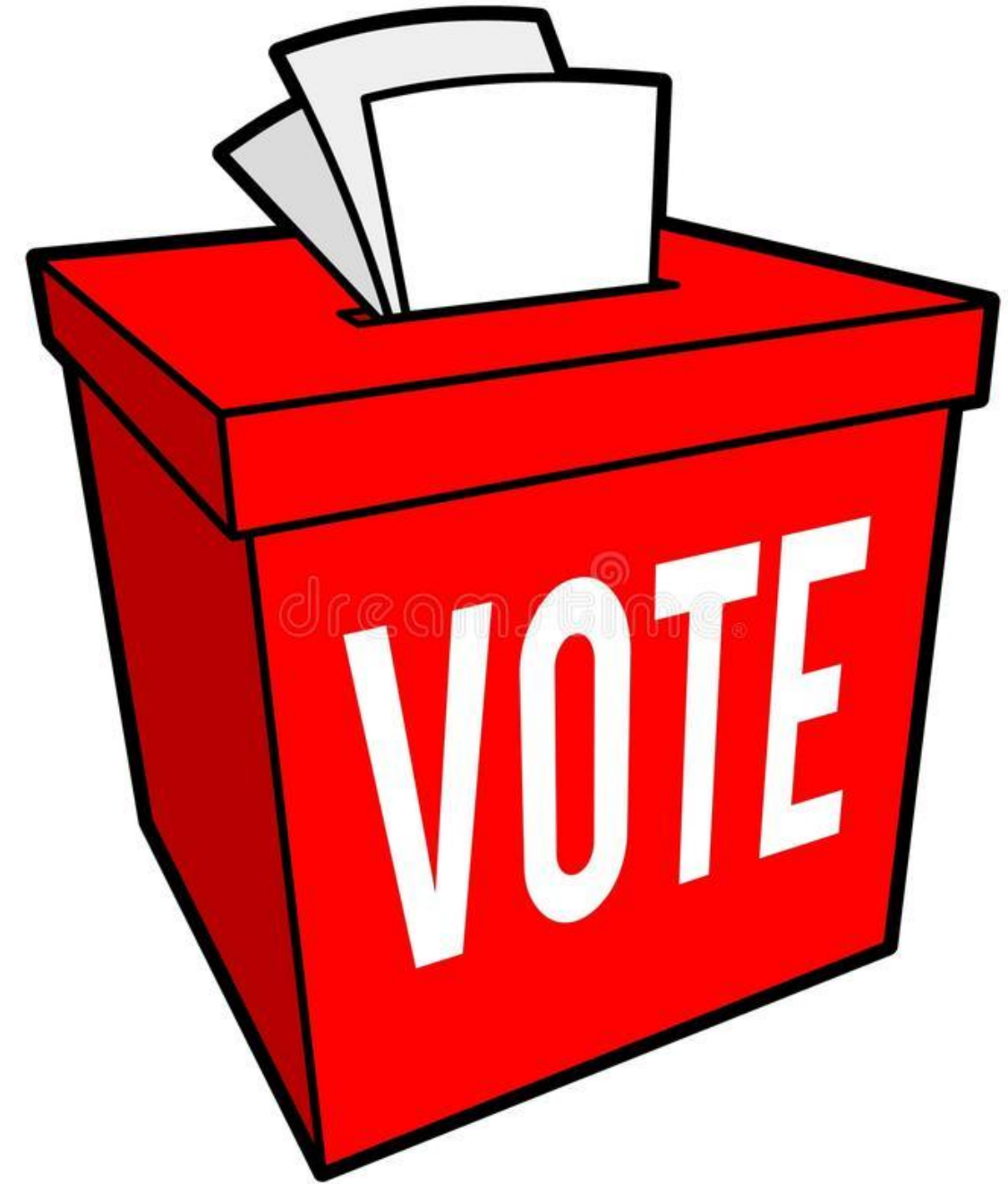


- 38 of 58 Counties
- 253 of 483 Cities
  - Northern - 115
  - Central - 61
  - Southern – 77
  - Coastal - 146
  - Central - 95
  - Mountains - 12





# POSSIBLE NEW MEASURE







# Road to Success... Communicate

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- **Consider messaging around the need**
- *Consider outreach efforts with specific community groups*
- **Consider polling the community**
  1. Determine a desire for tax
  2. Understanding priorities
- *Consider community meetings*

# HOW DO “ADD ON” TAXES EFFECT BUYING?

- Less impact, already in many communities
- Consumers focus on base cost
- Hassle factor
- Alternative purchase options





