



**LEGISLATIVE ACTION COMMITTEE MEETING AGENDA
SEPTEMBER 6, 2018 | 6:30 PM
456 WEST OLIVE AVENUE | WEST CONFERENCE ROOM
SUNNYVALE, CA 94088**

INFORMATION AND ACTION MAY BE TAKEN ON THE AGENDA ITEMS LISTED BELOW.

1. Call to order (Sinks) 6:30 PM
2. Consent Agenda
 - LAC Meeting Minutes: August 2018
3. Ballot Measures (Seth Miller, League of California Cities) 6:35 PM
 - (Prop 1, 2, 3, 5, 10)
4. Discussion on legislative session 6:55 PM
5. Adjournment 7:00 PM



**BOARD OF DIRECTORS
MEETING SUMMARY**

AUGUST 9, 2018 | 7 PM

Legislative Action Committee Chair Marico Sayoc opened the meeting at 6PM and called the meeting to order.

In attendance:

Chair Marico Sayoc, Los Gatos
Campbell – Jeffrey Cristina
Cupertino – Rod Sinks
Gilroy – Peter Leroé-Muñoz
Los Altos – Jeannie Bruins
Los Altos Hills – Gary Waldeck
Milpitas – Anthony Phan
Monte Sereno – absent
Morgan Hill – Steve Tate
Mountain View – Pat Showalter
Palo Alto – Greg Scharff
San Jose – Charles “Chappie” Jones
Santa Clara – Debi Davis
Saratoga – Mary-Lynne Bernald
Sunnyvale – Larry Klein
Andi Jordan, Executive Director

Rod Sinks, Cupertino discussed “**Diesel Free by 2033**” and requested support the Bay Area Air Quality & Management District’s (BAAQMAD) Diesel Free by 2033. Debi Davis noted that Santa Clara is supportive if public safety equipment already in service could be excluded from the resolution.

Greg Scharff motioned to support Diesel Free by 2033 with the exception of public safety equipment already in service. Second by Larry Klein.

Motion passes 13-0-2

AYES -13

NO – 0

Abstain – Jeffrey Cristina, Campbell

Absent – Burton Craig, Monte Sereno

Rod Sinks discussed **SB 237** which is an anti-community choice aggregate bill and recommended opposition to the bill. Rod sinks motioned to oppose the bill. Pat Showalter seconded the motion.

Motion passed 13-0-2

AYES – 13

NO – 0

Abstain – Debi Davis, Santa Clara
Absent, Burton Craig Monte Sereno

Oppose (NO) on Proposition 6 Jeannie Bruins, Los Altos, asked the committee to oppose Proposition 6 which is an initiative to kill of SB1. Motion by Mary-Lynne Bernald, Saratoga, to oppose Proposition 6. Second by Chappie Jones, San Jose.

Motion passed unanimously. 14-0-0
AYES - 14
NO - 0
Abstain - 0

Pat Showalter, Mountain View, discussed the **rulemaking on 2016 bill SB 1383** which the goal of the bill is to reduce methane. Showalter discussed that RWRC sent a letter and suggested that the Association send a letter to CalRecycle discussing the problems and burden to local governments. Pat Showalter motioned to send letter. Larry Klein seconded the motion.

Motion passes 13-0-2
AYES – 13
NO – 0
Absent – Jeffrey Cristina, Campbell; Burton Craig, Monte Sereno

The committee adjourned at 6:35 PM.

Ballot Measure Activities & Public Resources



As important as ballot measures are to policymaking, public agencies and officials face important restrictions and requirements related to ballot measure activities.

The basic rule is that public resources may not be used for ballot measure *campaign* activities. Public resources may be used, however, for *informational* activities. The key difference between campaign activities and informational activities is that campaign activities support or oppose a ballot measure, while informational activities provide accurate context and facts about a ballot measure to voters.

This document summarizes some of the key applications of these principles. The law, however, is not always clear and the stakes are high. Missteps in this area are punishable as both criminal and civil offenses. Always check with agency counsel for guidance on how these rules apply in any specific situation.

Public Agency Resources May Be Used To

- ✓ Place a measure on the ballot.
- ✓ Prepare and distribute an objective and fact-based analysis on the effect a ballot measure may have on the agency and those the agency serves.
- ✓ Express the agency's views about the effect of the measure on the agency and its programs, provided the agency is exceedingly careful not to advocate for or against the measure's passage.
- ✓ Adopt a position on the measure, as long as that position is taken at an open meeting where all voices have the opportunity to be heard.
- ✓ Respond to inquiries about the ballot measure in an objective and fact-based manner.
- ✓ Agency communications about ballot measures should not contain inflammatory language or argumentative rhetoric.
- ✓ Public employees and elected officials may, on their own time and with their own resources, engage in the following activities:
 - Work on ballot measure campaigns or attend campaign-related events on personal time (for example, evenings, weekends and lunch hours).
 - Make campaign contributions to ballot measures, using one's own money or campaign funds (while observing campaign reporting rules).
 - Send and receive campaign related emails using one's personal (non-agency) computer and email address.

Ballot Measure Activities & Public Resources

Public Officials Should Not

- × Engage in campaign activities while on agency time or with agency resources.
- × Use agency resources (including office equipment, supplies, staff time, vehicles or public funds) to engage in advocacy-related activities, including producing campaign-type materials or performing campaign tasks.
- × Use public funds to pay for campaign-related expenses (for example, television or radio advertising, bumper stickers, or signs) or make campaign contributions.
- × Use agency computers or email addresses for campaign communication activities.

Best Practices

- ✓ Inform agency employees and public officials about these legal restrictions, particularly once a ballot measure affecting the agency has qualified for the ballot.
- ✓ Include language on informational materials that clarifies that they are for informational purposes only. For example, “these statements shall not be construed in support of or against XX ballot measure.”

