



City of Long Beach
State Legislation Committee
September 3, 2020

Item #2: Proposition 15 (Split Roll)

- **Proposition 15:** *Increases Funding for Public Schools, Community Colleges, and Local Government Services by Changing Tax Assessment of Commercial and Industrial Property. Initiative Constitutional Amendment.*
- **Summary**
 - “Split Roll” initiative—tax commercial and industrial properties on market value, instead of original purchase price
 - Increased revenues for local governments and education

Item #2: Proposition 15 (Split Roll)

- **Background**

- Proposition 13 (1978)—limit taxable values of properties (commercial and residential) to original purchase price
- Annual increases to a property's taxable value adjusted for inflation up to 2%
- Property taxes raise approximately \$65 billion annually
 - 60% for local governments (counties, cities, special districts)
 - 40% for schools and community colleges

- **Problem**

- Taxable value is less than current market value = less revenue

Item #2: Proposition 15 (Split Roll)

- **Proposal**
 - Proposition 15 (2020) would split tax rolls for residential and commercial
 - Residential would continue under Proposition 13 (1978) structure
 - Commercial and industrial would be taxed on current market value
 - Phased-in over three-year period between 2022-2025
- **Exemptions**
 - Residential and agricultural property
 - Property owners with \$3 million or less worth of commercial in California
- **Additional Provisions**
 - Reduce taxable value of business's equipment by \$500,000
 - Taxes on business equipment eliminated for certain California businesses

Item #2: Proposition 15 (Split Roll)

- **Fiscal Effects**
 - Applicable property owners would pay higher property taxes
 - State estimates \$8 billion to \$12.5 billion in annual revenue increase
 - Between \$6.5 billion and \$11.5 billion for local governments and education
- **Local Impacts**
 - LA County Assessor anticipates full implementation in 5-10 years
 - County responsible for reassessing properties

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- **City Revenue Estimates**

- State estimated range / City's current assessed valuation and share of property taxes = **\$1.3-2.4 million**
- State estimated range / difference between City's property market values and current assessed valuation = **\$3 million**
- Schools and Communities First Campaign = **\$32 million**
 - Methodology unclear; does not disaggregate education

- **Uncertainties**

- Assumptions based on current share of property tax revenue
- Exemptions not based on a single jurisdiction
- Timeline and implementation challenges
- Allocation and redistribution

Item #2: Proposition 15 (Split Roll)

- **Selected Positions**
 - Support
 - U.S. Senator Kamala Harris; Congresswoman Karen Bass; Congresswoman Barbara Lee; State Senator Holly Mitchell; State Superintendent of Public Instruction, Tony Thurmond; Los Angeles Mayor, Eric Garcetti; California Democratic Party; Los Angeles Unified School District; Los Angeles County Board of Supervisors; California Teachers Association; ACLU
 - Opposition
 - California Business Roundtable, California Chamber of Commerce, California NAACP State Conference, California Small Business Association, Howard Jarvis Taxpayers Association

Item #2: Proposition 15 (Split Roll)

- **Questions and Discussion**

Item #3: Proposition 16 (Affirmative Action)

- **Proposition 16:** *Allows Diversity as a Factor in Public Employment, Education, and Contracting Decisions. Legislative Constitutional Amendment.*
- **Summary**
 - Proposition 16 would repeal Proposition 209 (1996) and allow for certain affirmative action programs by State and local governments

Item #3: Proposition 16 (Affirmative Action)

- **Background**

- Proposition 209 (1996): bans consideration of race, sex, color, ethnicity, or national origin in public employment, education, and contracting

- **Proposal**

- Proposition 16 (2020) was placed on the ballot by the Legislature through Assembly Constitutional Amendment 5 (Weber) to repeal Proposition 209
- It would allow for consideration of characteristics for public employment, education, and contracting—within limits of Federal law

Item #3: Proposition 16 (Affirmative Action)

- **Fiscal Effects**
 - The measure's fiscal effect on State or local entities would depend on what programmatic changes are implemented
- **Local Impacts**
 - Proposition 16 would cause an unknown increase of cost related to purchasing, if there were changes to selection criteria
 - If adopted, affirmative action hiring practices to achieve greater diversity would require modification to equal employment opportunity plan
 - Potential alignment with Racial Equity and Reconciliation Initial Report—Goal 1, Strategies 5 & 6

Item #3: Proposition 16 (Affirmative Action)

- **Selected Positions**
 - Support
 - Long Beach Mayor Robert Garcia; Assemblymember Mike Gipson; Senator Steven Bradford; and over 180 elected officials and organizations
 - Opposition
 - American Civil Rights Institute; American Freedom Alliance

Item #3: Proposition 16 (Affirmative Action)

- **Questions and Discussion**

Item #4: Proposition 17 (Parole Voting Rights)

