

MAR 05 2026  
*Ana De Castro Macqui*  
FRANCISCO DIAZ, COUNTY CLERK - RECORDER  
BY *Ana De Castro Macqui*  
DEPUTY CLERK

**RESOLUTION NO. 2026-28**

**A RESOLUTION OF THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SAN BENITO, STATE OF CALIFORNIA, TO SUBMIT TO THE  
VOTERS OF SAN BENITO COUNTY AN AMENDMENT TO AN ORDINANCE  
MODIFYING THE CANNABIS BUSINESS ACTIVITIES TAX ON CANNABIS  
BUSINESSES IN THE UNINCORPORATED AREA OF THE COUNTY OF SAN  
BENITO; CALLING FOR AN ELECTION AND CONSOLIDATING SAID ELECTION  
WITH THE STATEWIDE PRIMARY ON JUNE 2, 2026; APPROVING THE BALLOT  
LANGUAGE; DIRECTING COUNTY COUNSEL TO PREPARE AN IMPARTIAL  
ANALYSIS; PROVIDING DIRECTION TO THE COUNTY CLERK AND COUNTY  
AUDITOR; AND PROVIDING DIRECTION REGARDING SUBMISSION OF BALLOT  
ARGUMENTS FOR OR AGAINST THE MEASURE**

**WHEREAS**, Section 2 of Article XIII C of the Constitution of the State of California and Government Code Section 53723 authorize the County of San Benito to impose a general tax upon approval by a majority vote of the qualified voters of the County; and

**WHEREAS**, Section 2 of Article XIII C of the Constitution of the State of California requires said election to be consolidated with a regularly scheduled general election; and

**WHEREAS**, in accordance with Sections 324 and 1000 of the California Elections Code, the State of California is holding a statewide primary election on Tuesday, June 2, 2026; and

**WHEREAS**, pursuant to Government Code Section 53724, in order for a tax subject to the vote requirements prescribed by Section 53723 to be presented at an election, the Board of Supervisors is required to, by ordinance or resolution, propose and approve the tax by a two-thirds (2/3) vote of all members of the Board of Supervisors; and

**WHEREAS**, Government Code Section 53724 requires the ordinance or resolution proposing said tax to include the " type of tax and rate of tax to be levied, the method of collection, the date upon which an election shall be held on the issue ..."; and

**WHEREAS**, pursuant to Government Code Section 53739, an ordinance or resolution presented for voter approval may state a range or rates or amounts and, further, may provide that the tax amounts stated in the ordinance or resolution, other than those determined by using a percentage calculation, may be adjusted for inflation pursuant to a clearly identified formula as stated in said ordinance or resolution; and

**WHEREAS**, on June 5, 2018, the qualified voters of the unincorporated area of San Benito County adopted Measure C, thereby enacting Article V (Cannabis Business Activities Tax) of Chapter 5.03 of the San Benito County Code to authorize the County to impose a cannabis business activities tax on specified cannabis business activities; and

**WHEREAS**, following voter approval of Measure C, the Board of Supervisors adopted resolutions in 2019 to set initial cannabis business activities tax rates within the ranges approved by the voters; and

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**WHEREAS**, on February 25, 2025, the Board of Supervisors adopted amendments to the cannabis business activities tax ordinance to temporarily exempt cultivation businesses from the cannabis business tax through December 31, 2026; and

**WHEREAS**, County staff presented to the Board of Supervisors on February 10, 2026 regarding the Cannabis program's fees and tax structure, upcoming election timelines, other California counties' tax structures, and on feedback received from cannabis operators and prospective industry participants on improving the local cannabis business regulatory and tax program; and

**WHEREAS**, the Board heard from staff and the public, deliberated, discussed potential adjustments to the cannabis tax structure and provided direction to further evaluate possible changes. The Board established an Ad Hoc Committee tasked with meeting with industry stakeholders, evaluating potential revisions to the cultivation tax methodology, and return to the Board with recommendations regarding whether to place a revised cannabis tax measure on the June 2026 election ballot.

**WHEREAS**, the Ad Hoc Committee met with stakeholders on February 13, 2026 and further deliberated before returning to the Board on February 24, 2026 with their recommendation.

