**RECEIVED**
**By Anjanette at 9:50 am, Jul 20, 2026**

City Clerk's Department

**ADOPTED**
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

July 20, 2026

52 September 15, 2026

Edward Yen
EDWARD YEN
EXECUTIVE OFFICER

Mr. Dean C. Logan, Registrar-Recorded/County Clerk
Election Coordinator Unit
12400 Imperial Highway, 2nd Floor, Room 2013A
Norwalk, CA 90650
ecu@rrcc.lacounty.gov

Re: City of Baldwin Park Resolution Number 2026-023 Submitting Non-Retail Cannabis Business Tax Measure to the Municipal General Election and Requesting Consolidation.

Dear Mr. Logan:

I've enclosed Resolution No. 2026-023 from the City of Baldwin Park submitting Non-Retail Cannabis Business Tax Measure to the General Municipal Election, requesting the Board of Supervisors consolidate said election measure with the Statewide General Election to be held on November 3, 2026.

Please send notification of the action taken by the Board of Supervisors to my attention to the following:

City of Baldwin Park
City Clerk's Office
14403 E. Pacific Avenue
Baldwin Park, CA 91706

If you should have any questions or need additional assistance regarding this matter, please feel free to contact the City Clerk's Office at (626) 960-4011 ext. 466.

Sincerely,

Shirley Quiñones
Chief Deputy City Clerk

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# RESOLUTION NO. 2026-023

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BALDWIN PARK, CALIFORNIA, SUBMITTING A NON-RETAIL CANNABIS BUSINESS TAX MEASURE TO THE ELECTORATE AT THE NOVEMBER 3, 2026 GENERAL MUNICIPAL ELECTION; REITERATING ITS REQUEST THAT THE ELECTION BE CONSOLIDATED WITH OTHER ELECTIONS TO BE HELD ON THAT DATE; AND TAKING CERTAIN OTHER RELATED ACTIONS**

**WHEREAS**, pursuant to Chapter 129 of the Municipal Code the City currently imposes a cannabis retailer tax upon cannabis retailers; and the rate of that tax is 4% of gross receipts; and

**WHEREAS,** in the interest of good government, in order to provide additional funding for general municipal purposes, and to tax all cannabis businesses at the same rate, the City Council desires to tax non-retail cannabis businesses, such as manufacturers and cultivators, at the same rate as the cannabis retailer tax; and

**WHEREAS**, all proceeds of the tax will be deposited in the City's general fund, which funds services such as cleaning up trash and graffiti, fixing streets and potholes, crime prevention, 911 emergency response, and providing afterschool and youth employment programs; and

**WHEREAS,** by its Resolution Nos. 2026-04 and 2026-05 (the "Election Resolutions"), adopted on June 3, 2026, the City Council called a General Municipal Election for November 3, 2026 (the "Election") and requested the Election be consolidated with the statewide general election held on the same date and administered by the Los Angeles County Registrar-Recorder/County Clerk; and

**WHEREAS**, at the Election the City Council desires to give the voters the opportunity to vote to approve a 4% cannabis business tax on non-retail cannabis businesses; and

**WHEREAS,** Los Angeles County continues to try to seize County control over available local revenue sources; and

**WHEREAS,** all money raised by this measure will stay local to help fund essential services such as cleaning up trash and graffiti, fixing streets and potholes, 911 emergency response, and providing afterschool and youth employment programs here in Baldwin Park, and by law can't be taken by the Federal, State or County governments; and

**WHEREAS**, the City maintains 119 miles of streets, 221 miles of sidewalks, and 30 acres of parks, and seeks to keep its streets, parks and infrastructure in good condition, safe, and clean; and

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**WHEREAS,** fast emergency response times for 911 calls are critical for saving lives, and funding generated by this measure will help ensure that we have enough law enforcement officers to respond quickly to 911 emergencies.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BALDWIN PARK AS FOLLOWS:**

**Section 1.** **Recitals**. The City Council hereby finds and determines that the foregoing recitals are correct.

**Section 2.** **Ballot Measure Submitted**. The City Council hereby orders, pursuant to Section 9222 of the Elections Code, that the ordinance attached hereto as Exhibit "A" and incorporated herein by reference, be submitted to the voters at the Election. Adoption of the ordinance requires a majority vote of those voting on the matter.