- **Proposition 17:** *Restores Rights to Vote after Completion of Prison Term. Legislative Constitutional Amendment.*
- **Summary**
 - Proposition 17 would restore the right to vote for people on State parole

Item #4: Proposition 17 (Parole Voting Rights)

- **Background**
 - Current state law prohibits electors on parole for the conviction of a felony from voting
- **Proposal**
 - Proposition 17 was placed on the ballot by the Legislature through Assembly Constitutional Amendment 6 (McCarty)
 - It would grant individuals on parole for felony convictions the right to vote in California
 - Almost 20 states allow people on parole for felonies to vote

Item #4: Proposition 17 (Parole Voting Rights)

- **Fiscal Effects**

- The State estimates county costs to increase by hundreds of thousands of dollars annually—prepare voting information and resources for 40,000 parolees
- LA County Clerk notes minor impacts on County operations but supports restoring voting rights

- **Local Impacts**

- The proposal would have minimal cost increases to the City Clerk's office
- Could align with the Racial Equity and Reconciliation Initiative Initial Report—Goal 2, Strategy 3

Item #4: Proposition 17 (Parole Voting Rights)

- **Selected Positions**
 - Support
 - ACLU of California; U.S. Senator Kamala Harris; State Senator Steven Bradford; Assemblymember Mike Gipson; among other elected officials
 - Opposition
 - State Senator Jim Nielsen

Item #4: Proposition 17 (Parole Voting Rights)

- **Questions and Discussion**

Item #5: Proposition 18 (17-Year-Old Voting)

- **Proposition 18:** *Amends California Constitution to Permit 17-Year-Olds to Vote in Primary and Special Elections if they Will Turn 18 by the Next General Election and be Otherwise Eligible to Vote. Legislative Constitutional Amendment.*
- **Summary**
 - Proposition 18 would authorize eligible 17-year-olds to vote in special or primary elections if they will be at least 18 by the next general election

Item #5: Proposition 18 (17-Year-Old Voting)

- **Background**

- Current state law prohibits 17-year-olds from participating in California elections

- **Proposal**

- Proposition 18 was placed on the ballot by the Legislature through Assembly Constitutional Amendment 4 (Mullin)
- It would extend voting to 17-year-olds in special and primary elections
- More than 20 states have similar laws

Item #5: Proposition 18 (17-Year-Old Voting)

- **Fiscal Effects**
 - State estimates one-time costs in the hundreds of thousands of dollars to update voter registration systems
- **Local Impacts**
 - The proposal would have minimal implications for City operations
 - Could expand voter registration outreach activities

Item #5: Proposition 18 (17-Year-Old Voting)

- **Selected Positions**
 - Support
 - Secretary of State, Alex Padilla; Alliance for Boys and Men of Color; California Association of Student Councils; California League of Conservation Voters; California School Boards Association; League of Women Voters of California
 - Opposition
 - California Election Integrity Project, Inc.

Item #5: Proposition 18 (17-Year-Old Voting)

- **Questions and Discussion**

Item #6: Proposition 25 (Bail System)

- **Proposition 25:** *Referendum on Law that Replaced Money Bail with System Based on Public Safety and Flight Risk.*
- **Summary**
 - Proposition 25 considers whether Senate Bill 10 (2018) should go into effect. A “Yes” vote would uphold the bill and change the pretrial detention and release system. A “No” vote would repeal the bill and retain cash bail.

Item #6: Proposition 25 (Bail System)

- **Background**

- Senate Bill 10 (2018) would replace California's cash bail system with a risk-based system
- Without the referendum, the bill would have gone into effect in October 2019

- **Proposal**

- If approved, Senate Bill 10 would implement a new pretrial detention and release system based on public safety and flight risk, not cash bail
- Risk-based assessment factors:
 - Low-risk—released
 - Medium-risk—released or supervised release
 - High-risk—detained
- Other states have passed similar laws

Item #6: Proposition 25 (Bail System)

- **Fiscal Effects**
 - State estimates costs in the mid-hundreds of millions of dollars, county jail costs could decrease by tens of millions of dollars annually
- **Local Impacts**
 - Direct impacts to the City are unclear—counties would be responsible for implementing transition to a risk-based system

Item #6: Proposition 25 (Bail System)

- **Selected Positions**
 - Support
 - California Democratic Party; California Teachers Association; League of Women Voters of California; SEIU California State Council; U.S. Representatives Karen Bass and Ted Lieu; Assembly Speaker Anthony Rendon; and more than 20 other elected officials
 - Opposition
 - California Bail Agents Association; American Bail Coalition; California Black Chamber of Commerce; California Business Roundtable; California Hispanic Chambers of Commerce; California Small Business Association; California NAACP State Conference; Howard Jarvis Taxpayers Association; Orange County Board of Supervisors

Item #6: Proposition 25 (Bail System)

- **Questions and Discussion**