CLERK OF THE BOARD OF SUPERVISORS

EXHIBIT/DOCUMENT LOG

MEETING DATE & AGENDA NO. 08/26/2025 #10

STAFF DOCUMENTS (Numerical)

No.	Presented by:	Description:
1	Staff	7-page PowerPoint
2		
3		
4		
5		

PUBLIC DOCUMENTS (Alphabetical)

No.	Presented by:	Description:
A	N/A	
B		
C		
D		
E		
F		

COUNTY OF SAN DIEGO

New Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA)Process for the County of San Diego (Item #10)

August 26, 2025

AGENDA

- New Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) process for the County of San Diego
  - Background
  - New Debt Advisory Committee Policy
  - Next Steps
  - Recommendation

New TEFRA Process

Background

- Governing Statute:
  - Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”), a public hearing is a requirement of the Internal Revenue Service (“IRS”) Section 147(f) for non-profit or for-profit borrowers issuing tax-exempt debt through a conduit issuer
- Prior County Process
  - No official policy
  - County operated TEFRAs on as-needed basis primarily driven by the issuers
  - Created delays in County business and operations as staff was reactionary to TEFRA needs
- Revision Process
  - April 2025 Staff met with JPAs to discuss need for efficiencies in the process
  - Staff researched and benchmarked County process against other counties including City/County San Francisco, County of Sacramento, Contra Costa County and others
  - Informed issuers and other municipalities that the County would be revising and implementing a new TEFRA process in the late-summer/early-Fall

New Debt Advisory Committee Policy

Key Policy Changes

- Established as a DAC process with annual review
- Issuer-led hearings with prior County approval and with appropriate documentation of the hearing to attach to the Board Letter
  - Allows TEFRA hearings to be on the consent agenda
- Annual 2-page publication with key County process information including primary contacts, process information, information requirements and list of recommended BOS dates
  - Will be provided to conduit issuers and posted on County's Investor Relations page
- Posting Public Notice of TEFRA hearing on County site (in addition to posting in local newspaper)
  - Increased transparency and availability of information for public participation

New TEFRA Process Next Steps

Next Steps

- ➢Heard on August 26th BOS meeting
- ➢Information distributed to issuers and posted on County site
- ➢First BOS meeting for TEFRA approvals likely on November 18, 2025

RECOMMENDATIONS

- Approve the process change for the TEFRA public hearings to be conducted by the Joint Powers Authority or bond issuer. County-conducted TEFRA public hearings at Board of Supervisors meetings may be permissible on a case-by-case basis with prior approval from the Chief Financial Officer.
- Approve the resolution for the conduct of TEFRA public hearings by Issuers subject to the receipt by the County from Issuers of a transcript of such TEFRA public hearings prior to the approval of the issuance of Bonds by the Board.

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