



August 27, 2014

The Honorable Jerry Brown
 Governor, State of California
 State Capitol
 Sacramento, CA 95814

Subject: SUPPORT FOR AB 2109 (Daly) – Request for Signature

Dear Governor Brown:

The listed organizations are writing in SUPPORT of AB 2109, which would increase transparency and oversight of locally imposed parcel taxes.

During the past several decades, parcel taxes have become an increasingly popular option for local entities looking to raise revenue for various programs. Yet no statewide data exists pertaining to these taxes, nor is there state guidance or oversight of local agencies that impose and administer them. This has

produced a disjointed parcel tax system that is plagued with inconsistencies – as discussed in the attached CalTax policy brief, “The Other Property Tax.” In 2012, the Legislative Analyst’s Office (LAO) also called attention to this issue in a report titled “Understanding California’s Property Taxes.” The report noted that between 2001 and 2012, voters approved approximately 180 parcel tax measures for cities, counties, school districts, and special districts, and approximately 135 measures for K-12 districts. The report went on to say that financial data was available on school parcel taxes, but that the LAO was “unable to locate information on the statewide amount of parcel tax revenue collected by cities, counties, and special districts” – which collectively comprise the large majority of parcel taxes approved.

AB 2109 requires the State Controller’s Office to include in its existing report on local financial transactions, specified information pertaining to locally-imposed parcel taxes. This information will be valuable for state and local lawmakers in determining how many past parcel taxes have been levied, how much revenue has been generated by those taxes, and what programs have benefited from the revenue. Similarly, it would help inform voters, who are asked to decide on upward of thirty or so local parcel tax measures throughout various parts of the state during each election. Businesses too, would benefit from such information as they make long-term business planning, expansion and relocation decisions.

In an era where resources are scarce but demand for public services is high, this measure would help California lawmakers and voters make more informed decisions regarding the need for more parcel taxes, would improve accountability and oversight of taxpayer funds, and would help ensure that funds are spent effectively and in the manner approved by the voters.

For the foregoing reasons, the listed organizations respectfully urge your signature of AB 2109.

Sincerely,

Teresa Casazza
President, California Taxpayers Association

Also on behalf of:

Acclamation Insurance Management Services
Air Logistics Corporation
Allied Managed Care
Apartment Association of Greater Los Angeles
Air Conditioning Trade Association (ACTA)
Associated Builders and Contractors of California
Associated Builders and Contractors of California – San Diego Chapter
Associated General Contractors of America (AGC of California)
Building Owners and Managers Association of California
California Apartment Association
California Asian Pacific Chamber of Commerce
California Association of Realtors
California Building Industry Association

California Business Properties Association
California Chamber of Commerce
California Chapter of American Fence Association
California Fence Contractors’ Association
California Grocers Association
California Hotel & Lodging Association
California Manufacturers & Technology Association
California Pool and Spa Association
California Railroad Industry
California Restaurant Association
California Retailers Association
California Taxpayers Association
Coalition of Small and Disabled Veteran Business
Construction Employers’ Association
Family Business Association

Flasher Barricade Association
Howard Jarvis Taxpayers Association
International Council of Shopping Centers
Marin Builders Association
NAIOP of California, the Commercial Real
Estate Development Association
National Federation of Independent Business
Orange County Business Council
Orange County Taxpayers Association
Plumbing-Heating-Cooling Contractors

Association of California (CAPHCC)
San Diego County Apartment Association
Santa Barbara Rental Property Association
Simi Valley Chamber of Commerce
West Coast Lumber & Building Material
Association
Western Electrical Contractors Association
(WECA)
Western Manufactured Housing Communities
Association

Attachment

cc: The Honorable Tom Daly