WHEN DO THESE RESTRICTIONS KICK IN?

The rules against the use of public resources for campaign activities are triggered once a measure has qualified for the ballot. There may be more latitude before a measure has qualified, but consult with agency counsel regarding the permissibility of specific activities.

DISCLOSURE REQUIREMENTS

Ballot measure activities that cross the line into advocacy are also subject to disclosure (transparency) requirements under California’s Political Reform Act (Government Code sections 81000 *et seq.*).

The Institute for Local Government (ILG) is the nonprofit 501(c)(3) research and education affiliate of the League of California Cities, California State Association of Counties and the California Special Districts Association. Our mission is to promote good government at the local level with practical, impartial and easy-to-use resources for California communities. For more resources related to ballot measures and campaigns, visit www.ca-ilg.org/campaigns.

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**SB 3 (Beall) Veterans and Affordable Housing Bond Act of 2018.
Chapter 365, Statutes of 2017**

This measure places a \$4 billion general obligation bond on the November 2018 ballot to fund affordable housing programs and the veterans homeownership program (CalVet). If approved by voters, SB 3 would fund the following existing programs:

- Multifamily Housing Program: \$1.5 billion, administered by HCD, to assist the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower-income households through loans to local public entities and nonprofit and for-profit developers;
- Transit-Oriented Development Implementation Program: \$150 million, administered by HCD, to provide low-interest loans for higher-density rental housing developments close to transit stations that include affordable units and as mortgage assistance for homeownership. Grants are also available to cities, counties and transit agencies for infrastructure improvements necessary for the development;
- Infill Incentive Grant Program: \$300 million, administered by HCD, to promote infill housing developments by providing financial assistance for infill infrastructure that serves new construction and rehabilitates existing infrastructure to support greater housing density;
- Joe Serna, Jr. Farmworker Housing Grant Fund: \$300 million, administered by HCD, to help finance the new construction, rehabilitation and acquisition of owner-occupied and rental housing units for agricultural workers;
- Local Housing Trust Fund Matching Grant Program: \$300 million, administered by HCD, to help finance affordable housing by providing matching grants, dollar for dollar, to local housing trusts;
- CalHome Program: \$300 million, administered by HCD, to help low- and very low- income households become or remain homeowners by providing grants to local public agencies and nonprofit developers to assist individual first-time homebuyers. It also provides direct loan forgiveness for development projects that include multiple ownership units and provides loans for property acquisition for mutual housing and cooperative developments;
- Self-Help Housing Fund: \$150 million – Administered by HCD, this program assist low and moderate income families with grants to build their homes with their own labor; and
- CalVet Home Loan Program: \$1 billion, administered by the California Department of Veterans Affairs, provides loans to eligible veterans at below-market interest rates with few or no down payment requirements.

Ch. 365
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FILED

in the office of the Secretary of State
of the State of California

SEP 29 2017

At 12:10 O'Clock P. M.

By Nick Pambori
Deputy Secretary of State

Senate Bill No. 3

Passed the Senate September 15, 2017

[Signature]
Secretary of the Senate

Passed the Assembly September 14, 2017

[Signature]
Chief Clerk of the Assembly

Approved SEP 29, 2017

[Signature]
Governor

This bill was received by the Governor this 21st day
of September, 2017, at 5:30 o'clock p. M.

[Signature]
Private Secretary of the Governor

CHAPTER _____

An act to add Part 16 (commencing with Section 54000) to Division 31 of the Health and Safety Code, and to add Article 5z (commencing with Section 998.600) to Chapter 6 of Division 4 of the Military and Veterans Code, relating to housing, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 3, Beall. Veterans and Affordable Housing Bond Act of 2018.

Under existing law, there are programs providing assistance for, among other things, emergency housing, multifamily housing, farmworker housing, home ownership for very low and low-income households, and downpayment assistance for first-time home buyers. Existing law also authorizes the issuance of bonds in specified amounts pursuant to the State General Obligation Bond Law and requires that proceeds from the sale of these bonds be used to finance various existing housing programs, capital outlay related to infill development, brownfield cleanup that promotes infill development, and housing-related parks. Existing law, the Veterans' Bond Act of 2008, authorized, for purposes of financing a specified program for farm, home, and mobilehome purchase assistance for veterans, the issuance, pursuant to the State General Obligation Bond Law, of bonds in the amount of \$900,000,000.

This bill would enact the Veterans and Affordable Housing Bond Act of 2018, which, if adopted, would authorize the issuance of bonds in the amount of \$4,000,000,000 pursuant to the State General Obligation Bond Law. Of the proceeds from the sale of these bonds, \$3,000,000,000 would be used to finance various existing housing programs, as well as infill infrastructure financing and affordable housing matching grant programs, as provided, and \$1,000,000,000 would be used to provide additional funding for the above-described program for farm, home, and mobilehome purchase assistance for veterans, as provided.

This bill would provide for submission of the bond act to the voters at the November 6, 2018, statewide general election in accordance with specified law.

This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. This act shall be known, and may be cited, as the Veterans and Affordable Housing Bond Act of 2018.

SEC. 2. The Legislature finds and declares all of the following:

(a) California is experiencing an extreme housing shortage with 2.2 million extremely low income and very low income renter households competing for only 664,000 affordable rental homes. This leaves more than 1.54 million of California's lowest income households without access to affordable housing.

(b) While homelessness across the United States is in an overall decline, homelessness in California is rising. In 2015, California had 115,738 homeless people, which accounted for 21 percent of the nation's homeless population. This is an increase of 1.6 percent from the prior year. California also had the highest rate of unsheltered people, at 64 percent or 73,699 people; the largest numbers of unaccompanied homeless children and youth, at 10,416 people or 28 percent of the national total; the largest number of veterans experiencing homelessness, at 11,311 or 24 percent of the national homeless veteran population; and the second largest number of people in families with chronic patterns of homelessness, at 22,582 or 11 percent of the state's homeless family population.