**Section 3.** **Ballot Question**. The question submitted by Section 2 of this Resolution shall appear on the ballot as follows:

| | | |
|---|---|---|
| **Good Government Cannabis Reform Measure** To fund general city services in Baldwin Park, such as cleaning trash/graffiti, fixing streets/potholes, crime prevention, 911 emergency response, and providing afterschool/ youth employment programs, shall the measure applying the City of Baldwin Park's existing 4% cannabis retailing tax rate to non-retail cannabis businesses, providing a projected $1,000,000 annually in additional locally-controlled funding until ended by voters, that can't be taken by the state, with public independent audits be adopted? | **YES** | |
| | **NO** | |

**Section 4.** **Consolidation**. Pursuant Section 10400 et seq. of the Elections Code, the City Council reiterates its request set forth in the Election Resolutions that the Los Angeles County Board of Supervisors consolidate the Election with any other elections held on the same day in the same territory or in the territory that is in part the same.

**Section 5.** **Conduct of Election**. Pursuant to Section 10002 of the Elections Code, the City Council reiterates its request that the Los Angeles County Board of Supervisors permit the Registrar-Recorder/County Clerk to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the City agrees to reimburse the County, in accordance with current County pro-rations and allocation procedures. The Board of Supervisors is authorized to canvass the returns of the Election pursuant to Section 10411 of the Elections Code. In all matters, not otherwise specified in this Resolution, the Election shall be held as set forth in the Election Resolution. Notice of the time and place of the Election is hereby given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election as required by law and to take any other actions required for the conduct of the election.

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**Section 6. Filing with County.** The City Clerk shall file a certified copy of this Resolution with the Board of Supervisors and the Registrar-Recorder/County Clerk.

**Section 7. Impartial Analysis.** The City Attorney shall prepare an impartial analysis of the measure. The analysis shall be included with other ballot materials.

**Section 8. Arguments.** Any person may prepare an argument for or against the measure not exceeding 300 words in length. Rebuttal arguments shall be permitted as provided by state law. If more than one argument is submitted for or against the measure, or more than one rebuttal is submitted for or against the measure, for each, the City Clerk shall select the argument/rebuttal to be included with the ballot materials in the manner provided by state law.

**Section 9. Effective Date.** This Resolution shall be effective upon its adoption.

**PASSED, APPROVED and ADOPTED** this 15th day of July, 2026

Signed by:
Daniel Damian
C60C2425D07545E...

Daniel Damian, Mayor

**ATTEST:**
**STATE OF CALIFORNIA**
**COUNTY OF LOS ANGELES SS:**
**CITY OF BALDWIN PARK**

I, Christopher Saenz, City Clerk of the City of Baldwin Park do hereby certify that the foregoing **Resolution No. 2026-023** was duly adopted by the City Council of the City of Baldwin Park at a regular meeting thereof held on **July 15, 2026** and that the same was adopted by the following vote to wit:

AYES: **AVILA, ESTRADA, LOZANO, AYALA, DAMIAN**

NOES: **N/A**

ABSENT: **N/A**

ABSTAIN: N/A

Christopher Saenz
City Clerk

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# Exhibit “A”

## Tax Ordinance

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**EXHIBIT A**

**ORDINANCE NO. 1529**

**AN ORDINANCE OF THE CITY OF BALDWIN PARK, CALIFORNIA ADDING CHAPTER 129.5 (CANNABIS BUSINESS TAX—NON-RETAIL) TO TITLE XI OF THE BALDWIN PARK MUNICIPAL CODE ESTABLISHING A TAX ON CANNABIS WHOLESALE BUSINESS ACTIVITIES WITHIN THE CITY**

**THE PEOPLE OF THE CITY OF BALDWIN PARK DO ORDAIN AS FOLLOWS:**

**SECTION 1. CODE AMENDMENT**. Chapter 129.5 is added to Title XI of the Baldwin Park Municipal Code to read as follows:

**CHAPTER 129.5**
**CANNABIS BUSINESS TAX—NON-RETAIL**

129.5.010 Authority and Purpose.
129.5.020 Tax Imposed.
129.5.030 Administration.
129.5.040 Personal Cultivation and Use Not Taxed.
129.5.050 Constitutionality, Legality and Apportionment.
127.5.060 Remedies Cumulative.
127.5.070 Definitions.