# Additional Resources

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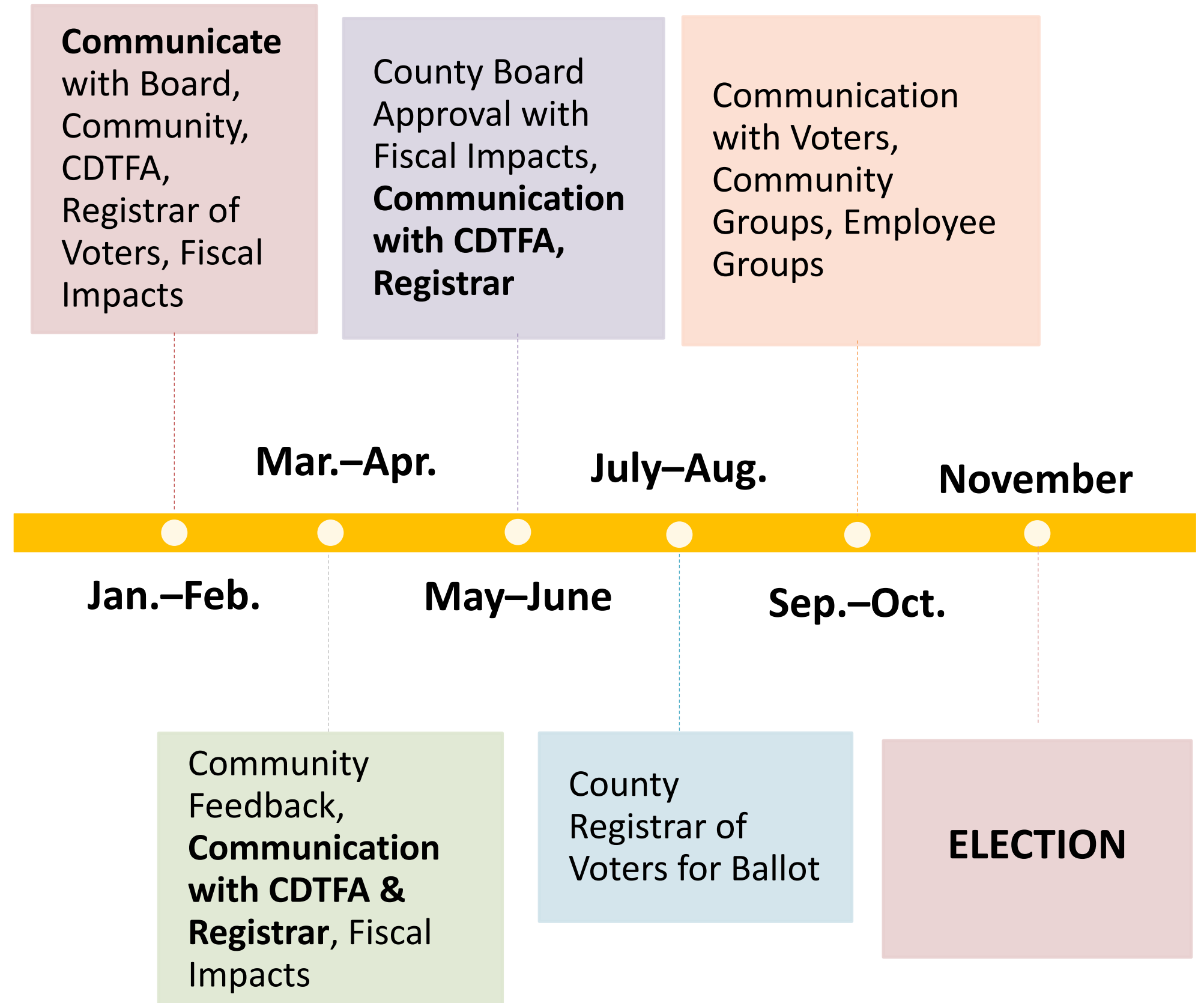
- League of California Cities & CA Local Government Finance Almanac (*Law, Process, Statistics/Data*)
- **HdL** or other Sales Tax Consultants (*Financial Estimate*)

