

RESOLUTION NO. .

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**RESOLUTION TO SPONSOR LEGISLATION THAT WOULD INCREASE THE
CURRENT MAXIMUM LOCAL TRANSACTIONS AND USE TAX RATE BY UP TO
0.5% TO ENSURE ADEQUATE FUNDING FOR CRITICAL LOCAL SERVICES AND
TO MEET ESSENTIAL COMMUNITY NEEDS**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, the County of San Mateo is committed to ensuring that all residents have access to reliable health, social, and public safety services, regardless of geographic location, demographic background, or economic status; and

WHEREAS, recent shifts in state and federal funding—particularly the County’s ongoing challenge to secure its full in-lieu Vehicle License Fee (VLF) revenue, along with the operational and fiscal impacts resulting from House Resolution 1 and other federal actions—may lead to funding shortfalls and place additional fiscal pressure on the County’s General Fund in future years; and

WHEREAS, creative revenue strategies to secure local funds are being explored to ensure the continued provision of high-quality services to San Mateo County residents; and

WHEREAS, a legislative proposal allowing the County, by ordinance or citizens’ initiative and subject to voter approval, to implement a transactions and use tax at a rate of up to 0.5%, exceeding the 2% statutory limit, may provide a potential mechanism to generate additional revenue for allocation to qualified expenditures determined by a

successful ballot measure, including, without limitation, childcare, afterschool care, early childhood education, food assistance, healthcare support, tenant assistance, senior programs, and other general government purposes; and

WHEREAS, the proposed legislation sunsets after five years, meaning that, if the tax is not pursued within the five-year period, the authorization to exceed the 2% statutory limit would be repealed; and

WHEREAS, Assemblymember Marc Berman is working with legislative leadership to determine the best legislative vehicle to increase the County's transactions and use tax cap, and has also reserved a spot bill that can be amended to support the County's proposed legislation in the event no alternative legislative vehicle is identified.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Supervisors of the County of San Mateo, State of California, hereby supports sponsoring legislation that would increase the current maximum local transactions and use tax rate by up to 0.5%.

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