**129.5.010 Authority and Purpose.**

A. The purpose of this chapter is to adopt a tax, for revenue purposes, pursuant to Sections 37101 and 37100.5 of the California Government Code, upon cannabis businesses that engage in business in the city. This cannabis business tax is levied based upon business gross receipts. It is not a sales and use tax, a tax upon income, or a tax upon real property.

B. As cannabis retailing activities are already subject to the cannabis retailer tax levied pursuant to Chapter 129 of this code, the tax imposed by this chapter does not apply to retailing activities.

C. Nothing in this chapter shall be interpreted to authorize or permit any business activity that would not otherwise be legal or permissible under laws applicable to the activity at the time the activity is undertaken.

D. The tax imposed by this chapter is a general tax enacted solely for general governmental purposes. All of the proceeds from the tax imposed by this chapter shall be placed in the city's general fund and be available for any lawful city expenditure.

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**129.5.020 Tax Imposed.**

A. A cannabis business tax is hereby imposed upon each person who is engaged in business in the city as a non-retail cannabis business.

B. The rate of the cannabis business tax is 4% of the non-retail gross receipts of the non-retail cannabis business.

C. An individual who engages in business activities in the city solely as the employee of another person is not themselves subject to the cannabis business tax, so long as their employer has obtained a tax registration certificate in connection with the cannabis business tax.

D. The cannabis business tax is payable regardless of whether the business is operating lawfully in the city or unlawfully. The city's acceptance of a cannabis business tax payment from a cannabis business that is operating illegally shall not constitute the city's approval of or consent to such illegal operations.

E. The City Council may, by ordinance, reduce the rate of the cannabis business tax.

**129.5.030 Administration.**

Except as specifically provided in this chapter:

A. The cannabis business tax shall be administered in the same manner as the cannabis retailer tax and subject to the same deadlines, interest, and penalties.

B. Each person who is subject to the cannabis business tax shall be subject, with respect to their activities that are subject to the cannabis business tax, to all reporting, posting, remittance, registration and other obligations and requirements under Article 129 of this code that are applicable to activities that are subject to the cannabis retailer tax.

C. In the course of its administration of the cannabis business tax the city shall have the same authority to inspect, audit and examine records, equipment and premises, as it does in connection with the administration of the cannabis retailer tax.

D. The tax administrator shall have the authority to issues regulations, administrative interpretations, and rules that are not inconsistent with the provisions of this chapter or any ordinance of the City Council.

E. The cannabis business tax shall be subject to the same provisions for appeals as the cannabis retailer tax.

F. A tax registration certificate or other document issued in connection with the administration of this chapter does not substitute for any permit, license, certificate or other such document required by any other chapter of this code. However, the city may

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withhold any such permit, license, certificate or other document required by another chapter if the person applying for such permit, license, certificate or other document has not complied with the requirements of this chapter.

**129.5.040 Personal Cultivation and Use Not Taxed.**

Nothing in this chapter shall apply to any individual with respect to (i) their cultivation of cannabis solely for their personal use or (ii) their personal use of cannabis. The exemption set forth in this section shall apply only to the extent that the cultivation or use is exempt from state cannabis licensing requirements and the individual received no compensation of any kind from such cultivation or use. This exemption does not apply to any corporation, partnership, or other legal person other than an individual human being.