(c) It is essential to continue funding, which is soon to expire, for housing programs that are necessary to address the housing needs of the large number of veterans and their families living in California.

(d) California is home to 21 of the 30 most expensive rental housing markets in the country, which has had a disproportionate impact on the middle class and the working poor. California requires the third highest wage in the country to afford housing, behind Hawaii and Washington, D.C. The fair market rent, which indicates the amount of money that a given property would require if it were open for leasing, for a two-bedroom apartment is \$1,386. To afford this level of rent and utilities, without paying more than

30 percent of income on housing, a household must earn an hourly “housing wage” of \$26.65 per hour. This means that a person earning minimum wage must work an average of three jobs to pay the rent for a two-bedroom unit. In some areas of the state, these numbers are even higher.

(e) Low-income families are forced to spend more and more of their income on rent, which leaves little else for other basic necessities. Many renters must postpone or forgo home ownership, live in more crowded housing, commute further to work, or, in some cases, choose to live and work elsewhere.

(f) California has seen a significant reduction of state funding in recent years. The funds from Proposition 46 of 2002 and Proposition 1C of 2006, totaling nearly \$5 billion for a variety of affordable housing programs, have been expended. Combined with the loss of redevelopment funds, \$1.5 billion of annual state investment dedicated to housing has been lost, leaving several critical housing programs unfunded.

(g) High housing costs and the shortage of housing stock in California directly affect the future health of California’s economy and, given the staggering numbers indicated above, bold action is necessary. Investment in existing and successful housing programs to expand the state’s housing stock should benefit California’s homeless and low-income earners, as well as some of the state’s most vulnerable populations, including foster and at-risk youth, persons with developmental and physical disabilities, farmworkers, the elderly, single parents with children, and survivors of domestic violence. Investments should also be made in housing for Medi-Cal recipients served through a county’s Section 1115 Waiver Whole Person Care Pilot program and family day care providers.

(h) Investment in housing creates jobs and provides local benefits. The estimated one-year impacts of building 100 rental apartments in a typical local area include \$11.7 million in local income, \$2.2 million in taxes and other revenue for local governments, and 161 local jobs or 1.62 jobs per apartment. The additional annually recurring impacts of building 100 rental apartments in a typical local area include \$2.6 million in local income, \$503,000 in taxes and other revenue for local governments, and 44 local jobs or .44 jobs per apartment.

(i) California has 109 federally recognized tribes and 723,000 residents with Native American ancestry, the largest number of

tribes and residents in the United States. Due to historic dislocation and lack of housing choices, most do not live on tribal lands and those who do live in severely substandard, overcrowded homes lacking quality water and sewer services at rates greater than the general population.

SEC. 3. Part 16 (commencing with Section 54000) is added to Division 31 of the Health and Safety Code, to read:

PART 16. VETERANS AND AFFORDABLE HOUSING BOND ACT OF 2018

CHAPTER 1. GENERAL PROVISIONS

54000. Together with Article 5z (commencing with Section 998.600) of Chapter 6 of Division 4 of the Military and Veterans Code, this part shall be known, and may be cited, as the Veterans and Affordable Housing Bond Act of 2018.

54002. As used in this part, the following terms have the following meanings:

(a) “Board” means the Department of Housing and Community Development for programs administered by the department, and the California Housing Finance Agency for programs administered by the agency.

(b) “Committee” means the Housing Finance Committee created pursuant to Section 53524 and continued in existence pursuant to Sections 53548 and 54014.

(c) “Fund” means the Affordable Housing Bond Act Trust Fund of 2018 created pursuant to Section 54006.

54004. This part shall only become operative upon adoption by the voters at the November 6, 2018, statewide general election.

CHAPTER 2. AFFORDABLE HOUSING BOND ACT TRUST FUND OF 2018 AND PROGRAM

54006. The Affordable Housing Bond Act Trust Fund of 2018 is hereby created within the State Treasury. It is the intent of the Legislature that the proceeds of bonds (exclusive of refunding bonds issued pursuant to Section 54026) be deposited in the fund and used to fund the housing-related programs described in this chapter. The proceeds of bonds issued and sold pursuant to this

part for the purposes specified in this chapter shall be allocated in the following manner:

(a) One billion five hundred million dollars (\$1,500,000,000) to be deposited in the Housing Rehabilitation Loan Fund established pursuant to Section 50661. The moneys in the fund shall be used for the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2, to be expended to assist in the new construction, rehabilitation, and preservation of permanent and transitional rental housing for persons with incomes of up to 60 percent of the area median income (AMI). These funds may also be used to provide technical assistance pursuant to Section 54007.

(b) One hundred fifty million dollars (\$150,000,000) to be deposited into the Transit-Oriented Development Implementation Fund, established pursuant to Section 53561, for expenditure, upon appropriation by the Legislature, pursuant to the Transit-Oriented Development Implementation Program authorized by Part 13 (commencing with Section 53560) to provide local assistance to cities, counties, cities and counties, transit agencies, and developers for the purpose of developing or facilitating the development of higher density uses within close proximity to transit stations that will increase public transit ridership. These funds may also be expended for any authorized purpose of this program and for state incentive programs, including loans and grants, within the department. Any funds not encumbered for the purposes of this subdivision by November 6, 2028, shall revert for general use in the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2, unless the Department of Housing and Community Development determines that funds should revert sooner due to diminished demand.