Community Polling/Communication/Outreach

**The Lew Edwards Group**  
**Clifford Moss**

**TBWB Strategies**  
**FM 3**

# EXAMPLE CALENDAR OF EVENTS







# SUCCESS !?!?!?

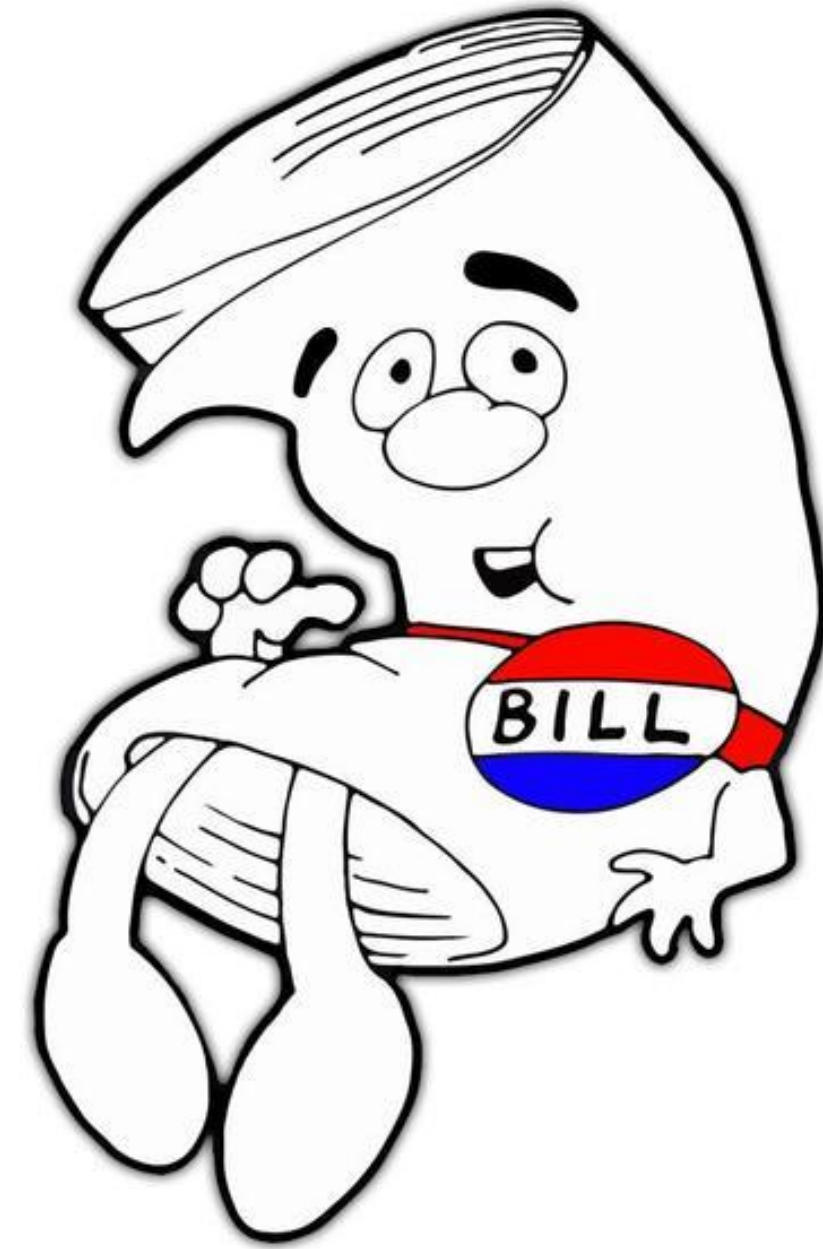
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Approved tax measure will go into effect the first calendar quarter **110 days** after the adoption of the ordinance

- November 2026 approval
- April 1, 2027 effective date
- First monthly advances begin June 2027 – **first full year FY 27-28**



