

Agenda Item 5(a):

What Are the Key Components of the Initiative

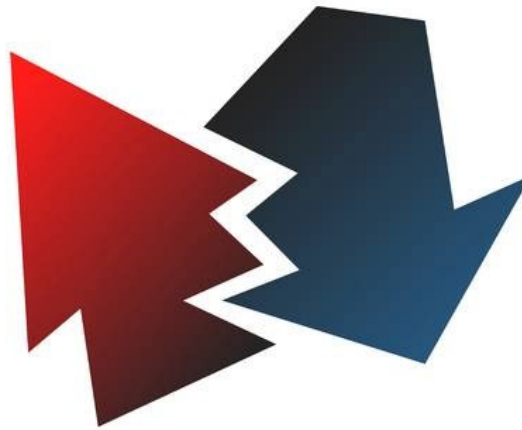
Chris Wilson
Associate Director, Alliance San Diego

A NEW LEGACY FOR CALIFORNIA'S FUTURE



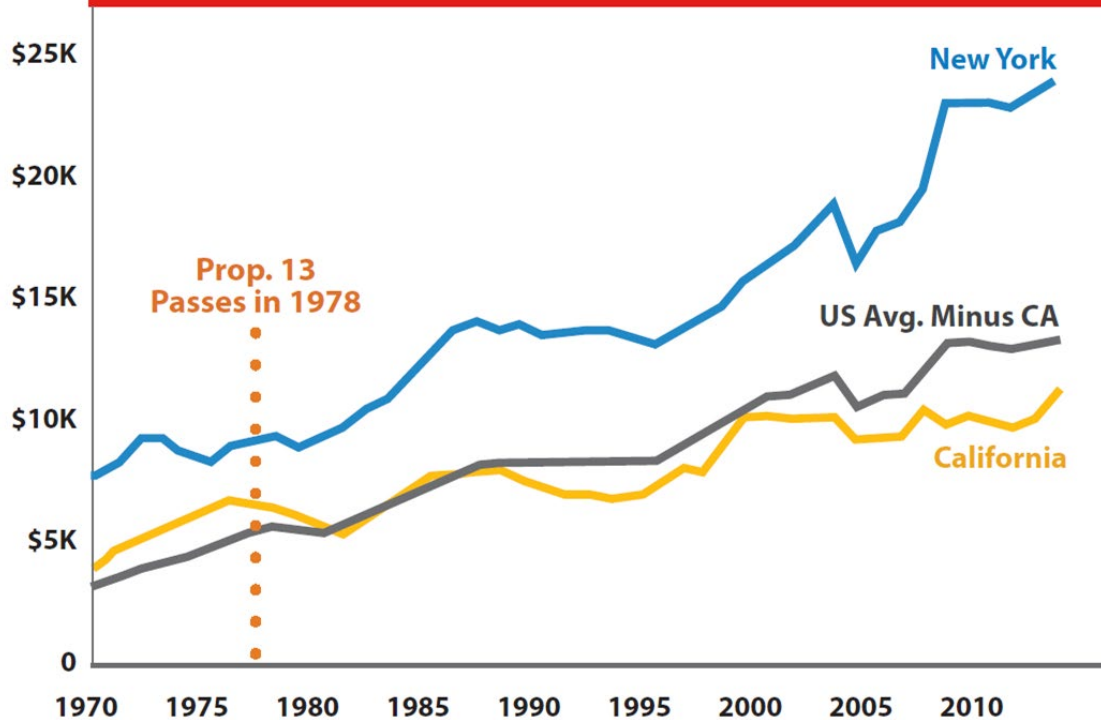