(c) Three hundred million dollars (\$300,000,000) to be deposited in the Regional Planning, Housing, and Infill Incentive Account, which is hereby created within the fund. Moneys in the account shall be available, upon appropriation by the Legislature, pursuant to the Infill Incentive Grant Program of 2007 established by Section 53545.13 for infill incentive grants to assist in the new construction and rehabilitation of infrastructure that supports high-density affordable and mixed-income housing in locations designated as infill, including, but not limited to, any of the following:

- (1) Park creation, development, or rehabilitation to encourage infill development.
- (2) Water, sewer, or other public infrastructure costs associated with infill development.
- (3) Transportation improvements related to infill development projects.
- (4) Traffic mitigation.

These funds may also be expended for any authorized purpose of this program. Any funds not encumbered for the purposes of this subdivision by November 6, 2028, shall revert for general use in the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2, unless the Department of Housing and Community Development determines that funds should revert sooner due to diminished demand.

(d) One hundred fifty million dollars (\$150,000,000) to be transferred to the Self-Help Housing Fund established pursuant to Section 50697.1. Notwithstanding Section 13340 of the Government Code and Section 50697.1, these funds are hereby continuously appropriated to the Department of Housing and Community Development without regard to fiscal years, which funds shall be transferred by the department to the California Housing Finance Agency for purposes of the home purchase assistance program established pursuant to Chapter 6.8 (commencing with Section 51341) of Part 3.

(e) Three hundred million dollars (\$300,000,000) to be deposited in the Joe Serna, Jr. Farmworker Housing Grant Fund, established pursuant to Section 50517.5, to fund grants or loans, or both, for local public entities, nonprofit corporations, limited liability companies, and limited partnerships, for the construction or rehabilitation of housing for agricultural employees and their families or for the acquisition of manufactured housing as part of a program to address and remedy the impacts of current and potential displacement of farmworker families from existing labor camps, mobilehome parks, or other housing. These funds may also be expended for any authorized purpose of this program. These funds may also be used to provide technical assistance pursuant to Section 54007. Any funds not encumbered for the purposes of this subdivision by November 6, 2028, shall revert for general use in the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2, unless the Department

of Housing and Community Development determines that funds should revert sooner due to diminished demand.

(f) Three hundred million dollars (\$300,000,000) to be deposited in the Affordable Housing Innovation Fund established pursuant to subparagraph (F) of paragraph (1) of subdivision (a) of Section 53545. Moneys in the fund shall be available, upon appropriation by the Legislature, pursuant to the Local Housing Trust Fund Matching Grant Program established by Section 50842.2 to fund competitive grants or loans to local housing trust funds that develop, own, lend, or invest in affordable housing and used to create pilot programs to demonstrate innovative, cost-saving approaches to creating or preserving affordable housing. Local housing trust funds shall be derived on an ongoing basis from private contribution or governmental sources that are not otherwise restricted in use for housing programs. These funds may also be expended for any authorized purpose of this program. Any funds not encumbered for the purposes of this subdivision by November 6, 2028, shall revert for general use in the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2, unless the Department of Housing and Community Development determines that funds should revert sooner due to diminished demand.

(g) Three hundred million dollars (\$300,000,000) to be deposited in the Self-Help Housing Fund established pursuant to Section 50697.1. The moneys in the fund shall be available for the CalHome Program authorized by Chapter 6 (commencing with Section 50650) of Part 2, to provide direct, forgivable loans to assist development projects involving multiple home ownership units, including single-family subdivisions, for self-help mortgage assistance programs, and for manufactured homes. These funds may also be expended for any authorized purpose of this program. At least thirty million dollars (\$30,000,000) of the amount deposited in the Self-Help Housing Fund shall be used to provide grants or forgivable loans to assist in the rehabilitation or replacement, or both, of existing mobilehomes located in a mobilehome or manufactured home community. These funds may also be used to provide technical assistance pursuant to Section 54007. Any funds not encumbered for the purposes of this subdivision by November 6, 2028, shall revert for general use in the Multifamily Housing Program authorized by Chapter 6.7

(commencing with Section 50675) of Part 2, unless the Department of Housing and Community Development determines that funds should revert sooner due to diminished demand.

54007. (a) (1) Notwithstanding any other provision of this part, the Department of Housing and Community Development may provide technical assistance to eligible counties and eligible cities, or developers of affordable housing within eligible counties and eligible cities, to facilitate the construction of housing for the target populations for the following programs funded pursuant to this part:

(A) The Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2).

(B) The Joe Serna, Jr. Farmworker Housing Grant Program (Chapter 3.2 (commencing with Section 50515.2) of Part 2).

(C) The CalHome Program (Chapter 6 (commencing with Section 50650) of Part 2).

(2) Technical assistance pursuant to this section shall be provided using the bond proceeds allocated pursuant to Section 54006 to the program for which the technical assistance is provided.

(3) The Department of Housing and Community Development shall not provide more than three hundred sixty thousand dollars (\$360,000) total in technical assistance pursuant to this section, and an eligible county or eligible city shall not receive more than thirty thousand dollars (\$30,000) in technical assistance annually.

(b) For purposes of this section, the following definitions shall apply:

(1) "Eligible city" means a city that is located within a county with a population of 150,000 residents or fewer.

(2) "Eligible county" means a county with a population of 150,000 residents or fewer.

(3) "Technical assistance" includes engineering assistance and environmental review related to an affordable housing project and reimbursement of administrative costs related to developing a grant proposal.

54008. (a) The Legislature may, from time to time, amend any law related to programs to which funds are, or have been, allocated pursuant to this chapter for the purposes of improving the efficiency and effectiveness of those programs or to further the goals of those programs.

(b) The Legislature may amend this chapter to reallocate the proceeds of bonds issued and sold pursuant to this part among the programs to which funds are to be allocated pursuant to this chapter as necessary to effectively promote the development of affordable housing in this state.

54009. Programs funded with bond proceeds shall, when allocating financial support, give preference to projects that are “public works” for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and other projects on which all construction workers will be paid at least the general prevailing rate of per diem wages as determined by the Director of Industrial Relations.