# TRENDS

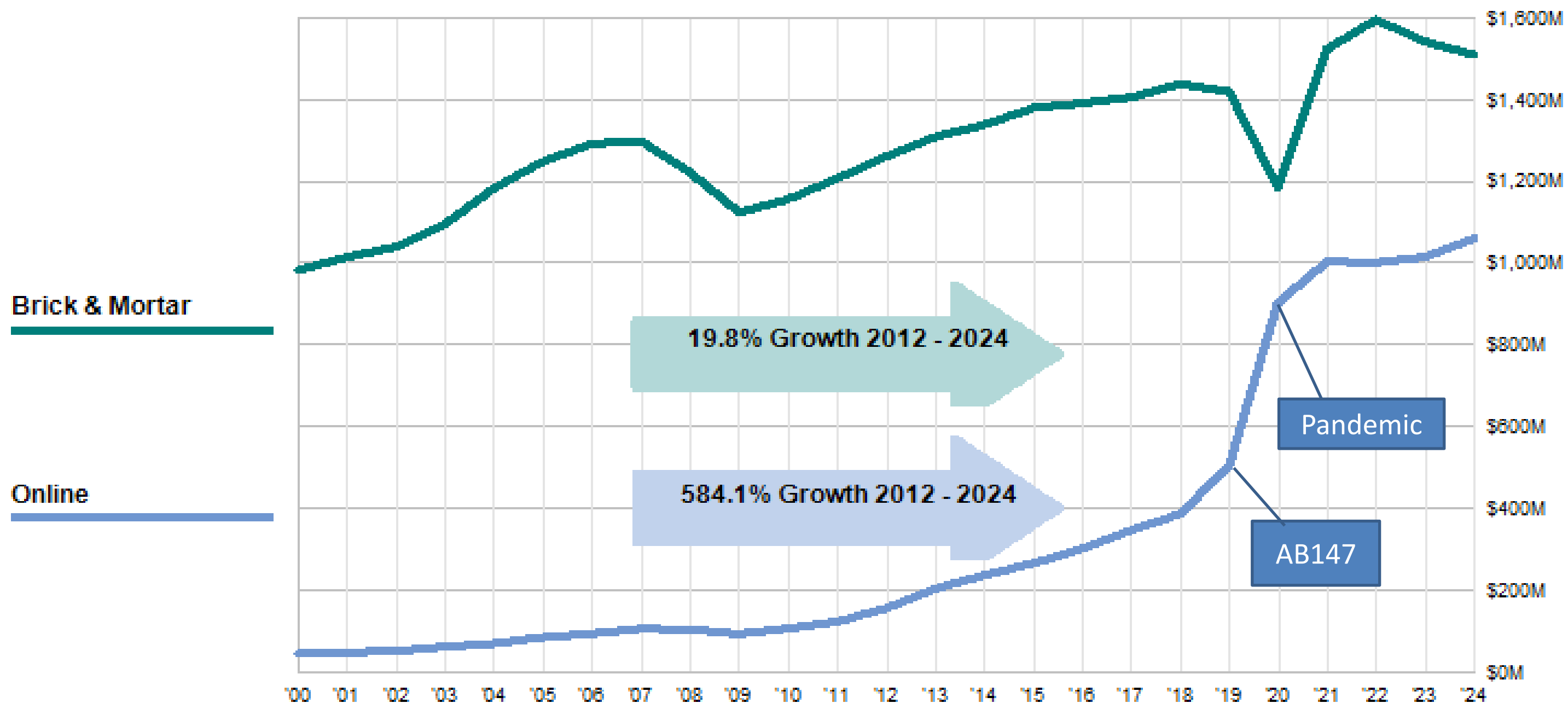






# Online vs Brick & Mortar: Trend

Local 1% Sales Tax by Calendar Year



Legend:

Brick & Mortar - Statewide General Consumer Goods from Place-of-Sale locations

Online - Statewide General Consumer Goods from Fulfillment Centers and County Use-Tax Pool Allocations



