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Taxing Times

“Eternal vigilance is the price of liberty.”
Often quoted by
Howard Jarvis

The Official Newsletter of the Howard Jarvis Taxpayers Association ★ Howard Jarvis, Founder ★ Vol. 42, Issue 3 ★ Fall 2016

YES ON PROPS. 53 AND 54 No on 55 and 56

✓ Yes on **PROP. 53**, **Stop Blank Checks**

Former Assembly Speaker Willie Brown once said, “In the world of civic projects, the first budget is really just a down payment.” The strategy, he noted, was to start construction of a project quickly so it would be hard to stop once people learned of the real cost, which, in many cases, could be many multiples of the initial price presented to citizens.

Constant cost overruns and a lack of accountability plague California’s infrastructure projects. Politicians casually throw “millions” and “billions” around like Monopoly money, leaving hard-working families and future generations to pay the debt they create so flippantly.

Over the last 20 years, \$50

billion in revenue bond debt have been issued without voter approval. A loophole in state law allows politicians to commit taxpayers to repaying enormous revenue bond debt without voter oversight. The result is careless project planning and massive cost overruns beyond the “first budget.”

Billions in new bonds should not escape voter approval. Proposition 53, “Stop Blank Checks,” on the November ballot will close this loophole, hold politicians accountable and ensure that Californians’ voices are heard before they get stuck footing the bill for these huge projects. The Stop Blank Checks initiative requires statewide voter approval for state revenue bond projects that borrow over \$2 billion. These are the state’s biggest revenue bond projects that affect millions of Californians.

Many of these projects result in



HJTA President Jon Coupal and farmer, businessman, philanthropist Dino Cortopassi are interviewed on Capital Public Radio about Prop. 53. Cortopassi is the sponsor of “Stop Blank Checks.”

increased water rates, commute costs or other unavoidable fees, and voters should have a say.

Californians would be wise to pass the Stop Blank Checks initiative as a needed first step in addressing California’s mountain of debt.

✓ Yes on **PROP. 54**, **Legislature Transparency Act**

Proposition 54 is designed to stop secret lawmaking where the

Continued on page 9

Taxing Times



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Anti-Prop. 13 Ballot Measure Derailed

See page 2

HJTA in Action

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Carefully Review Slate Mailers

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PRESIDENT'S MESSAGE

HJTA MEMBERS HELP BLOCK ANTI-PROPOSITION 13 LEGISLATION AND BALLOT MEASURE *By Jon Coupal*

Howard Jarvis believed that individuals, by working together, can achieve great things. HJTA Members continue to prove this is true as we battle politicians, political insiders and their special-interest allies who want to dismantle Proposition 13.

I cannot emphasize enough how important petitions from HJTA Members and Proposition 13 supporters are to our lobbying efforts in Sacramento.

While special interests can use large campaign contributions in an effort to influence lawmakers' votes, HJTA can show legislators petitions signed by thousands of their constituents who are counting on them to protect Proposition 13 and to defend taxpayers' interests. Stacks of petitions can have a very sobering influence on politicians, most of whom want to be reelected and need the support of the voters who support Proposition 13.

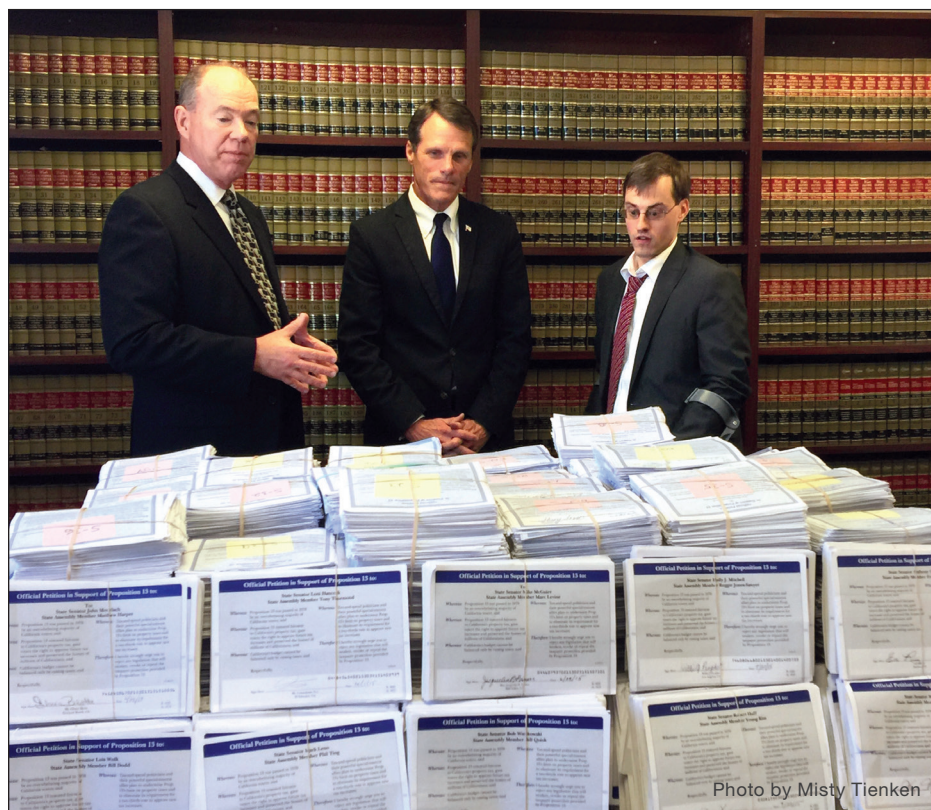
Knowing they are being

watched by the folks back home, these lawmakers are much more likely to be persuaded by the pro-taxpayer arguments made by our legislative director, David Wolfe, and by me.

While some lawmakers are so radically opposed to Proposition 13 they are beyond convincing, there are those who see the light and reject attacks on taxpayers' wallets when confronted with massive evidence of support for Proposition 13 by voters in their district.

Thank you for signing and returning the petitions we send you. Your signatures are critical to our success in derailing attacks on Proposition 13.

Thank you, too, for getting out the word about the so-called "Conway Collis initiative," which would have placed a surcharge on both residential and commercial property. It was misleadingly titled "Lifting Children and Families Out of Poverty Act,"



HJTA President Jon Coupal, Assembly Member Ted Gaines and HJTA Legislative Director David Wolfe review petitions in support of Prop. 13 from HJTA Members.

and received major funding from the Daughters of Charity. HJTA and HJTA Members spread the word that this measure was a multi-billion-dollar property tax increase. Voters who learned more about the impact of the Collis measure were less inclined to sign. Many believe that it was this information campaign that hindered petition gathering and

forced backers to end this effort to raise property taxes.