California's Contradiction

**INCREDIBLE
WEALTH**



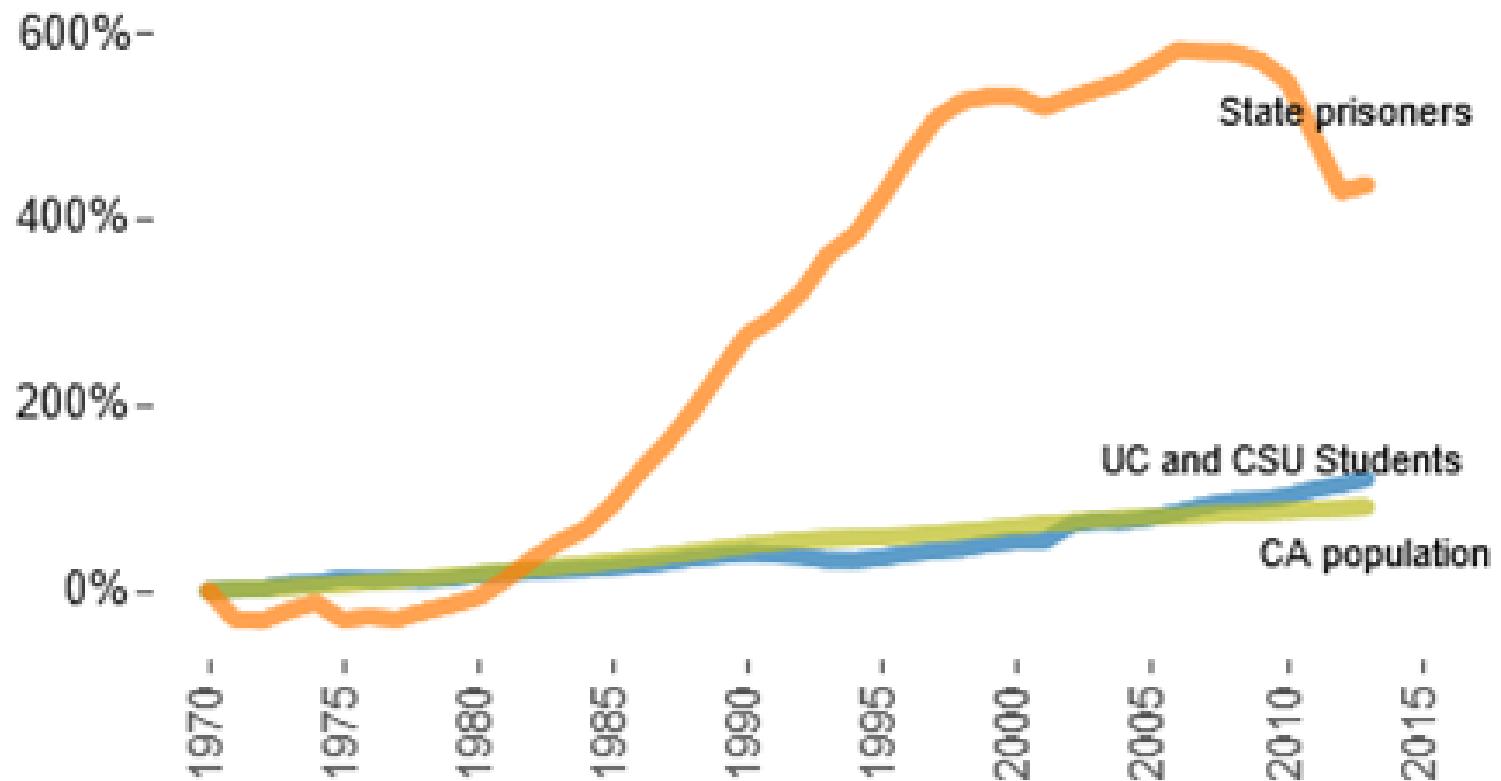
**EXTREME
INEQUALITY**

K-12 Spending Per Pupil ⁸



California has dropped from 7th in per pupil funding to 41st, behind Oklahoma and Texas.