## Online Sales... Clarification of terms

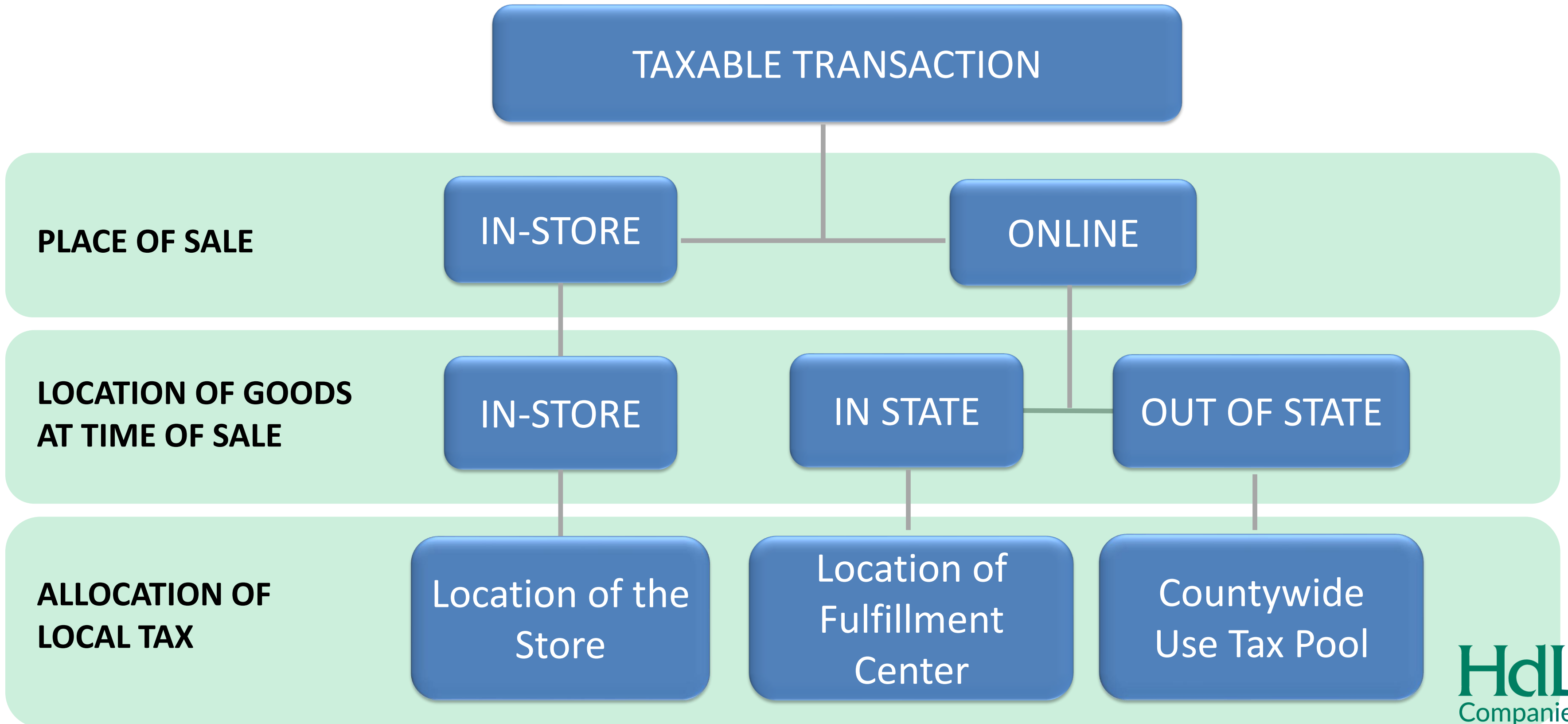
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1. **Distribution Centers/Warehouses** = location where goods get delivered and held briefly until they are shipped to the next location
2. **Fulfillment Centers** = location where goods are stored and inventoried, orders are processed, goods are taken from inventory then shipped to customer