While the tax raisers will almost certainly be back in 2018 with a new attack on Proposition 13, for now, HJTA Members can take pride in their accomplishment of stopping those who threaten homeowners and taxpayers.

Thank you again! □

Howard Jarvis Taxpayers Association

BOARD OF DIRECTORS

Gloria Phillips	Bill Kelso
John Suttie	Gary Holme
Craig Mordoh, <i>Chairman</i>	Trevor Grimm, <i>Secretary and General Counsel</i>

PRESERVE THE BENEFITS OF PROPOSITION 13

At the Howard Jarvis Taxpayers Association, we have received a number of inquiries from those wishing to help us preserve the benefits of Proposition 13 for their children, grandchildren and heirs. If you would like more information about making an endowment to the Howard Jarvis Taxpayers Association or the Howard Jarvis Taxpayers Foundation, visit www.hjta.org and click on Heritage Society, write to us at 621 S. Westmoreland Ave., Suite 202, Los Angeles, CA 90005, e-mail us at info@hjta.org, or call us at 213-384-9656.

Howard Jarvis Taxpayers Association

Heritage Society

We thank and appreciate the following for their generous donations:

- The Selck Family, *in the name of Lester John Selck and Jane Selck*
- The Gardner Grout Foundation
- The Benson Foundation
- The Allan W. and Elizabeth A. Meredith Trust
- Baker Family Donor Advised Fund
at the Rancho Santa Fe Foundation

A big "Thank You" to the Members of the *Heritage Society* who help make our work on behalf of taxpayers possible!

This column appeared in a number of California newspapers.

HOWARD, WHAT HAVE YOU DONE FOR ME LATELY?

California Commentary from the Howard Jarvis Taxpayers Association – June 5

Many of those under 50 do not remember tax-revolt leader Howard Jarvis, who passed away 30 years ago, and yet, perhaps unknowingly, they are benefiting from his legacy. Proposition 13, which limits property taxes and allows local voters to have the final say on new taxes, was Howard's gift to all Californians.

By limiting annual increases, Proposition 13 makes property taxes predictable from year to year. This doesn't just benefit senior citizen homeowners on fixed incomes who worry about losing their homes to the tax collector. It benefits *all* homeowners. For example, a family who bought their home just five years ago in 2011, at the typical price that year of \$286,000, has already seen significant tax savings. Today, the median sales price is close to \$509,000, according to the California Association of REALTORS®. That's a 79 percent increase. Under the property tax system that preceded Proposition 13, which was based on current value, the family who bought their home in 2011 would see their property taxes nearly double in a

few short years.

Without Proposition 13, that family who struggled to buy a home in the first place would find themselves struggling to keep their house in an overheated real estate market. Because of Proposition 13, which limits annual assessed value increases to two percent and then applies a tax rate of one percent to the total, the family will pay \$3,084 this year, not \$5,090, which would be the case if there were no limit on annual increases.

But even this example understates the importance of Proposition 13 to the average property owner. You see, before Proposition 13 imposed a one-percent tax rate, the statewide average was 2.6 percent — in some counties it was as high as 4 percent. So, without Proposition 13, our recent home-buying family would actually be paying \$13,234 in annual taxes.

The old system guaranteed constantly increasing revenue to government but did not take into consideration property owners' ability to pay. Even when home values declined, there was no relief for taxpayers because county

boards of supervisors, city councils and local special districts could arbitrarily raise the tax rate to raise revenue.

Proposition 13 was designed to make property ownership secure for all Californians. But Howard Jarvis also wanted to make sure that the Legislature, which refused to provide tax relief when average folks were losing their homes, did not come back with new ways to punish taxpayers. The measure also requires a two-thirds vote of state lawmakers to increase state taxes and provides voters the final say on new local taxes.

Government-employee unions, left-wing progressives and even crony capitalists who all opposed Proposition 13 when it was on the ballot are still complaining. They point to all the money that government has been denied because of Proposition 13 and claim that problems ranging from poverty to academic performance are due to the measure's passage. Of course, these accusations fly in the face of facts. Even with Proposition 13, California ranks in the top 6 of all 50 states in per capita tax burden, and, according

to the Department of Labor, we have the highest-paid state and local employees. Added to this, after adjusting for inflation, we spend more money per pupil than prior to Proposition 13.

Those who do not remember the Tax Revolt of 1978 will be interested to know that much of the voter anger that fueled the passage of Proposition 13 was directed at insiders who benefited from the status quo. This frustration with members of the political class and their powerful special-interest allies is very similar to what we are seeing in America today.

After the passage of Proposition 13, *Time* magazine featured Howard Jarvis shaking his fist on the cover of their June 19, 1978, issue. Howard went on to chronicle his 16-year effort to reform taxes in his book, *I'm Mad as Hell*. If he were with us today, he would be the foremost critic of government that is run for the benefit of insiders and ignores the concerns of average citizens, like those who lived in fear of losing their homes before Proposition 13. □

This column appeared in a number of California newspapers.

TELL ME AGAIN WHY WE NEED HIGHER TAXES?

California Commentary from the Howard Jarvis Taxpayers Association – July 17

This November, California voters will face a slew of tax and bond proposals at both the state and local levels. Each of those ballot measures will be supported by the usual pleas from those who benefit from higher taxes — especially well-funded labor organizations.

Special interests will complain about the “cuts” to vital public programs in education, transportation, health care, etc., that they have suffered in the past. But the problem they have is that they run headlong into the facts — facts that show California government is now more flush with cash than at any other time

in its more than 160-year history.

The California state budget projects spending of \$122.6 billion of general fund dollars, which is over 5 percent higher than last year and a stunning 42 percent more than when Brown took office in 2011.

As we get closer to the November election, this column will present a host of reasons why most tax increases should be rejected. We do this in full knowledge that our opponents, with tens of millions of dollars in campaign funds, will drown out any competing messages of fiscal responsibility, protections for homeowners and a healthy

economic climate to ensure that California remains competitive for businesses both large and small.

For now, let's focus on property taxes as that is of special concern to many California voters, especially homeowners. The state controller just announced that property taxes are surging in California — up over \$3 billion from the previous year. The long-standing urban myth that Proposition 13 has decimated local governments has, once again, been proven false by the data. In short, California is not a low-property-tax state. Per capita property tax collections in the

Golden State are significantly higher than the national average, and that has been true for many years now.

This is just one fact among many that voters should consider when confronted with tax-hike proposals on the ballot. And this is especially true when local governments are seeking higher property tax levies in the form of “parcel taxes” — property taxes imposed in excess of Proposition 13's one percent limit.