**WHEREAS**, Government Code § 53724 and Article XIII C of the California Constitution require voter approval of any local tax imposed by a county; and

**WHEREAS**, California law authorizes counties to impose taxes on cannabis business activities conducted within their jurisdiction, subject to voter approval; and

**WHEREAS**, the Board of Supervisors of the County of San Benito is authorized to propose and submit a local tax measure to the qualified voters of the County for approval at a regularly scheduled or special election; and

**WHEREAS**, the Board of Supervisors desires to propose an amendment to the existing Cannabis Business Activities tax measure for submission to the voters at the Primary Election to be held on June 2, 2026, consolidated with other elections as permitted by law (the "Election"), and to direct County staff and the County Clerk/Registrar of Voters to take all actions necessary to conduct that election in accordance with state law; and

**WHEREAS**, the Board now wishes to call an election and set forth the proposed ballot question and tax parameters for voter consideration, including: the type of tax (e.g., general or special), rate or rate range, method of collection, duration of tax, services to be funded (if a special tax), and other required components.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of the County of San Benito hereby:

1. **Finds and determines** that the above recitals are true and correct and are incorporated herein as though fully set forth.
2. **Determines** that submission of a cannabis business tax measure to the qualified voters at the Election is necessary to authorize the County to impose, levy, and collect a cannabis

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business tax, as provided in the ordinance or measure that will be prepared for voter consideration.

3. **Requests** that the County Counsel prepare the accompanying ordinance and impartial analysis for submission to the voters, consistent with the direction provided by the Board of Supervisors, including but not limited to the provisions addressing:
  - a. An amendment to the general tax range the Board is authorized to impose on Cannabis cultivation in the unincorporated County;
  - b. The minimum and maximum tax rate ranges applicable to cannabis business activities in the unincorporated area of San Benito County, including the structure of the tax (i.e., per acre); and
  - c. Leaving the method of quarterly collection and administration of the tax unchanged.
4. Proposes the amendment to the ordinance, entitled "An Ordinance of the Board of Supervisors of the County of San Benito Amending Article V to Chapter 5.03.175 Tax Imposed of Title 5 of the San Benito County Code Imposing a Tax of Cannabis Business Activities, Subject to Voter Approval"
5. Submits the ordinance amendment proposing the tax modification to the electorate for approval, calls an election for June 2, 2026, for approval of the ordinance, and requests and orders that this election be consolidated with the statewide primary election be held on that date; and
6. Acknowledges that the consolidated election will be held and conducted in the manner prescribed in Elections Code Section 10418; and
7. Acknowledges the cannabis business activities tax is a general tax imposed upon every person who engages in any cannabis business activity within the unincorporated area of San Benito County. If approved by a majority of the electorate voting on the measure, the ordinance will establish a cannabis business activities excise tax, collected by the County Treasurer-Tax Collector in accordance with San Benito County Code, as may be imposed by the Board of Supervisors within the following modification to the minimum and maximum rates:

a. **Cultivation:**

Cannabis Business Activity Type: Cultivation	Minimum (\$/acre)	Maximum (\$/acre)
Nursery	\$1,000	\$10,000
Outdoor (specialty cottage)	\$1,000	\$10,000
Outdoor (specialty)	\$1,000	\$10,000
Outdoor (small)	\$1,000	\$10,000
Outdoor (medium)	\$1,000	\$10,000
Outdoor (large)	\$1,000	\$10,000
Indoor (specialty cottage)	\$1,000	\$10,000
Indoor (specialty)	\$1,000	\$10,000
Indoor (small)	\$1,000	\$10,000
Indoor (medium)	\$1,000	\$10,000
Indoor (large)	\$1,000	\$10,000
Mixed-light (specialty cottage)	\$1,000	\$10,000
Mixed-light (specialty)	\$1,000	\$10,000
Mixed-light (small)	\$1,000	\$10,000
Mixed-light (medium)	\$1,000	\$10,000
Mixed-light (large)	\$1,000	\$10,000

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The remaining tax ranges imposed on non-cultivation (i.e., distribution, manufacturing, microbusiness, retail and testing laboratory) would remain unchanged.

These taxes shall be imposed upon any cannabis business activity, regardless of whether the activity is undertaken individually, collectively, or cooperatively, and regardless of whether the activity is for compensation or gratuitous in accordance with Revenue and Taxation Code section 34021.5, subdivision (c). If rejected by the electorate voting on the measure, the proposed tax on cannabis business activities rate would remain unchanged.