CHAPTER 3. FISCAL PROVISIONS

54010. Bonds in the total amount of three billion dollars (\$3,000,000,000), exclusive of refunding bonds issued pursuant to Section 54026, or so much thereof as is necessary as determined by the committee, are hereby authorized to be issued and sold for carrying out the purposes expressed in this part and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. All bonds herein authorized which have been duly issued, sold, and delivered as provided herein shall constitute valid and binding general obligations of the state, and the full faith and credit of the state is hereby pledged for the punctual payment of both principal of and interest on those bonds when due.

54012. The bonds authorized by this part shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), except subdivisions (a) and (b) of Section 16727 of the Government Code, and all of the provisions of that law as amended from time to time apply to the bonds and to this part, except as provided in Section 54028, and are hereby incorporated in this part as though set forth in full in this part.

54014. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this part, the committee is continued in existence. For the purposes of this part, the Housing Finance

Committee is “the committee” as that term is used in the State General Obligation Bond Law.

(b) The Department of Housing and Community Development may adopt guidelines establishing requirements for administration of its financing programs. The guidelines shall not constitute rules, regulations, orders, or standards of general application and are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) For the purposes of the State General Obligation Bond Law, the Department of Housing and Community Development is designated the “board” for programs administered by the department, and the California Housing Finance Agency is the “board” for programs administered by the agency.

54016. Upon request of the board stating that funds are needed for purposes of this part, the committee shall determine whether or not it is necessary or desirable to issue bonds, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and are not required to be sold at any one time. Bonds may bear interest subject to federal income tax.

54018. There shall be collected annually, in the same manner and at the same time as other state revenue is collected, a sum of money in addition to the ordinary revenues of the state, sufficient to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collections of state revenues to do or perform each and every act which is necessary to collect that additional sum.

54020. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this part, an amount that will equal the total of both of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this part, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out Section 54024, appropriated without regard to fiscal years.

54022. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for purposes of this part. The amount of the request shall not exceed

the amount of the unsold bonds that the committee has, by resolution, authorized to be sold, excluding any refunding bonds authorized pursuant to Section 54026, for purposes of this part, less any amount loaned pursuant to this section and not yet repaid and any amount withdrawn from the General Fund pursuant to Section 54024 and not yet returned to the General Fund. The board shall execute any documents as required by the Pooled Money Investment Board to obtain and repay the loan. Any amount loaned shall be deposited in the fund to be allocated in accordance with this part.

54024. For purposes of carrying out this part, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of any amount or amounts not to exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold, excluding any refunding bonds authorized pursuant to Section 54026, for purposes of this part, less any amount loaned pursuant to Section 54022 and not yet repaid and any amount withdrawn from the General Fund pursuant to this section and not yet returned to the General Fund. Any amounts withdrawn shall be deposited in the fund to be allocated in accordance with this part. Any moneys made available under this section shall be returned to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from moneys received from the sale of bonds which would otherwise be deposited in that fund.

54026. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. Approval by the electors of this act shall constitute approval of any refunding bonds issued to refund bonds issued pursuant to this part, including any prior issued refunding bonds. Any bond refunded with the proceeds of a refunding bond as authorized by this section may be legally defeased to the extent permitted by law in the manner and to the extent set forth in the resolution, as amended from time to time, authorizing that refunded bond.

54028. Notwithstanding any provisions in the State General Obligation Bond Law, the maturity date of any bonds authorized by this part shall not be later than 35 years from the date of each such bond. The maturity of each series shall be calculated from the date of issuance of each bond.

54030. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this part are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

54032. Notwithstanding any provision of the State General Obligation Bond Law with regard to the proceeds from the sale of bonds authorized by this part that are subject to investment under Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code, the Treasurer may maintain a separate account for investment earnings, may order the payment of those earnings to comply with any rebate requirement applicable under federal law, and may otherwise direct the use and investment of those proceeds so as to maintain the tax-exempt status of tax-exempt bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

54034. All moneys derived from premiums and accrued interest on bonds sold pursuant to this part shall be transferred to the General Fund as a credit to expenditures for bond interest; provided, however, that amounts derived from premiums may be reserved and used to pay the costs of bond issuance prior to transfer to the General Fund.

SEC. 4. Article 5z (commencing with Section 998.600) is added to Chapter 6 of Division 4 of the Military and Veterans Code, to read:

Article 5z. The Veterans and Affordable Housing Bond Act of 2018

998.600. Together with Part 16 (commencing with Section 54000) of Division 31 of the Health and Safety Code, this article shall be known and may be cited as the Veterans and Affordable Housing Bond Act of 2018.

998.601. (a) The State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), as amended from time to time, except as otherwise provided herein, is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this article, and the provisions of that law are included in this article as though set

out in full in this article. All references in this article to "herein" refer both to this article and that law.

(b) For purposes of the State General Obligation Bond Law, the Department of Veterans Affairs is designated the board.

998.602. As used herein, the following terms have the following meanings:

(a) "Board" means the Department of Veterans Affairs.

(b) "Bond" means a veterans' bond, a state general obligation bond, issued pursuant to this article adopting the provisions of the State General Obligation Bond Law.

(c) "Bond act" means this article authorizing the issuance of state general obligation bonds and adopting the State General Obligation Bond Law by reference.

(d) "Committee" means the Veterans Finance Committee of 1943, established by Section 991.

(e) "Fund" means the Veterans' Farm and Home Building Fund of 1943, established by Section 988.

(f) "Payment Fund" means the Veterans' Bonds Payment Fund established by Section 988.6.

998.603. For the purpose of creating a fund to provide farm and home aid for veterans in accordance with the Veterans' Farm and Home Purchase Act of 1974 (Article 3.1 (commencing with Section 987.50)), and of all acts amendatory thereof and supplemental thereto, the committee may create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of not more than one billion dollars (\$1,000,000,000), exclusive of refunding bonds, in the manner provided herein.