There are dozens of other reasons to reject tax increases this November, including California's penchant for pursuing massive

Continued on page 4

THE LEGAL FRONT

RIGHT TO VOTE ON TAXES CASE BEFORE CALIFORNIA SUPREME COURT

By *Tim Bittle, HJTA Director of Legal Affairs*

A young man with glazed eyes was sitting at a table to which a piece of cardboard was taped. On the cardboard was written, "Sign the Petition to Legalize Pot." A woman stopped and asked the young man, "Is it true that marijuana makes you ignorant and apathetic?" The young man answered, "I don't know, and I don't care."

This issue's column begins with an initiative petition, circulated by a group called the California Cannabis Coalition, to legalize medical marijuana dispensaries in the City of Upland. The initiative, if passed by voters, will repeal an existing Upland city ordinance prohibiting medical marijuana dispensaries, and will enact new regulations permitting and establishing standards for the operation of such dispensaries within the city. The initiative requires each dispensary to pay the city an annual "inspection fee" of \$75,000.

The Coalition turned in signatures totaling more than 15% of Upland's registered voters, together with a request for a special election. The County Registrar verified the signatures and certified that the initiative had enough valid signatures under a provision of the Elections Code to qualify for a special election. The City Council accepted the Registrar's certification and requested a financial report from city staff.

The report concluded that the initiative's \$75,000 annual fee would exceed the estimated actual costs the city would incur from issuing a license for a dispensary and conducting annual inspections. The report estimated the actual annual costs at a little over \$15,000. The City Attorney opined that the

"fee," to the extent of the excess, constituted a proposed tax — specifically a "general tax" because the initiative did not specify how the excess revenue should be spent.

Under article 13C, section 2, which was added to the California Constitution by Proposition 218, a proposed general tax "shall be consolidated with a regularly scheduled general election for members of the governing body of the local government." The purpose of this requirement is to force candidates to identify for or against the tax, which helps voters choose the taxpayer-friendly candidates. The Upland City Council, therefore, ordered that the initiative be presented to the voters at the next general election for city council members, which is the upcoming November 2016 election.

The Cannabis Coalition sued, asking the court to order the city to call a special election. The trial court sided with the city. The judge ruled that the provisions of Proposition 218 contained in the state constitution trumped the statute contained in the Elections Code, therefore the initiative must be presented at a regularly scheduled general election, not a special election.

The Cannabis Coalition appealed. The Court of Appeal sided with the Coalition, reversing the decision of the trial court. The Court of Appeal ruled that Proposition 218 applies only to tax proposals emanating from the government. Tax proposals arising from the people, it held, are not subject to the taxpayer protections contained in Proposition 218, including its election date requirement. The Court of Appeal certified its opinion for publication,

which made it a binding precedent statewide. We at HJTA were alarmed when we read the opinion, because Proposition 218's taxpayer protections include the right to vote on taxes. If initiatives are exempt from those protections, then elected officials could easily deny taxpayers their right to vote on taxes by colluding with supporters to propose taxes in the form of an initiative, then adopting the initiative without an election.

Here's how it would work: Let's say you're the City of Bell and you want to give all your employees a raise in pay. To fund it, you want to increase the utility tax paid by your mostly low-income population. So you call a meeting of the city's public-employee unions. You tell them to mobilize city employees to collect signatures on an initiative proposing the tax increase. Instruct them to pitch the initiative as the "Green Parks and Clean Water Initiative" since all city departments, including Parks and Water, will benefit. Once all city employees sign the initiative and collect enough additional signatures to reach a mere ten percent of the city's registered voters, the initiative can be turned in to the Registrar of Voters for verification. Then, as soon as the Registrar verifies the signatures, you and the City Council can act on the initiative. Elections Code section 9215 provides:

- [T]he legislative body shall do one of the following:
- (a) Adopt the ordinance, without alteration [or]
 - (b) Submit the ordinance, without alteration, to the voters.

By choosing option (a), you and the City Council can adopt the

tax increase yourselves, in lieu of holding an election. Even though the California Constitution requires an election, that requirement does not apply to taxes proposed by initiative, according to the Court of Appeal in the Upland case.

As HJTA's Director of Legal Affairs, I called the Upland City Attorney to verify that the city would be seeking California Supreme Court review, and to volunteer my help to write a friend-of-the-court brief supporting the city's position. When the City Attorney informed me that the city planned to accept the decision of the Court of Appeal and move on, I offered that the Howard Jarvis Taxpayers Association would represent the city before the Supreme Court at no charge. My proposal pleased the City Council, which voted at its next meeting to accept HJTA's representation.

HJTA filed a Petition for Review explaining to the Supreme Court that "the importance of this case to taxpayers cannot be overstated. The published decision in this case, unless reversed, will be remembered in history as the case that killed the constitutional right of California taxpayers to vote on new taxes."

We are happy to report that on June 29 the California Supreme Court granted review. The grant of review has the effect of automatically de-publishing the decision of the Court of Appeal, so the Supreme Court will be writing on a clean slate. HJTA's opening brief was filed on July 29, and we are already hard at work on it. Let's hope taxpayers win a major victory! □

WHY HIGHER TAXES?

Continued from page 3

boondoggle projects and the fact that most tax increases will not be used for new programs or higher levels of service, but rather to

shore up failing pension funds.

It is our hope that Californians will not be swayed by the false claims that higher taxes are necessary. If voters are paying attention at all, they will quickly come to that same conclusion. □

FireTaxProtest.org

A PROJECT OF
THE HOWARD JARVIS
TAXPAYERS ASSOCIATION



REPORT FROM THE CAPITOL

UNDER THE DOME: Flurry of activity as legislative year draws to a close

By David Wolfe, HJTA Legislative Director

With the legislative session now over, most lawmakers are hurrying home to make a case for why they deserve reelection. At HJTA we recognize that talk is cheap, so every year we rank legislators based on how they vote on important taxpayer issues. This is why we track the votes of every member of the Legislature and then, every October, issue our Legislative Report Card with a letter grade based on their actual performance on 15–20 different bills.

If you want to know how your representatives rate, we urge you to go to our website, www.hjta.org, and click on “Legislative Report Cards” under “Legislation and Legal” in the menu at the top of the home page to review their performance over the past several years.

With 17 ballot measures, hundreds of local measures that could raise taxes, and a noisy battle for critical Senate and Assembly seats that could mean the difference between a Legislature that protects taxpayer interests and one that looks to further gouge overburdened taxpayers, it is easy to overlook what has been happening in the Capitol. However, there has been a great deal of activity by lawmakers that will impact California taxpayers.