Spending on Prisons not Schools



**How do we move
from incremental
to bold structural
reform?**



Our First Structural Reform Battle





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Prop 13

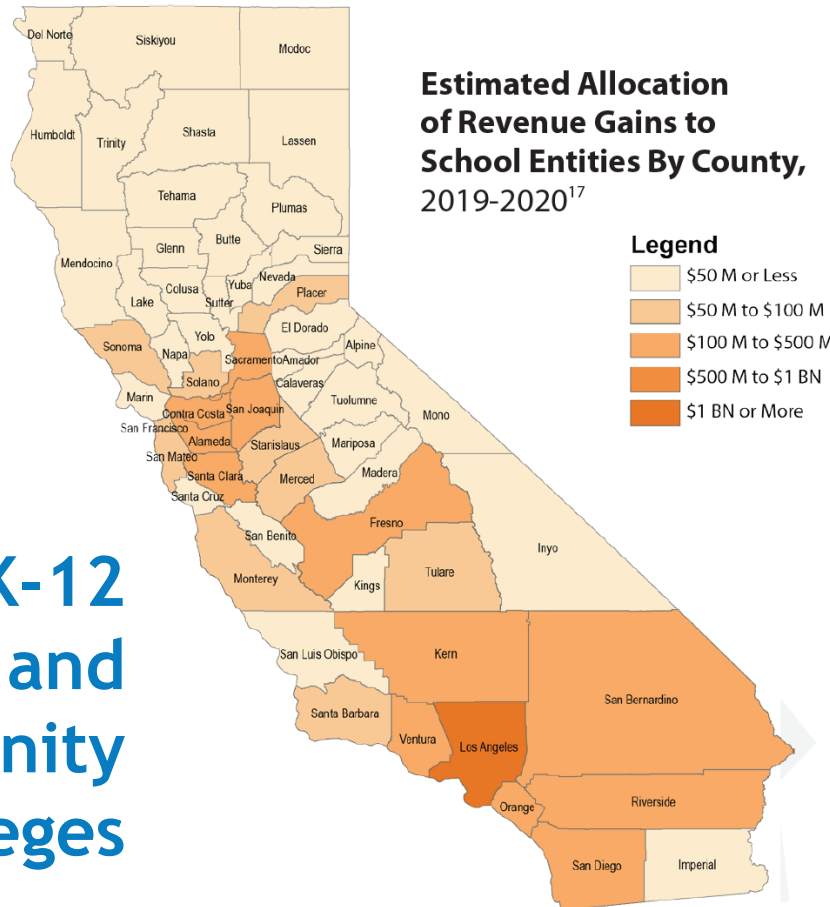


According to the Howard Jarvis Taxpayers Association, **California** has lost **\$585 Billion** in revenue for schools & local communities since Prop 13 passed in 1978.

The California Schools and Local Communities Funding Act will:

-  **Reclaim \$11 billion annually** for schools and local communities
-  **Assess commercial and industrial properties at fair market value** while maintaining protections for homeowners, apartment buildings and agriculture
-  **Help small business owners** that own property valued at \$3 million or less and eliminates the business personal property tax on equipment
-  Mandates **Transparency and Accountability**

40% to K-12
and
Community
Colleges



60% to local
governments

- Affordable Housing and Homeless Services
- Libraries
- Public Transportation
- Health Clinics and Trauma Centers
- Parks
- Roads and Bridges
- Firefighters and First Responders

Currently Large Corporations Benefit Most



Chevron could pay
\$100 Million more
statewide and in
Contra Costa County
\$3.1 to \$3.5M every
year (on land alone)