8. Acknowledges the cannabis business activities tax imposed by the ordinance is a general tax within the meaning of Government Code Section 53721 and Section 2 of Article XIII C of the Constitution of the State of California. The revenue generated by this general tax would be available for general governmental purposes.
9. Acknowledges that the ballot question shall be submitted to the voters shall be submitted for a "Yes" or "No" vote in substantially the following form:

With cannabis cultivation allowed in San Benito County but not generating tax revenue, shall an ordinance be adopted to amend Article V of Chapter 5.03 of the Code to adjust the County's cannabis business tax rate in the unincorporated area by adjusting the current rate to a \$1,000 to \$10,000 per-acre rate with revenue for general fund services like law enforcement, fire protection, road improvements, and other essential community needs without raising taxes on residents?	YES
	NO

This question requires the approval of a simple majority (50% plus 1) of those voting. The referenced amendment to the Ordinance is attached hereto as Exhibit I and incorporated in this Resolution by this reference. The question shall be submitted to the qualified voters of the unincorporated area of the County.

10. Authorizes, instructs, and directs the County Clerk to provide and furnish all official ballots, notices, printed matter, and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct an election.
11. Directs the County Clerk to take the necessary and appropriate actions to provide the necessary election officers, polling places, and voting precincts.
12. Authorizes and directs the County Counsel to prepare an impartial analysis of the measure in accordance with the provisions of the Election Code.
13. Authorizes the Chair of the Board of Supervisors to select two (2) members of the Board of Supervisors to prepare a written argument in favor of the measure on behalf of the Board of Supervisors, as specified in Elections Code Section 9162. At the discretion of the Chair of the Board of Supervisors, the argument may also be signed by members of the Board of Supervisors, citizen associates, or individual voters, subject to Sections 9162 and 9164 of the Elections Code. If an argument is filed against the measure, the Chair of the Board of Supervisors is also authorized to select two (2) members of the Board of Supervisors to prepare a written rebuttal, which also may be signed by members of the Board of Supervisors or citizen associates, or individual voters, subject to Sections 9162 and 9164 of the Elections Code; and
14. Directs the County Auditor to prepare a fiscal impact statement; and
15. Acknowledges the polls for said election shall be open during the hours required by law and said election, with respect to the foregoing ballot measure, shall be held and conducted as provided by law for the holding of County elections; and


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- 16. Directs the County Clerk to provide notice of the time and place of holding said election, together with any other notices required by law; and
- 17. Acknowledges that, if approved by a majority of the voters voting on the measure at the June 2, 2026 election, the amendment to the Cannabis Business Activities Tax shall become effective as provided in the ordinance.
- 18. Finds the adoption of this Resolution is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 et seq. ("CEQA") and 14 Cal. Code Reg. §§ 15000 et seq. ("CEQA Guidelines") and would not be a project pursuant to 14 Cal. Code Regs. § 15378(b)(3),(4), and (5).
- 19. Determines that this resolution shall be liberally construed to achieve its purposes and preserve its validity. If any section, subsection, sentence, clause or phrase of this resolution is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this resolution. The Board of Supervisors hereby declares that it would have passed this resolution and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid, and, to that end, the provisions hereof are hereby declared to be severable.


**BE IT FURTHER RESOLVED** that the Board of Supervisors hereby directs County Counsel, the County Executive Officer, and the County Clerk/Registrar of Voters to take all actions necessary to place the proposed cannabis business tax measure on the ballot, including preparation of the ordinance text, ballot materials, fiscal impact statements, and voter information pamphlet materials, as required by law.

**DULY PASSED AND ADOPTED** by the San Benito County Board of Supervisors this 24th day of February, 2026 by motion, second, and the following vote:

AYES: 4 Supervisors Zanger, Kosmicki, Sotelo, Curro  
 NOES: 1 Supervisors Velazquez  
 ABSENT: 0 Supervisors None  
 ABSTAIN: 0 Supervisors None  
 RECUSE: 0 Supervisors None

Signed by:  
  
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 DOM ZANGER, CHAIR  
 San Benito County Board of Supervisors

**ATTEST:**  
Clerk of the Board

By:   
 for Vanessa Delgado, Clerk of the Board of Supervisors

**APPROVED AS TO LEGAL FORM:**  
San Benito County Counsel's Office

By:   
 Rebekah Mojica, Assistant County Counsel