HJTA has taken nearly as many “support” positions on bills this year as “oppose” positions. This includes our two sponsored bills, which I’ll address later in this column. This phenomenon has never occurred in HJTA’s history, and is likely due to legislators wanting to make a good impression on their constituents in an election year. Whatever the motivation, the impact has generally been good for taxpayers. But this positive development has been tempered by numerous bad proposals.

Assembly Constitutional Amendment (ACA) 8 by Los Angeles Democrat Richard Bloom seeks to alter Proposition 13’s two-thirds vote protections for special taxes by allowing for local water infrastructure projects

for treatment and water supply facilities to be constructed with just a 55 percent vote. Special taxes under the bill include both sales and parcel taxes. The latter is very regressive in that the tax is the same regardless of the size of your home, and would have a disproportionate impact on middle-income families.

ACA 8 also applies the 55 percent threshold to local bonds, which don’t fall under Proposition 13’s one percent cap and could be on your property tax bill for as long as 40 years. We have been energetically opposing this bill, and largely due to taxpayers’ opposition, ACA 8 has not yet been heard in a policy committee this year and is unlikely to be approved.

Our active lobbying against these attacks on your Proposition 13 protections has been tremendously enhanced by the petitions that HJTA Members sign and that are delivered to lawmakers by HJTA President Jon Coupal and myself. The picture in this *Taxing Times* showing petitions of all the new Members to HJTA in the last year is a powerful visual representation of the impact taxpayers can have on their elected leaders. We cannot thank you enough for your assistance in keeping Proposition 13 intact as the taxpayers’ shield against confiscatory taxation.

Defending the integrity of our elections, and the initiative process in general, has also been an increasing focus at HJTA. Assembly Bill (AB) 1921 by Lorena Gonzalez (D–San Diego) would allow anyone to turn in an absentee ballot at a polling place. Current law restricts this to immediate family members or those residing in the same house. HJTA has concerns that this could lead to ballot harvesting and other forms of already illegal ballot and voter fraud.

HJTA has two sponsored bills that are briskly moving through the Legislature. AB 1891 by Los Angeles Democrat Matt Dababneh allows seniors over the age of 65 to do a one-time opt-out for school

district parcel taxes. Under current law, some districts force seniors to opt-out of parcel taxes every year in order to receive the exemption. If the paperwork gets lost in the mail, or if the individual forgets, the result can be additional and unintended property taxes in the hundreds of dollars annually.

AB 2801 by Yuba City Republican James Gallagher is HJTA’s other sponsored bill and states that a signed protest of a water, sewer or garbage rate increase under Proposition 218 must be retained by the local agency for two years following the noticed public hearing where the rates are increased. This ensures that, in the event of a recount, the protests are available to taxpayers and others who might wish to review them.

Other positive bills include AB 2265 by Carmel Democrat Mark Stone, which allows a county legal counsel to prepare a summary of the impartial analysis for each ballot measure that answers the questions “What does a yes vote

mean?” and “What does a no vote mean?” in a combined 150 words or less. This should provide more clarity in the ballot pamphlet for voters.

Another bill is AB 2691 by Los Angeles Democrat Chris Holden, which gives a county the option of allowing, via ordinance, seniors and disabled taxpayers to pay their property taxes monthly as opposed to twice annually. This should give taxpayers on fixed incomes greater flexibility to manage their fiscal resources. We expect all four of these bills to be on the governor’s desk by the end of session. He has until the end of September to sign or veto all bills.

To get more information on any of these bills, please go to the legislative section of our website, which will be updated throughout September with Governor Brown’s decisions. If you’d like more information on any legislation, feel free to call me at 916-444-9950. As always, and for ten years now, it remains a pleasure to serve you in the State Capitol. □

ATRM Report

A Giant of the Taxpayer Movement Passes

When Barbara Anderson passed earlier this year, taxpayers lost a great friend and leader.

Anderson was described by some as the most important woman in the history of Massachusetts — high praise indeed. She was the driving force behind Proposition 2½ — a measure similar to California’s Proposition 13 — passed by Bay State voters in 1980. She was also responsible, with her group Citizens for Limited Taxation, for the repeal of a 7.5 percent income tax “surtax” imposed by Governor Michael Dukakis.

The *Boston Globe* credited Anderson’s initiatives for bringing a state once known as “Taxachusetts” from the sixth heaviest taxed state down

to 36th.

Howard Jarvis and Barbara Anderson were friends and he was a key advisor. One of the primary reasons that Howard founded the American Tax Reduction Movement was to assist grassroots tax reform efforts in other states.

In 1985 Anderson told the *New York Times*, “Everything starts at the grassroots level. None of the important issues start at the government level.” Sounds a lot like Howard Jarvis.

Anderson was an active taxpayer advocate until her death. She will be sorely missed. □

The American Tax Reduction Movement was founded by Howard Jarvis. Members of ATRM and HJTA enjoy dual membership.

YOUR HJTA IN ACTION!

Mission statement: Dedicated to the protection of Proposition 13 and the advancement of taxpayers' rights.

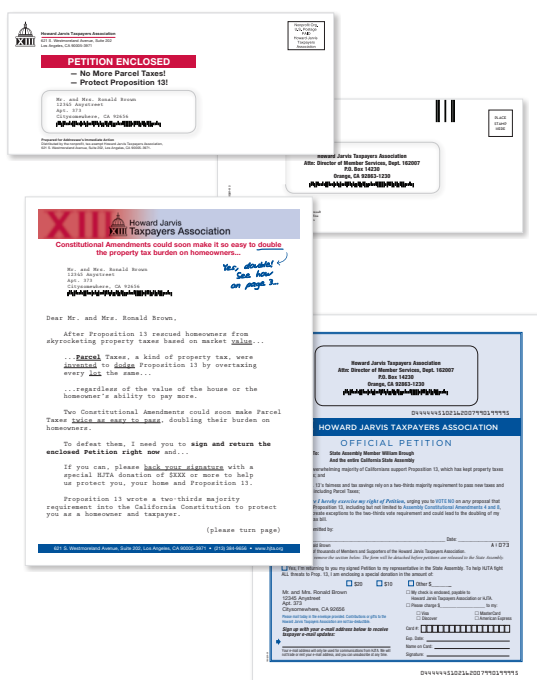
Most Members are familiar with the work of the Howard Jarvis Taxpayers Association through the mail program and the *Taxing Times* newsletter, but not all are aware of the full scope of the extensive work your support makes possible.

