



April 2, 2018

Hon. Jay Obernolte
State Capitol, Rm. 4116
Sacramento, CA 95814

Re: Assembly Bill 2848 (Obernolte)

Dear Assemblyman Obernolte:

On behalf of the 200,000 plus members of the Howard Jarvis Taxpayers Association, **we support your AB 2848.**

AB 2848 is a technical cleanup bill to AB 809 (2016) and AB 195 (2017) both supported by HJTA. These bills added a one sentence statement to the ballot label for local taxes and bonds listing the rate of the tax, its duration, and the estimated amount of annual revenue to be generated.

After AB 195 was approved, HJTA was approached by interests in the education community who informed us that there are serious compliance difficulties as applied to local bond measures. Specifically, bond financing is much different than special taxes, including parcel taxes. When voters approve a parcel tax measure, they are approving a special tax that must be “uniform by parcel”; there is little variation between properties, and usually not from year to year. In contrast, when voters approve a local general obligation bond measure, they are authorizing the agency to issue up to a certain amount of bonds (which may be sold in series over several years), and allowing for taxes to be levied at whatever level is needed to repay the bonds. Thus G.O. bond taxes can vary widely from year to year and property to property.

The issue is not that this information is difficult to include, as most of what AB 195 required can be found in the tax rate statement located in the ballot pamphlet. However, because current law states that the ballot label must be limited to 75 words there is simply insufficient space to adequately apply the provisions found in AB 195 to local bond measures. AB 2848 simply removes these requirements for local bond measures. (It should be noted, however, that, pursuant to Proposition 39, local bond measures do have supplemental transparency provisions).

Sincerely,

A handwritten signature in purple ink that reads 'David Wolfe'. The signature is written in a cursive, slightly slanted style.

David Wolfe
Legislative Director