**129.5.050 Constitutionality, Legality and Apportionment.**

It is the intent this chapter that any tax imposed pursuant to this chapter comply with the requirements of the constitution and laws of the United States and of California and no tax shall be applied in a manner that is impermissible under such constitutions and laws. To the extent any tax imposed by this chapter would be impermissible under such constitutions or laws unless a business activity (or the gross receipts from such activity) is apportioned between the city and other jurisdictions, such business activity or gross receipts (and the tax thereon) shall be apportioned.

If a person believes that apportionment of the tax is required, the taxpayer must indicate said apportionment on his or her tax return. The Tax Administrator may promulgate administrative procedures for apportionment as he or she finds useful or necessary. If a person believes that the tax, as applied to him or her, is impermissible under applicable law, he or she may request that the Tax Administrator release him or her from the obligation to pay the impermissible portion of the tax.

**129.5.060 Remedies Cumulative.**

All remedies and penalties prescribed by this chapter or which are available under any other provision of this code and any other provision of law or equity are cumulative. The use of one or more remedies by the city shall not bar the use of any other remedy for the purpose of enforcing the provisions of this chapter. The conviction and punishment of any person for failure to pay the required tax shall not excuse or exempt such person from any civil action for the tax debt unpaid at the time of such conviction. No civil action shall prevent a criminal prosecution for any violation of the provisions of this chapter or of any state law requiring the payment of all taxes.

**129.5.070 Definitions.**

The following words and phrases shall have the meanings set forth below when used in this chapter:

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A. “Business” means all activities engaged in or caused to be engaged in within the city, including any commercial or industrial enterprise, trade, profession, occupation, vocation, calling, or livelihood, whether or not carried on for gain or profit.

B. “Cannabis” means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” shall not include industrial hemp, unless otherwise specified.

C. “Cannabis business tax” means the tax imposed by section 129.5.020 of this article.

D. “Cannabis product” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product. “Cannabis product” also means cannabis products as defined by Section 11018.1 of the California Health and Safety Code and is not limited to medicinal cannabis products.

E. “Cannabis retailer tax” means the tax imposed by chapter 129 of this municipal code.

F. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis and includes, but is not limited to, the operation of a nursery.

G. “Employee” means each and every person engaged in the operation or conduct of any business, whether as owner, member of the owner's family, partner, associate, agent, manager or solicitor, and each and every other person employed or working in such business for a wage, salary, commission, barter or any other form of compensation.

H. “Engaged in business as a non-retail cannabis business” means the commencing, conducting, operating, managing or carrying on of a non-retail cannabis business in the city, whether done as owner, or by means of an officer, agent, manager, employee, or otherwise. A person shall be deemed engaged in business within the City if:

1. Such person or person’s employee maintains a fixed place of business within the City for the benefit or partial benefit of such person;

2. Such person or person’s employee owns or leases real property within the City for business purposes;

3. Such person or person’s employee regularly maintains a stock of tangible personal property in the City for sale in the ordinary course of business;

4. Such person or person’s employee regularly conducts solicitation of

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business within the City;

5. Such person or person's employee performs work or renders services in the City.

The foregoing specified activities shall not be a limitation on the meaning of "engaged in business."

I. "Gross receipts," except as otherwise specifically provided, means, whether designated as a sales price, royalty, rent, delivery fee, slotting fee, any other fee, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, services and property of any kind or nature) received or payable for goods, wares or merchandise, or for the performance of any act or service of any nature for which a charge is made or credit allowed (whether such service, act or employment is done as part of or in connection with the sale of goods, wares, merchandise or not), without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, losses or any other expense whatsoever.

However, the following shall be excluded from Gross Receipts:

1. Cash discounts where allowed and taken on sales;

2. Any tax required by law to be included in or added to the purchase price and collected from the business or purchaser;

3. Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;

4. Receipts derived from the occasional sale of used, obsolete or surplus trade fixtures, machinery or other equipment used by the taxpayer in the regular course of the taxpayer's business;

5. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a subsequent year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected they shall be included in the amount of gross receipts for the period when they are recovered; and

6. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded.

