

A STAKEHOLDER MEETING REGARDING THE UPCOMING TOBACCO RETAIL LICENSE FEE FOR THE UNINCORPORATED AREA OF SAN DIEGO COUNTY

County of San Diego, Health and Human Services Agency,
Public Health Services
May 2022



AGENDA



- 1. Tobacco Retail Licensing Overview
- 2. Tobacco Retail License Fee
- 3. Implementation Timeline
- 4. Questions and Answers

TOBACCO RETAIL LICENSING IN CALIFORNIA



- Tobacco retail licensing is a common regulatory approach to reduce youth and adult tobacco use
- There are 216 municipalities in California with Tobacco Retail License (TRL) policies
- Locally, these include 10 municipalities with TRL policies:
 - Chula Vista
 - El Cajon
 - Escondido
 - Lemon Grove
 - Oceanside

- San Diego
- San Marcos
- Solana Beach
- Vista
- Unincorporated San Diego County

TOBACCO RETAIL LICENSING ORDINANCE



On **December 8, 2020**, the County Board of Supervisors approved a new Tobacco Retail Licensing (TRL) Ordinance that covers the entire unincorporated region of the county.

The Ordinance went into effect on July 1, 2021.

The Ordinance mandates that all tobacco retailers:

- Apply for and receive an annual County TRL to sell tobacco products.
- Adhere to specific tobacco pricing and packaging requirements.
- Not sell flavored tobacco products and adhere to certain operating requirements.



ACCORDING TO THE TOBACCO RETAIL LICENSING ORDINANCE:

SEC. 21.2610 FEE FOR LICENSE.

"The fee to issue or to renew a Tobacco Retailer's license shall...be calculated so as to recover the cost of administration and enforcement of this Chapter, including, for example, issuing a license, administering the license program, retailer education, retailer inspection and compliance checks, documentation of violations, and prosecution of violators..."

TOBACCO RETAIL LICENSING PROGRAM MODEL



The Tobacco Retail Licensing Program is carried out by Public Health Services.

Essential components of the TRL program:



TRL FEE COST CATEGORIES

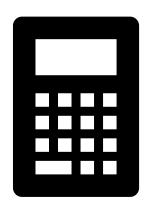


Process Applications Issue Licenses and Renewals Retailer Education Compliance Checks and Inspections **Decoy Operations Enforcement and Penalties**

CALCULATION OF COST AND FEES









Time accounting and costs

Fee calculation

Auditor & Controller review and verification

TOBACCO RETAIL LICENSING FEE & PHASED-IN APPROACH



An incremental strategy for phasing in the TRL fee over a 3-year period will be considered by the Board on May 24, 2022.

Year	Percent of Full Cost Recovery TRL Fee	Amount
Year 1 (7/1/22 – 6/30/23)	50%	\$730*
Year 2 (7/1/23 - 6/30/24)	75%	TBA*
Year 3 (7/1/24 – 6/30/25)	100%	TBA**

^{*}The full cost recovery TRL fee calculated for Year 1 is \$1,460. The fee paid by retailers will be 50% of that amount (\$730).

^{**}The full cost recovery fee will be recalculated annually. The fee will be based on the designated % of that amount.

SAN DIEGO COUNTY TOBACCO RETAIL LICENSES & FEES (MAY 2022)



Mu	nicipality	Date Tobacco Retail License Policy Passed	TRL Fee
1.	Chula Vista	March 2018	\$322
2.	El Cajon	June 2004	\$709
3.	Escondido	November 2020	\$88
4.	Lemon Grove	December 2018	\$220
5 .	Oceanside	September 2020	\$319.63
6.	San Diego (city)	October 2007	\$200
7.	San Diego (unincorporated)	December 2020	\$730 (proposed)
8.	San Marcos	February 2019	\$188.40
9.	Solana Beach	July 2009	\$256
10.	Vista	June 2005	\$250

TOBACCO RETAIL LICENSE FEE IMPLEMENTATION TIMELINE



TRL Program
determined the
minimum costs of
administering the
program to calculate the
TRL fee

July 1, 2021-Feb 28, 2022

Community Forums held to inform the public of the upcoming new TRL fee

Apr 18-May 19, 2022

Retailers notified of the new fee and how to pay

May-June 2022

Mar 1-31, 2022

Costs presented to the Health and Human Services Agency for review

May 24, 2022

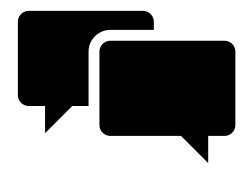
County Board of Supervisors review the fee proposal and approve it with any amendments **July 2022**

Licenses issued to retailers with paid fees

QUESTIONS & ANSWERS



- If you would like to speak, please raise your hand by clicking on the hand icon at the top of the screen.
- When we call on you, you can unmute yourself by right clicking the mic icon in the upper right corner of your screen and selecting "unmute."
- Please introduce yourself and then make your comment.
- You can also:
 - Chat questions or comments into the chat box
 - Email comments or questions about the fee to tobacco@sdcounty.ca.gov



BOARD OF SUPERVISORS HEARING



Tuesday, May 24, 2022

ITEM: AN ORDINANCE AMENDING
ARTICLE XV-B OF THE SAN DIEGO
COUNTY ADMINISTRATIVE CODE
RELATING TO HEALTH AND HUMAN
SERVICES CHARGES AND FEES

Board of Supervisors Meeting Agendas website:

https://www.sandiegocounty.gov/content/sdc/cob/bosa.html

Ways to Participate



Attend the Meeting In Person

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Call-In Your Comments

If you'd like to provide comments by phone, fill out the **online tele-comments** form.



Submit an eComment!

To voice your opinion online for upcoming agenda items, use the eComment service.



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Tobacco Retail Licensing Program



https://www.sandiegocounty.gov/hhsa/tobacco/



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