

AMENDED IN SENATE APRIL 14, 2026  
AMENDED IN SENATE MARCH 23, 2026

**SENATE BILL**

**No. 1408**

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**Introduced by Senator Arreguín**

February 20, 2026

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An act to add and repeal Chapter 3.66 (commencing with Section 7290.7) of Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1408, as amended, Arreguín. Contra Costa Transportation Authority: transactions and use tax.

Existing law authorizes various local governmental entities, subject to certain limitations and approval requirements, to levy a transactions and use tax for general purposes, in accordance with the procedures and requirements set forth in the Transactions and Use Tax Law, including a requirement that the combined rate of all taxes that may be imposed in accordance with that law in the county not exceed 2%.

This bill would authorize, until January 1, 2045, the Contra Costa Transportation Authority to impose a transactions and use tax for the support of countywide transportation programs at a rate of no more than 1% that would, in combination with other transactions and use taxes, exceed the above-described combined rate limit of 2%, if the ordinance proposing the tax is approved by the voters, subject to applicable voter approval requirements, as specified. The bill would provide that a transactions and use tax rate imposed pursuant to the bill will not be considered for purposes of that combined rate limit described above.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Contra Costa.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 3.66 (commencing with Section 7290.7)  
2 is added to Part 1.7 of Division 2 of the Revenue and Taxation  
3 Code, to read:

4  
5 CHAPTER 3.66. LOCAL GOVERNMENT FINANCE IN THE COUNTY  
6 OF CONTRA COSTA  
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8 7290.7. (a) Notwithstanding any other law, the Contra Costa  
9 Transportation Authority may impose ~~or extend~~ a transactions and  
10 use tax for the support of countywide transportation programs at  
11 a rate of no more than 1 percent that would, in combination with  
12 all taxes imposed pursuant to Part 1.6 (commencing with Section  
13 7251), exceed the limit established in Section 7251.1, if all of the  
14 following requirements are met:

15 (1) The Contra Costa Transportation Authority adopts an  
16 ordinance proposing the transactions and use tax by any applicable  
17 voting approval requirement.

18 (2) The ordinance proposing the transactions and use tax is  
19 submitted to the electorate and is approved by the voters voting  
20 on the ordinance in accordance with the California Constitution.

21 (3) The transactions and use tax conforms to the Transactions  
22 and Use Tax Law (Part 1.6 (commencing with Section 7251)),  
23 other than Section 7251.1.

24 (b) Notwithstanding Section 7251.1, a transactions and use tax  
25 rate imposed pursuant to subdivision (a) shall not be considered  
26 for purposes of the combined rate limit established by Section  
27 7251.1.

28 7290.8. If an ordinance proposing the transactions and use tax  
29 authorized by this chapter is not approved pursuant to Section  
30 7290.7 on or before January 1, 2045, this chapter shall be repealed  
31 on January 1, 2045.

32 SEC. 2. The Legislature finds and declares that a special statute  
33 is necessary and that a general statute cannot be made applicable  
34 within the meaning of Section 16 of Article IV of the California

- 1 Constitution because of the unique circumstances in the County
- 2 of Contra Costa.

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