

Legal Requirements Of Proposition D

Analysis of Section 4.60.180 of the National City Municipal Code (part of Prop. D)

4.60.180 Independent committee. Every five years, the mayor, with approval of the city council, shall appoint an independent committee comprised of three experts in financial matters, who will report their recommendations to the mayor and city council as to whether the transaction and use tax should remain in effect at the rate of one percent, or whether the city council should reduce the rate of tax or terminate the imposition of the tax pursuant to Section 4.60.170 of this chapter.

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“Every five years . . .”

Proposition D became effective October 1, 2006.
Every fifth year is October 1, 2010 – September 30,
2011.

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“... the mayor, with approval of the city council ...”

This is the statutory procedure for making appointments in general law cities. The independent committee is subject to the Brown Act.

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“... shall appoint an independent committee ...”

“independent committee” –
no councilmembers, board or commission members,
or staff may be on the committee.

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“... three experts in financial matters ...”

The type of expertise will be determined by the Mayor and City Council.

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“... who will report their recommendations to the mayor and city council ...”

The committee's report will be presented at a public meeting. The recommendation to the Mayor and City Council is not binding.

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“ . . . as to whether the transactions and use tax should remain in effect, or whether the city council should reduce the rate of tax or terminate the imposition of the tax . . . ”

The Mayor and City Council have three options:

1. Tax to continue at one percent; or
2. Reduce the rate of the tax; or
3. Terminate the tax.