998.604. (a) All bonds authorized by this article, when duly sold and delivered as provided herein, constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereof.

(b) There shall be collected annually, in the same manner and at the same time as other state revenue is collected, a sum of money, in addition to the ordinary revenues of the state, sufficient to pay the principal of, and interest on, these bonds as provided herein, and all officers required by law to perform any duty in regard to the collection of state revenues shall collect this additional sum.

(c) On the dates on which funds are to be remitted pursuant to Section 16676 of the Government Code for the payment of debt service on the bonds in each fiscal year, there shall be transferred to the Payment Fund to pay the debt service all of the money in the fund, not in excess of the amount of debt service then due and payable. If the money transferred on the remittance dates is less than debt service then due and payable, the balance remaining unpaid shall be transferred to the General Fund out of the fund as soon as it shall become available, together with interest thereon from the remittance date until paid, at the same rate of interest as borne by the bonds, compounded semiannually. Notwithstanding any other provision of law to the contrary, this subdivision shall apply to all veterans' farm and home purchase bond acts pursuant to this chapter. This subdivision does not grant any lien on the fund, the Payment Fund, or the moneys therein to the holders of any bonds issued under this article. For the purposes of this subdivision, "debt service" means the principal (whether due at maturity, by redemption, or acceleration), premium, if any, or interest payable on any date with respect to any series of bonds. This subdivision shall not apply, however, in the case of any debt service that is payable from the proceeds of any refunding bonds.

998.605. There is hereby appropriated from the General Fund, for purposes of this article, a sum of money that will equal both of the following:

(a) That sum annually necessary to pay the principal of, and the interest on, the bonds issued and sold as provided herein, as that principal and interest become due and payable.

(b) That sum necessary to carry out Section 998.606, appropriated without regard to fiscal years.

998.606. For the purposes of this article, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of a sum of money not to exceed the amount of the unsold bonds which have been authorized by the committee to be sold pursuant to this article. Any sums withdrawn shall be deposited in the fund. All moneys made available under this section to the board shall be returned by the board to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from the sale of bonds for the purpose of carrying out this article.

998.607. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out this article. The amount of the request shall not exceed the amount of unsold bonds which the committee has, by resolution, authorized to be sold for the purpose of carrying out this article. The board shall execute whatever documents are required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this article.

998.608. Upon request of the board, supported by a statement of its plans and projects approved by the Governor, the committee shall determine whether to issue any bonds authorized under this article in order to carry out the board's plans and projects, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out these plans and projects progressively, and it is not necessary that all of the bonds be issued or sold at any one time.

998.609. (a) As long as any bonds authorized under this article are outstanding, the Secretary of Veterans Affairs shall, at the close of each fiscal year, require a survey of the financial condition of the Division of Farm and Home Purchases, together with a projection of the division's operations, to be made by an independent public accountant of recognized standing. The results of each survey and projection shall be reported in writing by the public accountant to the Secretary of Veterans Affairs, the California Veterans Board, the appropriate policy committees dealing with veterans affairs in the Senate and the Assembly, and the committee.

(b) The Division of Farm and Home Purchases shall reimburse the public accountant for these services out of any money that the division may have available on deposit with the Treasurer.

998.610. (a) The committee may authorize the Treasurer to sell all or any part of the bonds authorized by this article at the time or times established by the Treasurer.

(b) Whenever the committee deems it necessary for an effective sale of the bonds, the committee may authorize the Treasurer to sell any issue of bonds at less than their par value, notwithstanding Section 16754 of the Government Code. However, the discount on the bonds shall not exceed 3 percent of the par value thereof.

998.611. Out of the first money realized from the sale of bonds as provided herein, there shall be redeposited in the General Obligation Bond Expense Revolving Fund, established by Section 16724.5 of the Government Code, the amount of all expenditures made for the purposes specified in that section, and this money may be used for the same purpose and repaid in the same manner whenever additional bond sales are made.

998.612. Any bonds issued and sold pursuant to this article may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. The approval of the voters for the issuance of bonds under this article includes approval for the issuance of bonds issued to refund bonds originally issued or any previously issued refunding bonds.

998.613. Notwithstanding any provision of the bond act, if the Treasurer sells bonds under this article for which bond counsel has issued an opinion to the effect that the interest on the bonds is excludable from gross income for purposes of federal income tax, subject to any conditions which may be designated, the Treasurer may establish separate accounts for the investment of bond proceeds and for the earnings on those proceeds, and may use those proceeds or earnings to pay any rebate, penalty, or other payment required by federal law or take any other action with respect to the investment and use of bond proceeds required or permitted under federal law necessary to maintain the tax-exempt status of the bonds or to obtain any other advantage under federal law on behalf of the funds of this state.

998.614. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this article are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by Article XIII B.

SEC. 5. Sections 3 and 4 of this act shall become operative upon the adoption by the voters of the Veterans and Affordable Housing Bond Act of 2018.

SEC. 6. Sections 3 and 4 of this act shall be submitted by the Secretary of State to the voters as a single measure, the Veterans and Affordable Housing Bond Act of 2018, at the November 6, 2018, statewide general election.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to maximize the time available for the analysis and preparation of the proposed issuance of bonds pursuant to Sections 3 and 4 of this act, it is necessary that this act take effect immediately.



AFFORDABLE HOUSING NOW

AFFORDABLE HOUSING NOW

WHO WE ARE

We are a broad coalition of affordable housing advocates, business leaders, labor, veterans and environmental groups working to bring affordable housing to California communities by passing the \$4 billion **Veterans and Affordable Housing Bond Act (SB 3)** that will go before voters in November 2018.

