



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Paul Joseph
Jim Shannon

SUBJECT: See Below

DATE: July 28, 2026

Approved

Date:

7/29/26

COUNCIL DISTRICT: Citywide

SUBJECT: Actions Related to the California Highway Patrol Cannabis Tax Fund Grant Program

RECOMMENDATION

- (a) Adopt a resolution accepting the Fiscal Year 2026-2027 State of California Department of California Highway Patrol Grant Agreement for Cannabis Tax Fund Grant Program in the amount of \$458,306; and authorizing the City Manager or designee to execute any Grant Agreement, amendments, and all related documents, including online certifications at time of award acceptance and reimbursement requests, without further City Council action.
- (b) Adopt the following 2026-2027 Appropriation Ordinance and Funding Sources Resolution Amendments in the General Fund:
 - (1) Establish the 2026-2027 Department of California Highway Patrol Grant Agreement for Cannabis Tax Fund Grant Program City-wide Expenses appropriation to the Police Department in the amount of \$458,306; and
 - (2) Increase the estimate for Revenue from the State of California by \$458,306.

SUMMARY AND OUTCOME

This memorandum outlines the 2026-2027 Department of California Highway Patrol Grant Agreement for the Cannabis Tax Fund Grant Program (CTFGP) and outlines the spending plan for City Council consideration and approval for the purpose of reducing alcohol and drug impaired driving within the City of San José.

BACKGROUND

The State of California Department of California Highway Patrol for the CTFGP awarded grant funding to allied agencies for the education, prevention, and enforcement of laws related to driving under the influence of alcohol and other drug, including cannabis and cannabis products.

In the last several years, the Police Department (Department) has seen an increase in nighttime driving involving driving under the influence of alcohol and drugs, including cannabis throughout the City of San José. This grant would provide overtime funding for staffing, equipment, and training to support investigations related to driving under the influence both for alcohol and cannabis. This is a reimbursable grant, and the Department will be responsible for ensuring expenditures are allowable as set forth through the Department of California Highway Patrol guidelines and the City's policy and procedures.

ANALYSIS

The Department has been awarded \$458,306 for the State of California Department of California Highway Patrol for the Cannabis Tax Fund Grant. The grant term is from July 1, 2026 through June 30, 2027. The grant will assist in addressing checkpoints by directing resources that include but are not limited to personnel overtime, equipment, travel, and training. The grant program will consist of field resources, and equipment to reduce driving under the influence of alcohol and or cannabis drug; expand Standardized Field Sobriety Testing and Advanced Roadside Impaired Driving Enforcement by training staff to identify alcohol and drug impaired driving; and expand and enhance the Department's ability to conduct efficient checkpoint operations.

The following provides information on the City's recommended project budget for the Department of California Highway Patrol Cannabis Tax Fund Grant Program. These items have been identified as needed under the grant program for the prevention of alcohol and drug impaired driving.

1. \$182,724 of funds will go towards personnel overtime. The program will fund overtime positions supporting enforcement and prevention activities without impacting patrol services. Eight DUI checkpoint operations have been proposed along with five Know Your Limit Operations, which aim to contact at least 75 adults of legal drinking and cannabis use per quarter.
2. \$269,900 of the funds will go towards equipment acquisitions to support the program. This includes a DUI Trailer (\$150,000) and a DUI Patrol Truck (\$119,900). This funding will serve to replace the obsolete bus with a DUI/DUID trailer and vehicle, which will improve safety and expand eligible operators.
3. \$2,860 supplies and materials will be used to purchase Preliminary Alcohol Screening devices. Preliminary Alcohol Screening devices will be used at DUI

checkpoints to measure alcohol consumption. Cannabis impairment is assessed separately using specialized training and investigative procedures.

4. \$2,822 of the funds will go towards training and travel. These funds will allow multiple staff members to attend Advanced Roadside Impaired Driving Enforcement Training and Standardized Field Sobriety Testing training. These training courses will strengthen the department's ability to proactively identify drivers under the influence of alcohol and drugs.

The following table summarizes the one-year spending plan.

Budget Category	2026-2027	Total
1. Personnel Overtime	\$182,724	\$182,724
2. Equipment	\$269,900	\$269,900
3. Supplies and Material	\$2860	\$2860
4. Travel/Training	\$2822	\$2822
Total	\$458,306	\$458,306

EVALUATION AND FOLLOW-UP

Expenditures will be made according to the respective spending plan after the plan is approved by the City Council. All funds distributed under the 2026-2027 State of California Department of California Highway Patrol CTFGP Spending Plan must be expended by June 30, 2027.

FISCAL IMPACTS

This City Council memorandum recommends the recognition and appropriation of \$458,306 of CTFGP funding for 2026-2027. Ongoing annual maintenance costs associated with the vehicle and trailer of approximately \$5,000 will be considered as part of the General Fund Base Budget development process.

BUDGET REFERENCE

The table below identifies the fund and appropriations recommended to be added as part of this memorandum.

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Fund #	Appn. #	Appropriation Name	Total Appropriation	Recommended Budget Action	2026-2027 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No.)
001	R100	Revenue from the State of California	\$38,298,000	\$458,306	136	6/16/2026 26-205
001	N/A	State of California, Department of California Highway Patrol Grant Agreement	N/A	\$458,306	N/A	N/A

* The 2026-2027 Proposed Operating Budget was approved on June 9, 2026 and adopted on June 16, 2026 by the City Council.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

PUBLIC OUTREACH

This memorandum will be posted on the City Council Agenda website for the August 11, 2026 City Council meeting.

BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT

No board, commission, or committee recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-006, Grant Application with no commitment or obligation to enter into an agreement at the time of application.

HONORABLE MAYOR AND CITY COUNCIL

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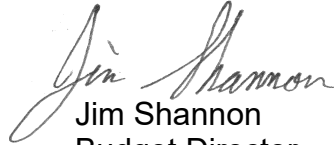
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PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

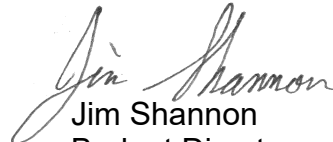
/s/

Paul Joseph
Chief of Police



Jim Shannon
Budget Director

I hereby certify that there will be available for appropriation in the General Fund in the Fiscal Year 2026-2027 moneys in excess of those heretofore appropriated, wherefrom, said excess being at least \$458,306.



Jim Shannon
Budget Director

For questions, please contact Jennifer Otani, Division Manager, Police Department at Jennifer.Otani@sanjoseca.gov or 408-537-1624 or Joanna Zywno, Administrative Officer, Police Department, at Joanna.Zywno@sanjoseca.gov or 408-537-1625