

# OVER \$1 BILLION AT STAKE

Restoring Local Funding Owed to San Mateo County



**\$119M**

owed in FY 24-25

**\$38M**

owed in FY 23-24

**\$157M**

two year total

**+\$1 Billion**

projected 10 year loss

## THE ISSUE

In 2004, the State replaced traditional local Vehicle License Fee (VLF) revenue with an equivalent funding stream. The payment mechanism that used to deliver full funding has become obsolete here, leaving San Mateo County and its cities blocked from receiving the full amount due without State action.

The State distributes more than \$12 billion annually in VLF replacement funds statewide. San Mateo County is one of the only counties not receiving what it is owed – leaving the County and its 20 cities without the funding they were promised. This funding loss is the result of an outdated State payment mechanism the State has refused to fix.

## WHAT'S AT STAKE

This funding supports essential local services that residents, businesses, commuters, visitors, and families rely on every day. Without this funding and a permanent solution, our communities face real and immediate risk to vital public services:

### Housing & Homelessness

- Nearly 3,000 people could lose shelter access
- 5,500+ households at risk of losing rental assistance increasing risk of homelessness

### Children & Families

- 7,400 children could lose access to early literacy programs.

### Core Local Services

- Reductions to libraries, parks, youth and seniors programs
- Delayed road repairs and infrastructure maintenance causing higher long-term costs

### Health & Public Safety

- Cuts to mental health care, crisis response and wildfire prevention.
- Fewer nurses, police officers, firefighters, and emergency responders

## A QUESTION OF FAIRNESS

Every other Bay Area county receives its full funding – San Mateo County does not. Local residents contribute billions to state revenues annually. The State is not honoring the same commitment made to all 58 counties. San Mateo County and its cities are not asking for anything more than what they are owed.

## LOCAL GOVERNMENTS ARE UNITED

The County and all 20 cities are aligned and taking action:

- In fall 2025, San Mateo County, Alpine County, Mono County, and their cities initiated legal proceedings against the State.
- The County is working with state legislators to secure full funding and a permanent legislative fix.
- The County is making sure state legislators, the Governor, and the public are informed.

## THE SOLUTION

### 1. Full Repayment of Missing Funds

Immediate State action to fully fund the promised payments in the current State budget.

### 2. A Permanent Legislative Fix

Ensure San Mateo County is treated the same as all other counties – now and permanently.

## WHAT THIS MEANS FOR YOUR LOCAL GOVERNMENT

| Local Community        | FY 2024-25 VLF Shortfall as of 06/2025 |
|------------------------|----------------------------------------|
| County of San Mateo    | \$70,791,933                           |
| City of Atherton       | \$740,511                              |
| City of Belmont        | \$1,822,923                            |
| City of Brisbane       | \$282,431                              |
| City of Burlingame     | \$2,360,463                            |
| City of Colma          | \$69,476                               |
| City of Daly City      | \$6,508,613                            |
| City of East Palo Alto | \$2,461,332                            |
| City of Half Moon Bay  | \$709,075                              |
| Town of Hillsborough   | \$760,797                              |
| City of Menlo Park     | \$2,890,107                            |

| Local Community                       | FY 2024-25 VLF Shortfall as of 06/2025 |
|---------------------------------------|----------------------------------------|
| City of Millbrae                      | \$1,642,823                            |
| City of Pacifica                      | \$2,402,495                            |
| Town of Portola Valley                | \$305,120                              |
| City of Redwood City                  | \$5,380,190                            |
| City of San Bruno                     | \$2,961,313                            |
| City of San Carlos                    | \$2,328,964                            |
| City of San Mateo                     | \$6,879,037                            |
| City of South San Francisco           | \$5,195,430                            |
| City of Woodside                      | \$405,070                              |
| City of Foster City                   | \$2,340,648                            |
| <b>Total Countywide VLF Shortfall</b> | <b>\$119,238,751</b>                   |

**STAY INFORMED**

Visit [SMCFairFunding.org](https://SMCFairFunding.org) for updates and County's letters to the Governor and State leaders requesting full VLF funding.

