

IMPARTIAL ANALYSIS OF MEASURE E

Measure E was placed on the ballot by the Escondido City Council and proposes to increase the transactions and use tax (commonly referred to as the “sales tax”) by three-quarters of one percent (0.75%) on retail sales within the City of Escondido (“City”). The tax would remain in place for fifteen years and the City Manager estimates the tax would generate approximately \$21 million per year.

Measure E’s sales tax would be levied under state law (Revenue and Taxation Code Section 7285.9). As such, it would be collected as a percentage of gross receipts from retail sales and other taxable uses occurring within the City. The current sales tax rate in Escondido is 7.75%. If Measure E is approved, the sales tax rate would increase to 8.5%. The tax revenues generated from the additional 0.75% would go to the City less a state administrative fee. If approved, the tax would commence on April 1, 2023.

The revenues generated by the passage of Measure E are authorized to be used for any lawful municipal purpose. This includes expenditures for the staffing of police officers and firefighters/paramedics. In addition, the revenues could be spent to address homelessness; reduce pension obligations; and maintain and improve city streets, park and recreation facilities libraries and other City infrastructure. Because the revenues raised by Measure E can be used for any general governmental purpose, a majority of voters must approve Measure E for it to go into effect.

Measure E creates a Citizens’ Oversight Committee (“COC”) which will be responsible for annually making recommendations to the City Council on a spending plan for the revenues generated by Measure E. The COC will also be responsible for reviewing the annual independent audit of the revenues and expenditures of funds generated by Measure E. All expenditures of Measure E fund monies will be tracked and accounted for by the City’s Finance Department as a separate line item in the General Fund and in accordance with Generally Accepted Accounting Principles.

A “yes” vote on Measure E favors increasing the sales tax by three-quarters of one percent for fifteen years. A “no” vote on Measure E opposes an increase in the sales tax by three-quarters of one percent for fifteen years.

The above statement is an impartial analysis of Measure E. If you desire a copy of Measure E (Ordinance No. 2022-15), please call the City Clerk’s office at (760) 839-4617 and a copy will be mailed at no cost to you.