

**MOTION TO AMEND BY SUPERVISOR LINDSEY P. HORVATH** February 10, 2026

**Securing Funding to Preserve Critical County Services Cut by H.R.1**

**I, THEREFORE, MOVE THAT** that the Board of Supervisors:

1. Adopt the attached resolution ordering, calling and giving notice of a special election to implement a countywide general retail transactions and use (sales) tax measure to be placed on the June 2, 2026 Statewide Direct Primary Election to be held in the County of Los Angeles on June 2, 2026.
2. Approve the general sales tax ordinance (attached as Exhibit A to the Resolution), which, subject to majority approval by the voters, would:
  - a. Impose a ½ percent (0.5 %) general sales tax until October 1, 2031;
  - b. Establish a nine-member citizens' oversight committee to provide transparency and ensure fiscal accountability as to any revenues raised by the measure by:
    - i. Reviewing the receipt and expenditures of the revenue from the sales tax, including the County's annual independent audit;
    - ii. Making recommendations to the Board on how to allocate the general fund revenue generated by the sales tax;
    - iii. Producing an annual oral or written report which shall be considered by the Board of Supervisors (Board) at a public meeting; and
    - iv. The committee's responsibilities shall not include decision making on spending priorities, financing plans or tax rate projections or assumptions and the committee shall have no authority to direct, nor shall it direct, County staff or officials.

The Board shall give special consideration to organizational representatives most impacted by H.R.1 in making appointments to the citizens' oversight committee. Committee members must either reside or work in Los Angeles County. Citizens' oversight committee members shall

MOTION

MITCHELL \_\_\_\_\_

HORVATH \_\_\_\_\_

HAHN \_\_\_\_\_

BARGER \_\_\_\_\_

SOLIS \_\_\_\_\_

serve a three-year term and are eligible to be reappointed by the Board, at its discretion.

- c. Require the Auditor-Controller to cause a report to be prepared by an independent auditor and filed with the Board no later than March 31<sup>st</sup> of each year until all funds are expended, stating: the amount of general sales tax proceeds collected and expended in such year; and (ii) the status of any projects or description of any services or programs funded from proceeds of the general sales tax.
3. Direct the Chief Executive Office's Legislative Affairs and Intergovernmental Relations Branch to support any legislative or administrative relief necessary to immediately implement the measure upon passage, including any needed exemptions from sales tax caps.
  4. Adopt a spending plan expressing the Board's intent to allocate new general fund revenues generated by the general sales tax, if approved by the voters, in the following manner, subject to the County's annual budgeting process:
    - a. Up to ~~forty-seven~~ five percent (~~47~~5%) of revenue generated shall be used by the Department of Health Services (DHS) to fund a program under which a limited network of non-profit partner providers, licensed under Section 1204(a) of the California Health and Safety Code, shall furnish no-cost or reduced cost care to low-income residents of Los Angeles County who do not have health insurance. In addition, to the extent appropriate, the network may include a limited number of partner pharmacies, specialists, or ancillary service providers for services not available through the network health centers. Services available through the program shall include, to the extent funding is available, outpatient medical, specialty, dental, mild-to-moderate behavioral health, diagnostic, pharmaceuticals, nutrition and medical supplies.
    - b. **Five percent (5%) shall be allocated proportionately based on patient visits to nonprofit health agencies in Los Angeles County serving low income and underserved populations, primarily furnishing family planning and reproductive health services, and in FY 2023 received federal and state Medicaid payments totaling more than \$800,000 statewide;**
    - c. ~~Five~~ Four percent (~~5~~4%) shall be used for school-based health needs and programs as determined by the governing board of L.A. Care Health Plan;
    - d. Ten percent (10%) shall be allocated to the Department of Public Health to support core public health functions and the awarding of grants to support health equity;

- e. ~~Five~~ Three percent (~~53~~3%) shall be allocated to the Department of Public Social Services to support Medicaid outreach and enrollment activities as well as work and volunteer programs;
- f. Two-and-a-half percent (2.5%) shall be allocated to support Correctional Health Services;
- g. Twenty-two percent (22%) shall provide financial support to DHS to safeguard its public hospital and clinic services.
- h. Five percent (5%) shall be allocated to support non-profit safety net hospitals in Los Angeles County, as determined by meeting one of the following criteria:
  - i. A critical access hospital in Los Angeles County; or
  - ii. Non-profit hospitals that meet all of the following criteria:
    1. At least 40% of the local population within a 5-mile radius around the hospital is living below 200% of the Federal Poverty Level (FPL);
    2. The hospital's location is listed under Los Angeles County's Concentrated Disadvantage Index;
    3. The hospital's service area is listed in the highest two tiers of Los Angeles County's COVID-19 Vulnerability and Recovery Index;
    4. The hospital's service area is listed in the highest need quartile of the California Healthy Places Index (HPI) compiled by the Public Health Alliance;
    5. The hospital's service area is listed in the highest need quartile of the Centers for Disease Control and Prevention's Social Vulnerability Index;
    6. The hospital provides at least 75,000 emergency room visits per year to Medi-Cal and uninsured, Medi-Cal patients make up at least 70% of its total patients each year, and the hospital is not affiliated with a larger hospital or health care system;
    7. The hospital's service area is federally designated as a Health Professional Shortage Area (HPSA).
- i. Two-and-a-half percent (2.5%) for in-home supportive services (IHSS) for the elderly and those living with disabilities with a priority on enhancing wages and benefits for IHSS providers;
- j. One percent (1%) to provide financial support to the City of Pasadena Public Health Department and the City of Long Beach Department of Health and Human Services to safeguard their public services, to be

divided between the cities proportionately based on what each city spent on core public health services over the past five fiscal years;

- k. Unless otherwise specified, all non-County hospital funds shall be distributed in a needs-based manner that is primarily based on Medicaid Emergency Department volume.

**5. The nine-member citizens' oversight committee established in the Ordinance, shall be comprised of the following members:**

- a. **One committee member shall be appointed by SEIU 721 representing health care workers working at health care facilities owned and operated by Los Angeles County.**
- b. **One committee member shall be the Director of the Los Angeles County Department of Public Health.**
- c. **One committee member shall be the Director of the Los Angeles County Department of Health Services.**
- d. **One committee member shall be appointed by SEIU 2015, representing in-home healthcare workers.**
- e. **One committee member shall be appointed by each member of the Los Angeles County Board of Supervisors, for a total of five committee members, each appointee shall represent community health clinics, public agencies, non-profit organizations, and/or reproductive health agencies.**