WHAT THE BOND DOES FOR CALIFORNIA VETERANS, STRUGGLING FAMILIES AND PEOPLE WITH DISABILITIES

- 🏠 Dedicates funding to help military veterans have a safe place to call home.
- 🏠 Provides stable housing for struggling families, people experiencing homelessness and individuals with disabilities.
- 🏠 Builds affordable homes for hardworking people like grocery clerks, nurse aides and teaching assistants. This helps people live in the communities where they work and serve, while still having money for basics like groceries, gas and child care.
- 🏠 Tackles top priorities for Californians – building homes, creating jobs and boosting the economy. It's expected to create 137,000 jobs and pump \$23.4 billion into California's economy.



WHY CALIFORNIANS NEED THIS AFFORDABLE HOUSING BOND NOW

- 🏠 The housing crisis is crushing the 1 in 3 Californians who can't afford their rents.
- 🏠 Many people are spending more than 30% of their incomes and some as much as 50% of their incomes on housing.
- 🏠 The growing gap between what Californians earn and the cost of rent has grown so wide that families are separated by excruciating commutes because they can't afford to live in the cities where they work.
- 🏠 We don't have to look far to see the human devastation of the housing crisis. Homelessness and its harsh toll is taking hold in more Californians' lives. California has the largest population of unsheltered veterans in the nation. Families pushed to the brink live in their cars or double and even triple up in overcrowded housing as they try to maintain their jobs and ensure their children go to school.



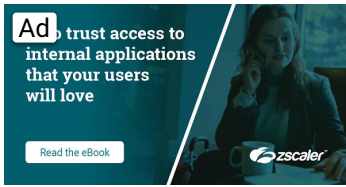
HOW YOU CAN JOIN OUR COALITION & SUPPORT THE BOND

- 🏠 Help spread the word among family, friends, neighbors and colleagues that we all can do something about the housing crisis – **Vote YES on the Veterans and Affordable Housing Bond Act this November.**

CONTACT

David Koenig (DavidJKoenig@gmail.com) for information on how you and your organization can formally endorse the bond, participate in outreach opportunities and contribute to the campaign to build affordable housing in California.

Paid for by Affordable Housing Now, a coalition of Housing California, California Housing Consortium, State Building and Construction Trades Council of California and Silicon Valley Leadership Group. Committee ID# 1401697



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California Proposition 2, Use Millionaire's Tax Revenue for Homelessness Prevention Housing Bonds Measure (2018)

California Proposition 2, the **Use Millionaire's Tax Revenue for Homelessness Prevention Housing Bonds Measure**, is on the ballot in California as a legislatively referred state statute on November 6, 2018.^[1]

California Proposition 2



Election date

November 6, 2018

Topic

Taxes and Housing

Status

On the ballot

Type	Origin
State statute	State legislature

A **yes** vote supports authorizing the state to use revenue from Proposition 63 (2004)—a 1 percent tax on income above \$1 million for mental health services—on \$2 billion in revenue bonds for homelessness prevention housing for persons in need of mental health services.

A **no** vote opposes authorizing the state to use revenue from Proposition 63 (2004) on \$2 billion in revenue bonds for homelessness prevention housing for persons in need of mental health services.

Overview

Why is Proposition 2 on the ballot?

The California State Legislature passed legislation to spend revenue from Proposition 63 on revenue bonds for homelessness prevention housing in 2016. The legislation, however, did not go into effect because of pending litigation over whether revenue from the millionaire's tax could be spent on homelessness prevention housing.^[2] Unlike general obligation bonds, revenue bonds do not require a public vote in California. Proposition 2 was referred to the ballot because the revenue for the bond would come from a tax that was created through a ballot initiative, Proposition 63. In California, changes to ballot initiatives require a vote of the public.

What other ballot propositions address housing in California?

Voters in California will decide four ballot propositions related to housing on November 6, 2018—the most ever to appear on a state's ballot in one year according to Ballotpedia's catalog of housing-related ballot measures. Besides Proposition 2, voters will decide the following three housing-related

ballot propositions:

- Proposition 1 would authorize \$4 billion in bonds for affordable housing programs, loans, grants, as well as housing loans for veterans.
- Proposition 5 would remove restrictions on allowing seniors (ages 55+) and persons with serve disabilities to transfer their tax assessments, with a possible adjustment, from their prior home to their new home.
- Proposition 10 would allow local governments to adopt rent control.

Supporters of Propositions 1, 2, 5, and 10 all argue that their ballot measures would help address the housing situation, such as rent prices, real estate values, and available housing, in California.

Text of the measure

Ballot title

The official ballot title is as follows:^[3]

“ Authorizes Bonds to Fund Existing Housing Program for Individuals With Mental Illness. Legislative Statute.^[4] ”

Ballot summary

The official ballot summary is as follows:^[3]

“

- Ratifies existing law establishing the No Place Like Home Program, which finances permanent housing for individuals with mental illness who are homeless or at risk for chronic homelessness, as being consistent with the Mental Health Services Act approved by the electorate.
- Ratifies issuance of up to \$2 billion in previously authorized bonds to finance the No Place Like Home Program.
- Amends the Mental Health Services Act to authorize transfers of up to \$140 million annually from the existing Mental Health Services Fund to the No Place Like Home Program, with no increase in taxes.^[4]

”

Fiscal impact

The fiscal impact statement is as follows:^[3]

“ Allows the state to use up to \$140 million per year of county mental health funds to repay up to \$2 billion in bonds. These bonds would fund housing for those with mental illness who are homeless.^[4] ”

Full text

The measure would amend state Welfare and Institutions Code, including Proposition 63 (2004). The following underlined text would be added and ~~struck through~~ text would be deleted:^[1]

AB 1827, Committee on Budget. No Place Like Home Act of 2018.