LETTERS TO MEMBERS AND OTHER HOMEOWNERS

HJTA writes to Members regularly, not just to ask for their support, but to keep them informed of threats to Proposition 13 and other anti-taxpayer developments in Sacramento and in local governments. Most of these damaging activities by state lawmakers and local officials are not covered by the mainstream media. Additionally, HJTA uses these letters to request actions, including the signing of petitions to the Legislature and the governor, that are an essential part of HJTA's lobbying program to protect Proposition 13 and block tax increases.

The importance of these petitions is discussed in "Report from the Capitol" on page 5 of this issue of *Taxing Times*.

Additionally, HJTA uses the mail to reach millions of homeowners throughout the state to provide information on the importance of Proposition 13 and urging them to join the taxpayer movement.

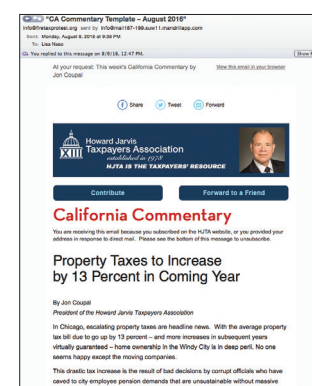


TAXING TIMES NEWSLETTER

Taxing Times, a 12-page tabloid newspaper, is published three times a year and is chock full of informative articles reporting on HJTA activities and providing important news for taxpayers.

WEEKLY COMMENTARY

Each week, HJTA authors a commentary on Proposition 13 and other taxpayer issues. This consistently appears in five to ten newspapers each week. It is also sent to HJTA's list of nearly 40,000 e-mail subscribers. All commentaries can be viewed on the website www.hjta.org under "California Commentary."



INFORMATIONAL VIDEOS

HJTA produces short videos and posts new ones on the website www.hjta.org approximately every 6 weeks. The subjects cover everything from the benefits of Proposition 13 to "Understanding Your Property Tax Bill." These are also posted on HJTA's YouTube channel so they're widely available to the general public.

RADIO OUTREACH

HJTA uses radio for outreach to educate the public on the importance of Proposition 13 and to issue alerts when it is under attack in Sacramento. To learn more about the most recent radio campaign, please see page 10 in this issue of *Taxing Times*.

LETTERS TO NEWSPAPER EDITORS

HJTA responds with letters to the editor when newspapers print unfair stories about Proposition 13. Even though HJTA makes the effort, not all letters are accepted for publication. This is why it is so important for local readers to also respond to misleading stories about Proposition 13.

MEDIA INTERVIEWS

HJTA representatives always respond to the frequent requests for interviews about Proposition 13 and other taxpayer issues by reporters from newspapers, magazines, TV, radio and digital media.

WEBSITE TOOLS AND FEATURES

HJTA maintains a website that provides a wealth of information for California taxpayers and homeowners.

Under "Hot Topics" on the home page are reports on recent developments important to taxpayers, as well as reports on HJTA activities.



Photo by Misty Tienken

The HJTA legal team: Attorneys Brittany Sitzler and Tim Bittle, and legal secretary Lorice Strem.

On the “Resources” page, visitors find taxpayer tools, studies and reports, and important links to more taxpayer information. The tools include guidance and extensive information on how to defeat new local taxes and how to understand the property tax bill.

“Legislation and Legal” provides an overview of HJTA legal and legislative work in progress.

Under “Propositions” HJTA provides a complete overview of the important taxpayer protections included in Proposition 13, property tax limitations; Proposition 218, the Right to Vote on Taxes Act; Proposition 7, indexing the income tax against inflation; and more. These pages are visited hundreds of time a month.

Under FAQ, visitors find answers to common questions about Proposition 13 and other taxpayer initiatives.

SOCIAL MEDIA OUTREACH

HJTA is actively involved in Google+, YouTube, Twitter, Instagram, Facebook, Periscope, Wikipedia and Pinterest. This is part of an ongoing effort to reach out and spread the word to younger generations about the importance of Proposition 13 to all Californians.



TAXPAYER EVENTS

HJTA sponsors and/or participates in numerous taxpayer events each year. In recent months: HJTA sponsored, with Supervisor Andrew Do, an Orange County Proposition 13 town hall meeting, where the benefits of Proposition 13 were discussed and questions about Proposition 13 were answered. HJTA conducted a seminar at the CRP Convention showing candidates how to promote Proposition 13 and use the tax-limiting measure to help get elected. HJTA participated in two telephone town halls, sponsored by Board of Equalization Member Diane Harkey, outlining the threats to Proposition 13 and its importance to all Californians. An HJTA representative spoke at the annual meeting of the Orange County Apartment Owners Association on the subject of informing renters on the importance of Proposition 13.

LEGAL ACTION

HJTA has two attorneys on staff, who, at any given time, are working on nearly 20 or more cases of importance to Proposition 13 and taxpayers.

LEGISLATIVE ADVOCACY

HJTA has a full-time in-house advocate who spends 90% of his time working with the Legislature defending Proposition 13 and advancing pro-taxpayer legislation such as Assembly Bill 809, which was recently passed by the Legislature and which requires more information on local tax measures be placed on the ballot to help voters understand the cost of voting yes. The advocate and HJTA president meet regularly with lawmakers and deliver the petitions that are a vital part of the HJTA lobbying program.



HJTA Executive Director Kris Vosburgh speaks at Proposition 13 Town Hall Meeting in Orange County. The event was cosponsored by Supervisor Andrew Do, who can be seen just behind Vosburgh on the left.

LEGISLATIVE REPORT CARD

Each year, HJTA analyzes the votes on tax issues cast by all members of the Legislature and gives each representative a letter grade. This information is widely publicized and helps voters determine who in Sacramento is siding with taxpayers and who is not. These records are always available on the HJTA website, www.hjta.org.

2015 HJTA LEGISLATIVE REPORT CARD

Our report card is assigned to 100 California measures from their state representatives on whether they actually voted on, not just talking about, taxpayer-related issues including the Governor and state boards for Proposition 13. 2015 Legislative Report Card (PDF) 2015 Assembly Member Voting Report, Bill Status, Bill Status, Bill Status, Assembly Republican Leader Chad Mason, Assembly Speaker John Perez, Assembly Minority Leader John Perez, and State Senator Bill Monahan. Links, Dates and Districts are provided for members representing the State of California.

The 2015 report is an update from 2014. For more information about our methodology and scoring system, go to: www.hjta.org or email Legislative Director David Hall at dhall@hjta.org.