J. "Non-arm's length transaction" means a transaction that is not a sale entered into in good faith and for valuable consideration reflecting the fair market value in the open market

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between two informed and willing parties, neither under any compulsion to participate in the transaction.

K. "Non-retail cannabis business" means any business involving cannabis, including but not limited to cultivating, distributing, manufacturing, transporting, compounding, converting, processing, preparing, storing, packaging, testing, and wholesaling of cannabis, or cannabis products, whether or not carried on for gain or profit. However, where a business consists solely of the retail sales of cannabis, cannabis products, or ancillary products and accessories, and does not include any of the activities specifically enumerated in the first sentence of this subdivision K, such business is not a non-retail cannabis business.

L. "Non-retail gross receipts of a non-retail cannabis business" means the gross receipts of that non-retail cannabis business. However, where the non-retail cannabis business is operating under multiple state licenses (or consists of activities that would require multiple state licenses under California law), gross receipts shall be separately calculated for the activities conducted under each such license. The gross receipts of the non-retail cannabis business shall then be the sum of the gross receipts calculated for each license that is not a retail license.

For purposes of this definition, the gross receipts from any non-arm's length transaction shall be calculated using a methodology approved by the Tax Administrator at the fair market wholesale value of the goods, wares, merchandise, acts or service that are provided by the business as part of that transaction. Where a business activity conducted under one state license (the "upstream license") includes providing goods, wares, merchandise, acts or services for use by the cannabis business in a business activity conducted under a different state license (the "downstream license"), the act of providing such goods, wares, merchandise, acts or services for use in connection with the downstream license shall be treated as a non-arm's length transaction for purpose of calculating the gross receipts of the activities conducted of the upstream license.

M "Person" means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, whether organized as a nonprofit or for-profit entity, and includes the plural as well as the singular number.

N. "State License" means a license issued by the California Department of Cannabis Control.

O. "Tax Administrator" means the chief executive officer of the city or their designee.

**SECTION 2. SEVERABILITY.** If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The people of the City of Baldwin Park hereby declare that they would have passed this ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

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**SECTION 3. AMENDMENT.** This ordinance, including Chapter 129.5 of the Municipal Code, may be amended by ordinance of the City Council. However, no such amendment may increase the rate of the tax imposed by this ordinance above the rate set forth in Section 1 of this ordinance unless that increase is approved by a vote of the people as required by the California Constitution. For purposes of this section, "increase" has the meaning set forth in Section 53750 of the California Government Code.

**SECTION 4. EFFECT ON REGULATIONS.** The purpose of this Ordinance is solely to enact a tax upon certain cannabis businesses. Nothing in this Ordinance is intended to allow any cannabis business to operate in a manner or location that is not permitted under the Municipal Code (or under permits lawfully issued by the City or under development agreements entered into by the City). Nothing in this Ordinance is intended to (i) limit the City Council from adopting, by ordinance, rules governing operation or regulation of non-retail cannabis businesses in the City, or the terms under which permits for the operation of such businesses will be issued, limited, or revoked, or (ii) limit the City's authority to issue, limit or revoke such permits.

**SECTION 5. ENVIRONMENTAL COMPLIANCE.** This ordinance is exempt from the California Environmental Quality Act, Public Resources Code Sections 21000 et seq. ("CEQA") and 14 Cal. Code Re. Sections 15000 et seq. ("CEQA Guidelines"). Under CEQA Guidelines Section 15378 (b)(4), the tax imposed by this ordinance is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue generated by the tax is used for a purpose that would have such an effect, the City of Baldwin Park will undertake the required CEQA review for that particular project. Therefore, pursuant to CEQA Guideline Section 15060 CEQA analysis is not required.

**SECTION 6. EFFECTIVE DATE.** This Ordinance, and the tax imposed by this Ordinance, shall be effective on January 1, 2027.

This Ordinance was approved and adopted by the People of the City of Baldwin Park at the City's November 3, 2026 Municipal General Election.

_____
Daniel Damian, Mayor

ATTEST:

_____
Christopher Saenz, City Clerk