Endorsements and ballot-measure recommendations

The Howard Jarvis Taxpayers Association PAC has endorsed these candidates for the November 6, 2018, Statewide General Election:

John Cox Governor

Steven Bailey Attorney General

Melinda Avey Assembly District 8

Joseph Grcar Assembly District 20

Vicki Nohrden Assembly District 29

Jay Obernolte
Assembly District 33

Tom Lackey
Assembly District 36

Henry Nickel
Assembly District 40

Roxanne Hoge Assembly District 46

Burton Brink Assembly District 49

Toni Holle
Assembly District 52

Phillip Chen
Assembly District 55

Mike Simpfenderfer Assembly District 58

Bill Essayli Assembly District 60

Alexandria Coronado Assembly District 65

Frank Scotto
Assembly District 66

Steven Choi Assembly District 68

Tyler DiepAssembly District 72

John Moore Assembly District 79

Jim Nielsen Senate District 4

Andreas BorgeasSenate District 8

Robert Poythress
Senate District 12

Baron Bruno Senate District 26

Rita Topalian Senate District 32

Doug LaMalfa
U.S. Congressional District 1

Andrew Grant
U.S. Congressional District 7

Rudy Peters

U.S. Congressional District 15

Ronald Kabat

U.S. Congressional District 20

Steve Knight

U.S. Congressional District 25

Mimi Walters

U.S. Congressional District 45

Diane Harkey

U.S. Congressional District 49

Ted Gaines

Board of Equalization District 1

Mark Burns

Board of Equalization District 2

G. Rick Marshall

Board of Equalization District 3

Joel Anderson

Board of Equalization District 4

Karen Spiegel

Riverside County Board of Supervisors
District 2

Jeff Hewitt

Riverside County Board of Supervisors
District 5

Local and Regional Measures

Los Angeles County stormwater parcel tax ("Safe Clean Water Program")

NO

Why we're against it: The Los Angeles County Board of Supervisors voted 4–1, with only Kathryn Barger voting no, to place this new parcel tax before the voters on the November ballot. It would put a new tax on property in L.A. County based on satellite photography of each individual parcel of land. The tax would cost property owners 2.5 cents for each square foot of "impermeable surface" — driveways, patios, parking lots, buildings, etc. — as determined by the satellite image analysis.

The tax would raise \$300 million annually for stormwater capture and cleanup infrastructure and programs. The money would be divided between cities in the county and regional watershed areas, with \$30 million per year reserved for programs including "drought education" and workforce training.

This new property tax would be very costly for businesses, like supermarkets with large parking lots, and could result in higher prices. It would also affect apartment buildings and could result in higher rents. It would directly raise property tax bills for homeowners.

L.A. County already captures and cleans enough water runoff to provide for the water needs of 10 percent of the population. The cost of capturing more is unaffordably high.

We recommend a NO vote.

Statewide Measures

Proposition 5

YES

Why we're for it: Proposition 5 would allow homeowners age 55 and older to sell their current homes, purchase a replacement property anywhere in the state and transfer the property tax assessment from the home they sold to the home they bought. This measure would remove restrictions in existing law that limit these transfers by putting conditions on the price and location of the replacement property. It would also allow older homeowners to transfer their base-year property tax assessment more than once.

We support this measure, which helps homeowners who want to downsize or move, but who stay put because of the high property taxes on a replacement property. Proposition 5 will likely result in more homes coming on the market, which will help new homebuyers by increasing the supply of available housing.

We recommend a YES vote on Proposition 5.

Proposition 6

YES

Why we're for it: Proposition 6 repeals Senate Bill 1, the 2017 tax increase on gasoline, diesel fuel and vehicle registrations. It also amends the state constitution to require voter approval of all future increases in fuel and vehicle taxes or fees.

Proposition 6 will save the typical family of four over \$700 per year in direct and indirect costs. It will repeal the tax increase of 12 cents per gallon on gasoline and 20 cents per gallon on diesel fuel, as well as the \$50 to \$175 increase in the annual cost of registering a vehicle.

California has the highest poverty rate in the nation, over 20 percent when the cost of living is taken into account, and one contributing factor to that is the higher cost of transportation. The tax increase on diesel fuel raises the price of everything that is transported by truck, including food. According to the Bureau of Labor Statistics, the inflation rate in California cities is higher than the national average of other U.S. cities. The higher cost of transportation is one reason for that.

The backlog of delayed road and bridge repairs, estimated by state officials to be \$150 billion, is evidence that state lawmakers have not made road safety a priority. Instead of funding transportation infrastructure and maintenance, the politicians have diverted the revenue from transportation taxes to fund other priorities, or pet projects.

SB 1 raised taxes without reforming the well-documented waste and inefficiency at Caltrans. Taxpayers in California pay the highest taxes in the nation and suffer with roads in the worst condition. Taking more money from the wallets of California families to fund more of the same is not the answer. What's needed is a new funding plan that spends all transportation-related tax and fee revenue on transportation.

We recommend a YES vote on Proposition 6.

Proposition 10

NO

Why we're against it: Proposition 10 would repeal the 1995 Costa-Hawkins Rental Housing Act, a state law that protected property owners from new rent-control ordinances, moderated radical rent control and secured new construction in cities throughout California. If Costa-Hawkins is repealed, cities would be able to pass any type of rent-control law, including rent control on single-family homes, garage apartments, duplexes and small apartment buildings. For example, Proposition 10 would allow new rent-control bureaucracies to require every property owner to register and pay an annual fee so the city can track how many housing units exist and whether they are rented or owner-occupied.

Proposition 10 would discourage investment in rental housing, leading to less new construction and more tightening of an already squeezed housing market in California. Faced with the threat that rent control could be enacted at any time, some owners of existing apartment buildings might choose to evict the tenants and sell the property rather than stay in a business with rising costs and uncertain revenue.

Proposition 10 is the wrong answer to the high price of housing. What's needed is more construction, not less.

We recommend a NO vote on Proposition 10.

For more information about the measures on the November ballot, including the official ballot arguments for and against each, please visit HJTA's informational website, CAInitiatives2018.com.

Upcoming elections

November 6, 2018

General Election

Register to Vote at http://www.sos.ca.gov/elections/voter-registration/

Legislative Report Card

The Howard Jarvis Taxpayers Association seeks to inform voters about candidates and issues on the ballot. Check our latest <u>Legislative Report Card</u> at <u>www.hjta.org</u> to see how your representatives voted on taxpayer-related issues, including tax increases and direct attacks on Proposition 13. To access the report card, go to <u>www.hjta.org</u>, click on "Legislation & Legal" in the menu at the top of the page, and then click on "Legislative Report Cards."

Paid for by Howard Jarvis Taxpayers Association State PAC

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