SENATOR SUMMARY				ASSEMBLY MEMBER SUMMARY			
SENATOR	SENATOR	SENATOR	SENATOR	ASSEMBLY MEMBER	ASSEMBLY MEMBER	ASSEMBLY MEMBER	ASSEMBLY MEMBER
1	2	3	4	5	6	7	8
9	10	11	12	13	14	15	16
17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32
33	34	35	36	37	38	39	40
41	42	43	44	45	46	47	48
49	50	51	52	53	54	55	56
57	58	59	60	61	62	63	64
65	66	67	68	69	70	71	72
73	74	75	76	77	78	79	80
81	82	83	84	85	86	87	88
89	90	91	92	93	94	95	96
97	98	99	100				

SENATOR: A = 100% (100%) B = 90% (90%) C = 80% (80%) D = 70% (70%) E = 60% (60%) F = 50% (50%) G = 40% (40%) H = 30% (30%) I = 20% (20%) J = 10% (10%) K = 0% (0%)

ASSEMBLY MEMBER: A = 100% (100%) B = 90% (90%) C = 80% (80%) D = 70% (70%) E = 60% (60%) F = 50% (50%) G = 40% (40%) H = 30% (30%) I = 20% (20%) J = 10% (10%) K = 0% (0%)

Only policy committee and floor votes are included in the account. The grades for Senators Glenn, Monahan and Pavone may not fully reflect their positions due to their membership status in 2015. Assembly Member Hilda Hernandez is reported as grade 'N' for no carrying of AB 320. Reporting AB 320, only those from the September 1st roll call are included in the tally for an assigned position. Reporting AB 320, only those from the Assembly and Senate are included.

TAXFIGHTER AWARD

HJTA annually presents the HJTA Taxfighter of the Year award to honor the good work of private citizens on behalf of California taxpayers, and to provide encouragement to others to follow suit.

REPORTS

Among the reports prepared by the separate Howard Jarvis Taxpayers Foundation is “Follow the Money,” which documents incidents of government waste, fraud and abuse of taxpayer dollars. HJTA collects many of the examples publicized in this annual report, which is available on the HJTA website, www.hjta.org.

SERVICE OFFICES

HJTA maintains full-time offices in Sacramento and Los Angeles. The Sacramento office conducts legal and legislative work, while the focus of the Los Angeles office is serving the needs of HJTA Members. The staff specializes in fielding questions about Proposition 13 and other taxpayer initiatives.



Howard Jarvis Taxpayers Association

IS THE TAXPAYERS' RESOURCE

Visit the HJTA website at www.hjta.org.

Thank you to all HJTA Members for making this work on your behalf possible.

This column appeared in a number of California newspapers.

IS COFFEE THE NEW GOLD STANDARD?

California Commentary from the Howard Jarvis Taxpayers Association – July 10

Since 1971 the United States has been off the gold standard. Instead of the value of the dollar being defined in terms of gold, our currency is said to be backed by “The full faith and credit of the United States.”

However, listening to politicians, the new standard for backing taxpayer dollars may be coffee, or, more specifically, the latte.

Endorsing efforts to impose a parcel tax on property owners to support parks — parks that have been purposely ignored in the Los Angeles County general fund budget — Supervisor Hilda Solis trivialized the tax saying, “For Pete’s sake, what does it amount to for the average voter, a latte a month at Starbucks?” Her colleague, Sheila Kuehl, upped the ante, gleefully saying the permanent property tax increase would be like walking into Starbucks and getting anything you want because parks are free. “I proudly support taxing and spending,” she added.

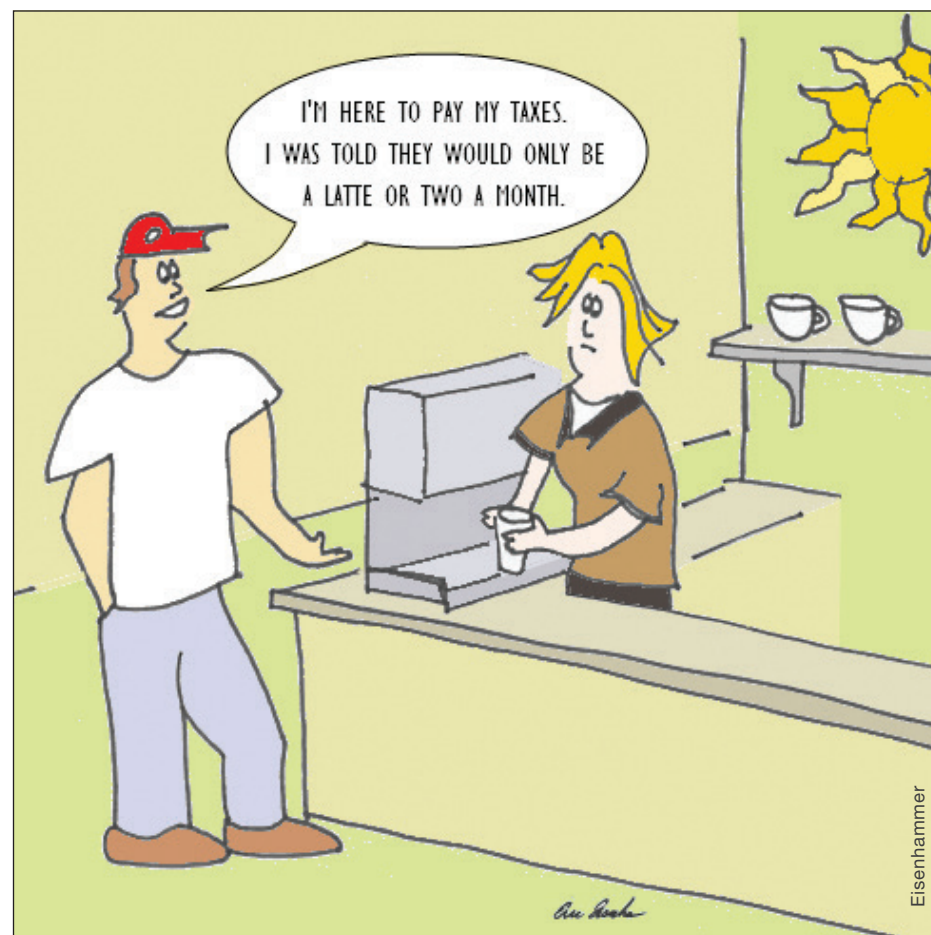
A dozen years ago, I wrote the following about the way politicians deceptively describe tax increases: “Public officials pushing for a tax increase love to break the cost to taxpayers down to insignificant sounding amounts, usually the cost per month, or even the cost per day, and add the words ‘it’s only.’”