Playing Field Is Not Level For Business



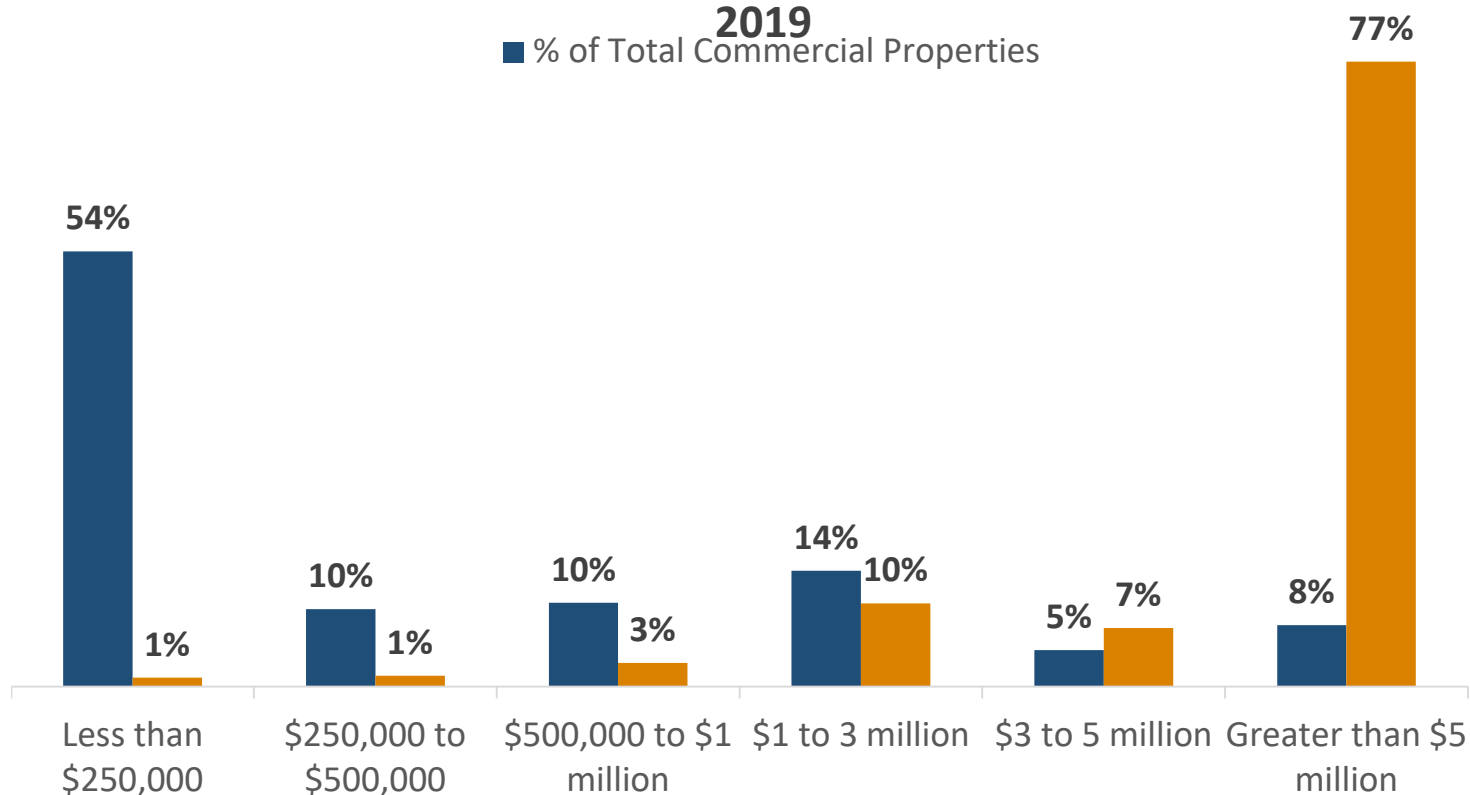
Grand Hyatt is
assessed at
\$1,562 per
square foot.



The
Handlery
Hotel at
\$161.

Share of Total Commercial / Industrial Properties and Share of Statewide Revenue Gain by Estimated Market Value, 2019

■ % of Total Commercial Properties



Source: USC PERE analysis of disparity ratios of commercial and industrial properties based on

Impacts a
fraction of
the
wealthiest
commercial
and
industrial
property
owners

Education Funding



- Schools will see over \$4.5 billion in increased revenue yearly.
- This translates to an additional \$21,848 per classroom annually or \$860 per student annually when fully implemented.
- All revenue will be in addition to and on top of current revenue guaranteed by Prop 98
- Education Funding follows Local Control Funding Formula:
 - ✓ Low-income students
 - ✓ English Language Learners
 - ✓ Foster care children

Local Government Services

Funding for cities, counties, and special districts follows Prop 13 current allocations:

- Cities, counties, and special districts will receive over \$6 billion in increased revenues.
- Local jurisdictions in each county will receive the new revenue based on the share of the local property tax they currently receive.
- County Assessors will be fully reimbursed from the new revenue for any increased costs of implementation.
- Like all property taxes, revenues will be spent at local government discretion, for parks, libraries, affordable housing, health clinics and social services, etc.

The Impact:

- Encourage Smart Land Use and Reduce Climate Impacts
- Funding for Infrastructure, Affordable Housing and Local Services
- Stable Sensible Tax System

**This is the
Fight for
Future
Generations**

