BALLOT TITLE AND SUMMARY

Ballot Title: GENERAL PURPOSE OIL BARREL PRODUCTION TAX INCREASE

Summary: Operators of oil wells in the City of Long Beach are currently required to pay a general purpose oil barrel tax up to a maximum of $0.30 per barrel pursuant to Section 3.80.221 of the Long Beach Municipal Code. Such tax revenues may be used for the provision of general City services. The proposed ballot measure would amend Section 3.80.221 of the Code by making the City’s general purpose oil barrel tax rate 11 times higher than the current maximum rate, increasing the rate from $0.30 per barrel to $3.30 per barrel.

The Long Beach City Council currently has the ability to reduce the general purpose oil barrel tax and/or exempt certain types of oil operators from paying the tax without requiring a vote of the local electorate. The proposed ballot measure would further amend Section 3.80.221 of the Code by removing the City Council’s ability to unilaterally reduce, or otherwise amend the application of, the general purpose oil barrel tax.