

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, APRIL 22, 2025**

MINUTE ORDER NO. 3

**SUBJECT: AUTHORIZATION TO ACCEPT TOBACCO GRANT PROGRAM FUNDING,
ADOPT A RESOLUTION, AND AUTHORIZE APPLICATIONS FOR
ADDITIONAL FUNDING OPPORTUNITIES (DISTRICTS: ALL)**

OVERVIEW

In November 2016, California voters passed Proposition 56, the California Healthcare, Research, and Prevention Tobacco Tax Act of 2016, which increased the cigarette tax by \$2.00 per pack of cigarettes. Through Proposition 56, the California Department of Justice (CADOJ) offers grant funding to support Tobacco Retail Licensing (TRL) efforts in local jurisdictions throughout the state.

Since 2021, the County of San Diego (County) Health and Human Services Agency (HHSA), Public Health Services, TRL Program has applied for and received funding from CADOJ to support the local TRL Ordinance (No. 10699), approved by the San Diego County Board of Supervisors (Board) on December 8, 2020 (8). On January 23, 2024 (4), the Board accepted \$1,279,771 in Tobacco Grant Program funds from CADOJ for the term of January 1, 2024, through June 30, 2027, adopted a resolution, and authorized applications for future funding opportunities to raise awareness about the harmful effects of tobacco use and to reduce access to tobacco products for San Diego County residents. In June 2024, the County applied for additional funding, and in October 2024, was awarded for the term of July 1, 2025, through June 30, 2028. If approved to accept additional funding, planned activities include continuing to perform compliance checks for all retailers, creating an education option for retailers who are cited in lieu of a license suspension, and expanding the data management system.

Today's actions request the Board to authorize acceptance of \$2,402,082 in funds from the CADOJ for the term of July 1, 2025, through June 30, 2028, for Tobacco Tax Health Education Revenue, including any extensions, amendments, and revisions thereof that do not materially impact either the program or funding level. Today's action also requests to waive Board Policy B-29, adopt a resolution and authorize the Deputy Chief Administrative Officer, HHSA, to apply for additional funds when available.

This item supports the County vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically left behind, as well as our ongoing commitment to the regional *Live Well San Diego* vision of healthy, safe, and thriving communities. This will be accomplished by providing services to reduce and eliminate tobacco use among San Diego County residents, specifically youth, who live within, or visit, the unincorporated areas of the county that will ultimately promote a healthy, safe, and thriving region.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Waive Board Policy B-29, Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery, which requires prior approval of grant applications and full cost recovery of grants.

2. Authorize the acceptance of \$2,402,082 in grant funds from the California Department of Justice for the period of July 1, 2025 through June 30, 2028, for the Tobacco Grant Program and authorize the Deputy Chief Administrative Officer, Health and Human Services Agency, to execute all required grant documents, upon receipt, including any annual extensions, amendments, or revisions that do not materially impact or alter the services or funding level.
3. Adopt a resolution of the San Diego County Board of Supervisors authorizing acceptance of a grant from the state of California Department of Justice Tobacco Grant Program under Proposition 56, the Healthcare, Research, and Prevention Tobacco Tax Act of 2016.
4. Authorize the Deputy Chief Administrative Officer, Health and Human Services Agency, or designee to apply for additional funding opportunity announcements, if available.

EQUITY IMPACT STATEMENT

According to the Behavioral Risk Factor Surveillance System, since the inception of the California Tobacco Control Program, there has been a substantial decline in adult smoking in California over the last 30 years. Results from the 2023 California Health Interview Survey showed an adult smoking prevalence of 5.1% in the state. However, disparities in cigarette smoking continue to persist by age, gender, race/ethnicity, sexual orientation, income level, education, and those who experience psychological distress, or reside in rural areas. According to the 2023 California Health Interview Survey (CHIS), though the percentage of African Americans in California who smoke has fallen from 12.3% in 2018 to 9.0% in 2023, rate of smoking in this population exceeds that of the White (5.2%) and Latino (5.0%) populations. The percentage of smokers in the Asian American population is lower than that of the White and Latino populations at 3.5%.

The 2023 California Youth Tobacco Survey (CYTS) (formerly called the California Student Tobacco Survey), for San Diego County, found that vapes were the most popular tobacco product, with 7.8% of surveyed youth being current users. By contrast, according to the CYTS, only 1.2% reported currently smoking cigarettes and 0.5% using little cigars or cigarillos. Overall, according to the CHIS, 9.7% of adults reported currently using a non-cigarette tobacco product.

The Tobacco Retail Licensing Program (TRLP) in the County of San Diego (County) Health and Human Services Agency, Public Health Services is responsible for the oversight of the County's Tobacco Retail Licensing Ordinance including administration, education, compliance verification and enforcement activities. Acceptance of funds will advance the goal of the TRLP to limit youth access to tobacco products and reduce the initiation of overall tobacco use by County residents.

SUSTAINABILITY IMPACT STATEMENT

Today's proposed actions support the County of San Diego (County) Sustainability Goal #4 to protect the health and well-being of everyone in the region, with a focus on collaborating with community partners and stakeholders and advocating for environmental justice for communities that have been disproportionately impacted by tobacco use. Today's actions will help to further enhance the County's activities, including license enforcement, compliance checks, license inspections, public education outreach, community engagement and education, and preventing and reducing the use of tobacco products by minors and youth.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year (FY) 2025-27 CAO Recommended Operational Plan in the Health and Human Services Agency. If approved, this request will result in costs of \$846,112 and revenue of \$766,918 in FY 2025-26, costs of \$883,423 and revenue of \$800,019 in FY 2026-27, and costs of \$923,060 and revenue of \$835,145 in FY 2027-28 for a total cost of \$2,652,595 and revenue of \$2,402,082 for the entire grant term, to support tobacco retail licensing activities. Funds for subsequent years will be included in future operational plans. The funding source is the California Department of Justice Tobacco Grant Program.

A waiver of Board Policy B-29 is requested because the funding does not offset all indirect costs. These indirect costs which will not be recovered are estimated at \$79,194 for FY 2025-26, \$83,404 for FY 2026-27, and \$87,915 for FY 2027-28, for a total unrecovered indirect cost of \$250,513 for the entire grant term. The funding source for these unrecovered costs is the Tobacco Retail License fee. The County of San Diego Health and Human Services Agency certifies the public benefit for providing these services far outweighs these costs. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Anderson, seconded by Supervisor Montgomery Steppe, the Board of Supervisors took action as recommended, on Consent, and adopted Resolution No. 25-018, entitled: A RESOLUTION OF THE SAN DIEGO COUNTY BOARD OF SUPERVISORS AUTHORIZING ACCEPTANCE OF A GRANT FROM THE STATE OF CALIFORNIA DEPARTMENT OF JUSTICE TOBACCO GRANT PROGRAM UNDER PROPOSITION 56, THE HEALTHCARE, RESEARCH AND PREVENTION TOBACCO TAX ACT OF 2016.

AYES: Anderson, Lawson-Remer, Montgomery Steppe

ABSENT: Desmond; (District 1 Seat Vacant)

State of California)

County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER

Clerk of the Board of Supervisors



Signed

by Andrew Potter



APRIL 22, 2025