I added that the award for the most arrogant example of using “it’s only” should go to the Los Angeles Community College Chancellor who had described the cost of a new bond as “the equivalent of one regular latte a month,” and I asked if the latte — a drink now costing nearly four bucks — would become the new standard by which taxes are measured.

Regrettably, I was prescient. Those promoting taxes in this manner assume that everyone can, like them, afford to hang out at trendy boutique coffee shops.

The reality is that millions of Californians, including millions of homeowners, buy their coffee already ground, and, for them, four dollars will pay for several weeks’ worth of the caffeinated beverage. These are the same folks who are already hammered by California’s high sales, gas and income taxes. Few of them can afford to spend much at Starbucks, or any other place serving overpriced, exotic coffee drinks.

However, if the tax raisers could be permanently bought off for four dollars a month, many taxpayers would gladly take that deal. Sadly, that would not even come close to satisfying the greed of the political class. For example, Los Angeles County is considering a second new tax for homeless services. The city of



Los Angeles is seeking its own “homeless” tax and the local transportation authority is asking voters to approve an increase in the sales tax.

Those outside the Los Angeles area should be careful not to be tempted to relax, since scores of additional taxes, and as many as several hundred bonds that increase property taxes, are expected to be placed on the November ballot by other local jurisdictions. And let’s not forget the income tax and tobacco tax

that will appear on the state ballot.

These taxes are cumulative, not just a latte here and a latte there. Los Angeles Supervisor Don Knabe, who voted against the parks tax, may have best summed up the problem for California taxpayers when he observed that between the state, the counties and the cities, government agencies are asking everyone to buy a Starbucks franchise. □



Can't wait for the next issue of *Taxing Times*?

Get daily tax news and updates at our website.

www.hjta.org

UOT AND HJTA: WORKING TOGETHER FOR DECADES



HJTA Chairman Craig Mordoh, UOT President Ernest Dynda, UOT Board Member Chuck Betz, HJTA President Jon Coupal and HJTA General Counsel Trevor Grimm. Dynda and Betz are recipients of the HJTA Lifetime Taxfighter Award.

After the passage of Proposition 13, a visitor to Howard Jarvis's office called him a genius for coming up with Proposition 13 just when it was so desperately needed. In response, Howard chuckled and reminded his guest that he had been working on tax reform for 16 years.

As Howard recalled in his book, *I'm Mad as Hell* — which chronicled the struggle to reform California's property tax system — in the early 1960s he attended his first meeting with like-minded taxpayers who were concerned that escalating property taxes were destroying the American dream of home ownership. In 1965 they formed the United Organization of Taxpayers (UOT) with the goal of coordinating with hundreds of other small California taxpayer groups and thousands of volunteers. Howard was elected state chairman.

After years of organizing and outreach to citizen taxpayers throughout the state, in 1978 UOT achieved success as the guiding force behind Proposition 13. The organization's president at that time was Chuck Betz, who remains an active taxfighter to this day.

After the passage of Proposition 13, Howard knew that the politicians, bureaucrats

and special interests that had pulled out all the stops to defeat it would continue to resist its implementation. Taxpayers may have won the war, but a strong, full-time professional group would be required to keep the peace. To conduct legal and lobbying work on behalf of Proposition 13 and taxpayers' interests, Howard Jarvis founded the California Tax Reduction Movement, which was renamed the Howard Jarvis Taxpayers Association (HJTA) after his passing in 1986.

For decades, HJTA and the all-volunteer UOT have worked cooperatively on behalf of taxpayers' rights. For many of these years, UOT has been ably headed by Ernie Dynda. Now, Dynda and the UOT Board of Directors, which includes Chuck Betz, have decided that in the best interest of taxpayers, UOT should fold into HJTA and form an even more powerful organization.

Both Chuck Betz and Ernie Dynda will continue to share the benefit of their experience and expertise with HJTA. Betz and Dynda are recipients of the HJTA Lifetime Taxfighter Award, an award that has been given to only a handful of others, including President Ronald Reagan and newsman George Putnam. □

YES ON PROPS. 53 AND 54

Continued from page 1

Legislature introduces and approves bills in the dead of night without the opportunity for public review or inspection. This measure would prohibit lawmakers from passing any bills until they are published on the Internet and in print for at least 72 hours before the vote occurs.

Californians have the right to a transparent government, to be able to review their representatives' work and to review and comment on laws they will have to live under.

The majority of legislators would prefer to continue to operate in darkness. Proposition 54 will drag the legislative process out into the sunlight. It deserves strong voter support.

No on PROP. 55, Extension of Income Taxes

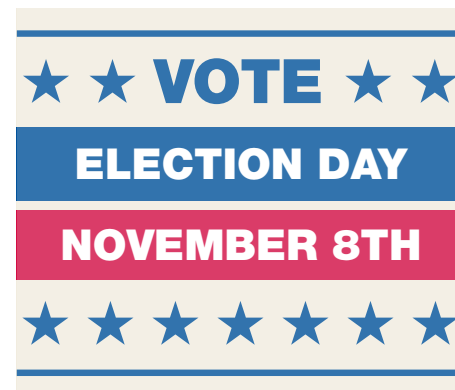
When voters approved an income and sales tax increase in 2012, the politicians promised the increases would be temporary — that a short-term tax increase was all that was needed to restore state services and put the state budget into the black for years to come. Now, with Prop. 55, they want voters to forget their promises and to extend the highest marginal income tax rates in all 50 states for another 13 years.

Ultra-high taxes are pushing businesses, and the jobs they provide, as well as some of our most productive citizens to relocate out of state. Those who leave will not be paying taxes here.

Even without the “temporary” tax increases in Proposition 30, our state has high income taxes. The ultra-high taxes should be allowed to expire as promised. They are not needed; California is running a budget surplus. Proposition 55 should be rejected.

No on PROP. 56, Tobacco Tax Increase

Prop. 56 is another effort to funnel more money into programs overseen by government entities, which excel at squandering much of the taxpayer money they already receive. There is no evidence that this measure would save lives, but it would funnel more money into the state bureaucracy. This tax won't be paid by “rich” people but hit the working class very hard. Proposition 56 earns a thumbs down from voters. □



For a nonpartisan evaluation of all 17 ballot measures, please go to the HJTA website, www.hjta.org, and click on the 2016 Ballot Initiatives banner. On the home page you will also find HJTA ballot recommendations under “Hot Topics.”

HJTA GOES ON THE OFFENSIVE

To strengthen the taxpayer movement and protect Proposition 13, HJTA sponsored a three-week radio campaign this spring. The radio spots were run throughout the state and were made possible by the support of HJTA Members.