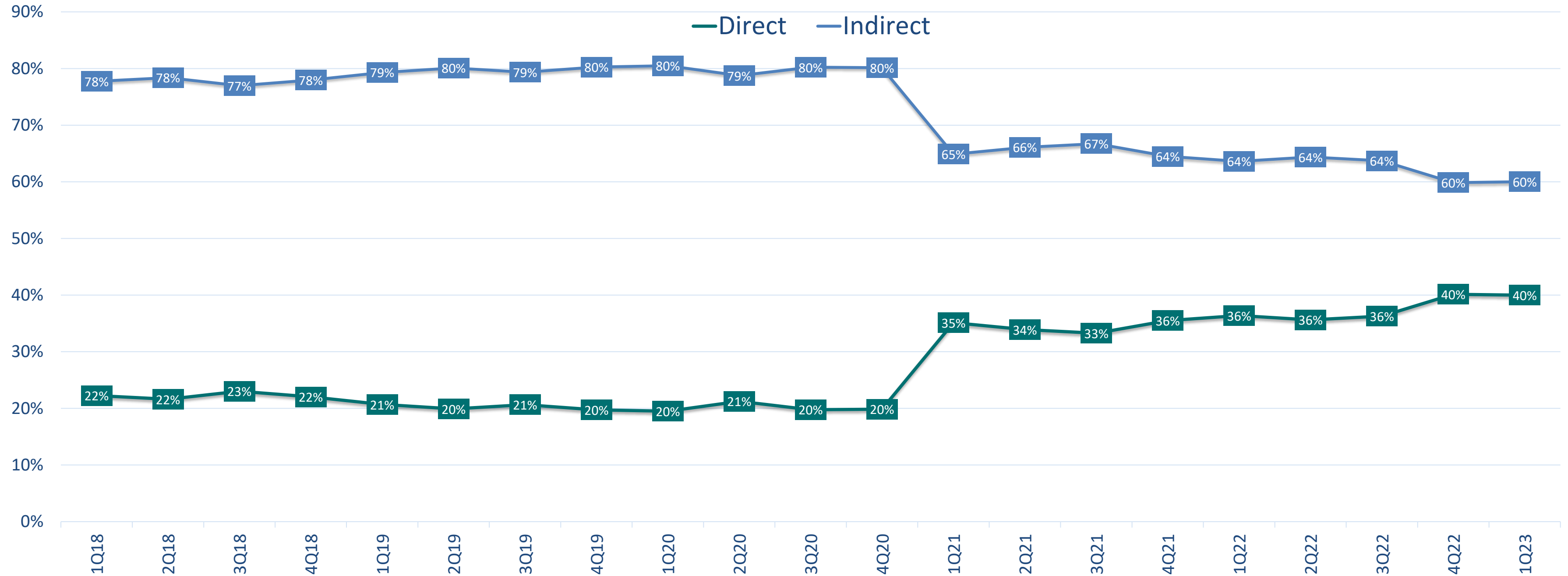


# How Online Sales Are Allocated





# Online Sales Allocations



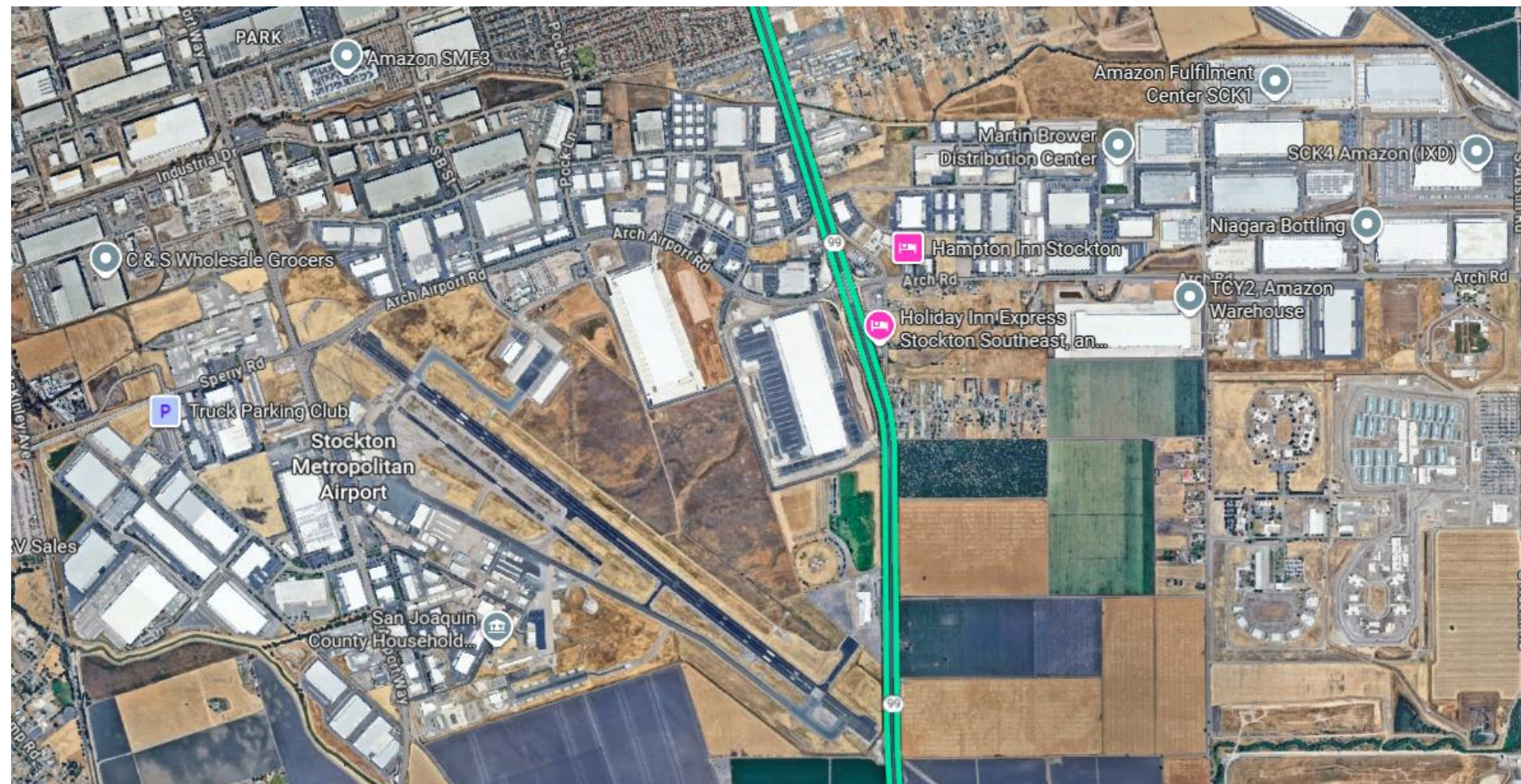
*Indirect = Local tax allocations through the County Pools*