:60

RADIO SCRIPT



JON: Taxpayers, it's time to get a good grip on your wallets.

This is Jon Coupal, president of the Howard Jarvis Taxpayers Association. Right now, Sacramento politicians and special interests are working hard to increase your taxes. But we already have the highest income tax, state sales tax, and fuel costs of any other state in the nation.

And the worst news is they're taking steps right now to destroy Proposition 13 that protects millions from being taxed out of their homes.

The Howard Jarvis Taxpayers Association is the only organization fighting for the interests of average taxpayers. Together we can stop the tax-grabbing politicians.

Tell them ENOUGH ALREADY! Join HJTA and stand with thousands of Californians opposed to out-of-control taxation and wasteful spending.

Go to hjta.org for free weekly updates on tax issues affecting you, and download a free guide to your rights under Prop. 13.

Go to hjta.org today and join our fight against unfair and burdensome taxation.

HJTA MEMBERS: HELP HJTA HELP YOU

The Howard Jarvis Taxpayers Association is California's number-one taxpayer advocacy organization. By recruiting new Members, we strengthen the taxpayers' cause in Sacramento and throughout the state.

Help protect Proposition 13! Every HJTA Member knows at least one person who should join HJTA. Please pass along this coupon or just send us their names and addresses. HJTA will send them information on our ongoing work and a membership application. Thank you!

Mail to: HJTA, 621 South Westmoreland Avenue, Suite 202, Los Angeles, CA 90005-3971

Please send information on the tax-fighting work of the Howard Jarvis Taxpayers Association and a membership application to:

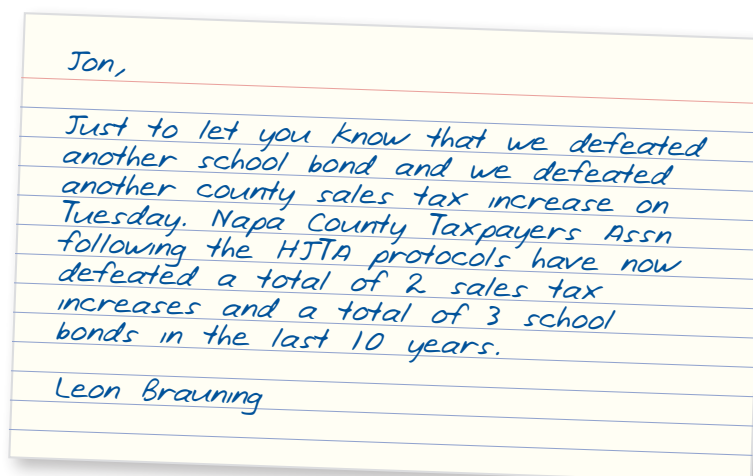
Name: _____

Street Address: _____

City: _____ **State:** _____ **Zip:** _____

HOMETOWN HEROES

At HJTA we were very pleased to receive word of more successes by the Napa County Taxpayers Association, proving again that hardworking taxpayer advocates can prevail.



The HJTA hat is off to Leon and members of the Napa County Taxpayers Association.

MORE MAIL

HJTA receives a lot of correspondence through both mail and e-mail and we are grateful for it all. Of course we always appreciate kind words and we were touched when we recently received the following:

Dear HJTA,

Not sure how often folks say thank you for making our voices heard — THANK YOU!

Your hard work to protect Proposition 13 and the advancement of taxpayers' rights is greatly appreciated.

Please continue the fight regarding the illegal implementation of the 2011 fire tax. We have filed the petition for redetermination every year (just got our 5th bill yesterday). We hope the "class action" suit will wake up the court and stop this unlawful tax being forced upon us. And, stop such hostility towards those of us who pay the bill — hard-working, law-abiding citizens.

I, my family and neighbors thank you for your continuous efforts!!!

Sue Barone

A BIT OF LEVITY

For a number of years, legislators and staff have been participating in a frog-jumping competition at the Capitol pond as a way to promote Calaveras County and its annual event made famous by Mark Twain in his story "The Celebrated Jumping Frog of Calaveras County." Assembly Member Young Kim's entry this year was named "Save Hop 13." HJTA's hat is off to this amphibian; he is a winner in our book!



HJTA RECOMMENDS: CAREFULLY REVIEW SLATE MAILERS

It's election season and it is likely that your mailbox will soon be stuffed with slate mailers, cards on which are printed a number of ballot recommendations. These cards are a time-honored political tool used by candidates and/or causes to inexpensively get their message out.

Unfortunately, sometimes slate cards can also be misleading. In many cases these cards are

produced by private vendors, some of whom will sell space to the highest bidder. We have seen mailers that are made up to look like they come with the recommendations of one political party, and are actually carrying the candidates from another party.

However, there are other slate producers that set higher standards, and the candidates and causes that appear on their cards

may be worthy of support.

Regardless, we strongly recommend that voters use caution and examine slate cards to see who is behind them. California law requires that the actual sender's committee name and address appear on the mailer, although you may have to look closely because the information will be in small type. □

TAX BYTES

TAXPAYERS SAYING "GOODBYE"

The *Mercury News* reports that during the 12 months ending June 30, the number of people leaving California for another state exceeded by 61,100 the number who moved here from elsewhere in the U.S., according to state Finance Department statistics.

WHERE'S THE FIRE

Research by Transparent California (TC) reveals that the fire chief in Richmond, CA, a city with a population of 106,000 and an average income of just \$26,000, is being paid \$560,000. Average pay for city employees is \$130,000.

PULL UP A CHAIR

Taxpayers have paid \$130,000 for new designer furniture for the Capitol Mall office of Board of Equalization member Jerome Horton, reports the *Sacramento Bee*.

ERASING THE RECORD

UC Davis Chancellor Linda Katehi spent \$175,000 to have consultants remove images from the Internet of a 2011 incident in which student protesters were pepper-sprayed, according to Fox News. Apparently, she thought the expenditure would improve the image of the school.

TAXPAYERS CHARGED FOR LEGAL DEFENSE?

NBC News reports that California public utility regulators are asking state lawmakers for \$6 million to pay for their legal bills related to an ongoing corruption investigation into the agency. After the San Bruno pipeline explosion and fire that killed eight people in 2010, the state attorney general opened a corruption and influence-peddling investigation into a suspected backroom deal between utilities and regulators at the PUC. Federal authorities have opened a separate investigation.

Get Your **FREE** Homeowners Guide



Howard Jarvis
Taxpayers Association

Get the full story on your property tax bill and the ways Proposition 13 protects you.



FREE Property Tax Guide

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Go to the Homeowners Guide banner
on the **www.hjta.org** home page
and download your copy today!