*Direct = Local tax allocations from identified fulfillment centers*





# What Fulfillment Centers looks like...

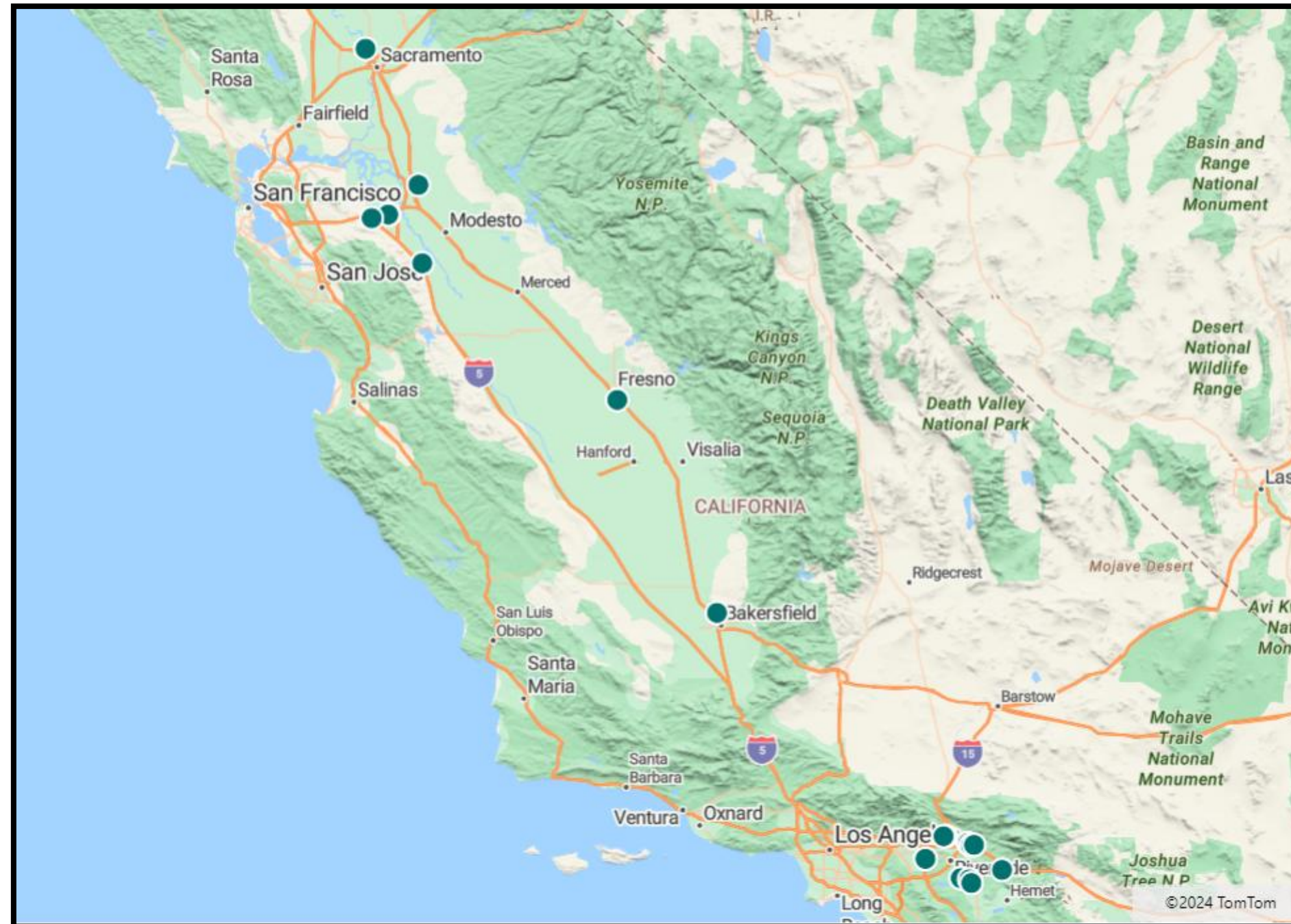




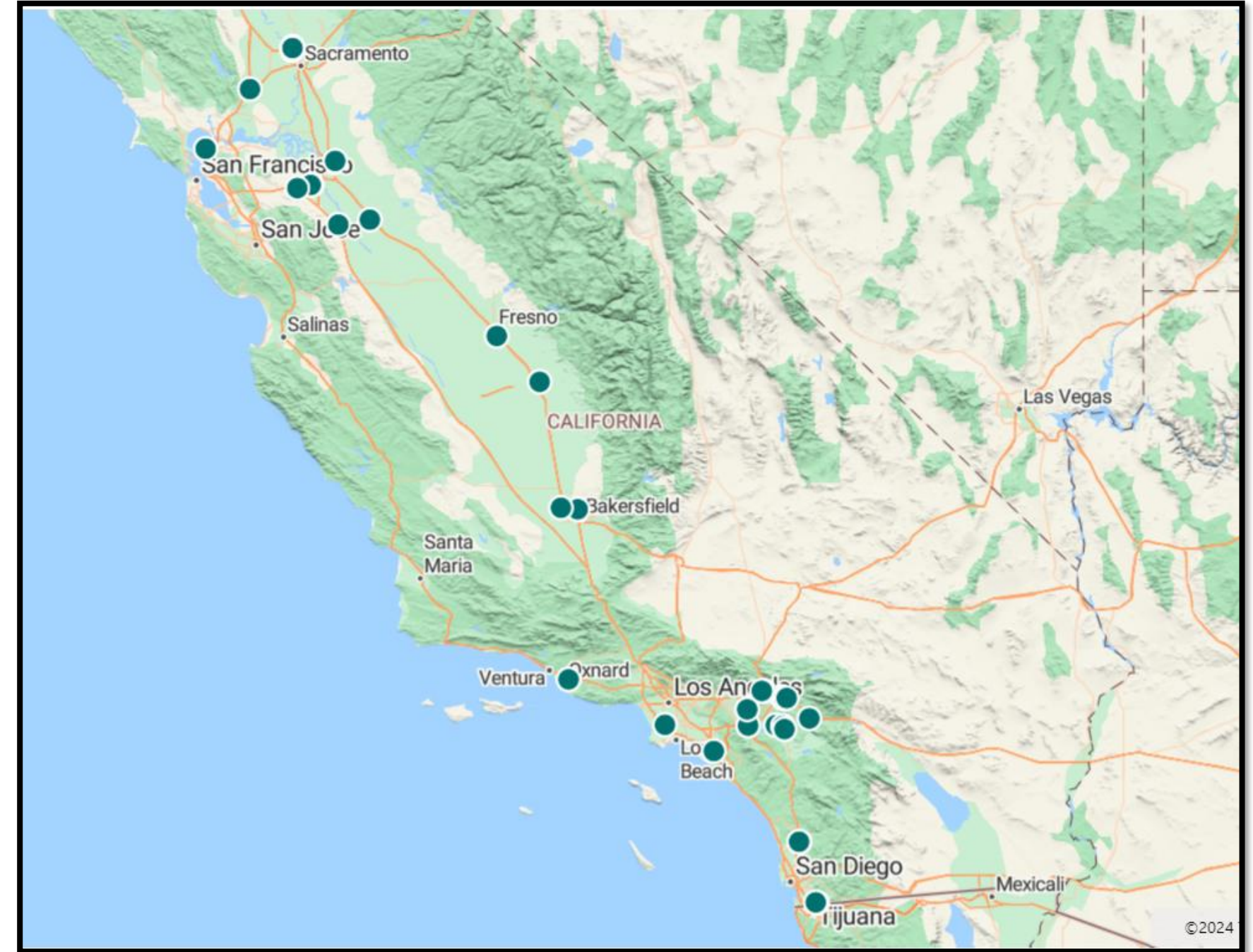


# Amazon California Fulfillment Centers

2020



2024



*Displays registered fulfillment locations in CA. Size and sales/tax volumes are not considered.*









# *Thank you!*

**Bobby Young, Director of Client Services**

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**HdL<sup>®</sup> Companies**



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# Government Finance and Administration – 2026 GFA Legislative Advocacy Priorities

## Speakers:

- Emma Jungwirth, CSAC Senior Legislative Advocate
- Eric Lawyer, CSAC Senior Legislative Advocate



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# Government Finance and Administration – 2025 Legislative Year In Review

## Speakers:

- Emma Jungwirth, CSAC Senior Legislative Advocate
- Eric Lawyer, CSAC Senior Legislative Advocate
- Julissa Ceja Cardenas, CSAC Legislative Analyst





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