SECTION 1. The voters hereby find and declare that housing is a key factor for stabilization and recovery from mental illness and results in improved outcomes for individuals living with a mental illness. The Mental Health Services Act, an initiative measure enacted by the voters as Proposition 63 at the November 2, 2004, statewide general election, must therefore be amended to provide for the expenditure of funds from the Mental Health Services Fund to the No Place Like Home Program established pursuant to Part 3.9 (commencing with Section 5849.1) of Division 5 of the Welfare and Institutions Code, which finances the acquisition, design, construction, rehabilitation, or preservation of permanent supportive housing for individuals living with a severe mental illness who are homeless or at risk of chronic homelessness.

SEC. 2. Section 1, this section, and Sections 3 to 7, inclusive, shall be known, and may be cited as the No Place Like Home Act of 2018.

Support

Zima Creason, CEO of Mental Health America (MHA) of California, **David Swing**, president of the California Police Chiefs Association, and **Sergio Aguilar-Gaxiola**, a former member of the National Advisory Mental Health Council of the National Institute of Mental Health, wrote the official arguments in support of Proposition 2 that appeared in the state's voter guide:^[5]

YES on Prop. 2 delivers the proven solution to help the most vulnerable people experiencing homelessness in California. Prop. 2 builds housing and keeps mental health services in reach for people—the key to alleviating homelessness complicated by mental illness.

More than 134,000 people are languishing on our streets, huddled on sidewalks, sleeping under freeways and along riverbanks. As many as a third of the people living in these unsafe conditions are living with an untreated mental illness.

Each year, hundreds of people living with a serious mental illness die in pain and isolation. These deaths are preventable.

Prop. 2 tackles this public health crisis that is straining our neighborhoods, our businesses, our firefighters and emergency supervisors. It renews our sense of community and focuses on helping the lives of the most vulnerable among us.

Opposition

Leaders of the National Alliance on Mental Illness (NAMI) Contra Costa—President **Charles Madison**, Executive Director **Gigi R. Crowder**, and Legislative Committee Chairperson **Douglas W. Dunn**—wrote the official argument against Proposition 2 that appeared in the state's voter guide:^[6]

Please vote “No” on the “No Place Like Home Act,” which should have been called the “Bureaucrat and Developer Enrichment Act,” because that is who we feel will most benefit at the expense of those suffering with the most severe mental illnesses.

NAMI Contra Costa members are mostly family members with “skin in the game,” so therefore are strong advocates for people living with serious and persistent mental illnesses who oppose this bill. Particularly given looming federal cutbacks, NPLH is counterproductive because it spends billions in treatment funds that Voter Proposition 63 dedicated to the severely mentally ill fourteen years ago. If passed, we strongly feel NPLH will cause more homelessness by forcing more mentally ill people into severe symptoms that could increase the numbers living on the streets.

Proposition 2 is:

Costs up to \$5.6 Billion (\$1.40 billion x 40 for 40-year bond) to raise \$2 billion for

Campaign finance

See also: Campaign finance requirements for California ballot measures

The campaign finance information on this page is according to the most recent scheduled reports, which covered through June 30, 2018, and interim reports available as of July 31, 2018. The deadline for the next scheduled reports is September 27, 2018.

There was one ballot measure committee registered in support of Proposition 2—**Affordable Housing Now**. Affordable Housing Now is raising and spending funds for Proposition 2 and Proposition 1. The committee reported \$2.09 million in contributions and \$363,797 in expenditures.^[7]

The Chan Zuckerberg Advocacy, a committee affiliated with the Chan Zuckerberg Initiative, provided the largest contribution—\$250,000—to Affordable Housing Now.^[7] Mark Zuckerberg, the founder of Facebook, and his spouse Priscilla Chan founded the Chan Zuckerberg Initiative, which, as of 2018, focuses on supporting and investing in projects that promote biomedical research, personalized learning, affordable housing, and criminal justice reform.^[8]

There were no committees registered in opposition to Proposition 2.^[7]

Total campaign contributions:	
Support:	\$2,087,931.10
Opposition:	\$0.00

Support

The following table includes contribution and expenditure totals for the committee in support of the initiative.^[7]

Committees in support of Proposition 2				Total:
Supporting committees	Cash contributions	In-kind services	Cash expenditures	Total raised:
Affordable Housing Now, a Coalition of Housing California, California Housing Consortium, State Building and Construction Trades Council of California and Silicon Valley Leadership Group	\$2,066,900.00	\$21,031.10	\$342,765.77	Total spent:
Total	\$2,066,900.00	\$21,031.10	\$342,765.77	

Donors

The following were the donors who contributed \$100,000 or more to the support committee as of August 30, 2018:^[7]

Donor	Cash	In-kind	Total
Chan Zuckerberg Advocacy	\$250,000.00	\$0.00	\$250,000.00
Members' Voice of the State Building and Construction Trades Council of California	\$150,000.00	\$0.00	\$150,000.00
Caleb J. Roope	\$100,000.00	\$0.00	\$100,000.00
California Works - Senator Toni Atkins BMC	\$100,000.00	\$0.00	\$100,000.00
EAH, Inc.	\$100,000.00	\$0.00	\$100,000.00
Eden Housing, Inc.	\$100,000.00	\$0.00	\$100,000.00
Highridge Costa Investors, LLC	\$100,000.00	\$0.00	\$100,000.00
Housing Trust Silicon Valley	\$100,000.00	\$0.00	\$100,000.00
Mercy Housing, Inc.	\$100,000.00	\$0.00	\$100,000.00
MidPen Housing Corporation c/o Mid-Peninsula Housing	\$100,000.00	\$0.00	\$100,000.00

Reporting dates

In California, ballot measure committees filed a total of five campaign finance reports in 2018. The filing dates for reports are as follows:^[9]

Campaign finance reporting dates for November [hide]
2018 ballot

Date	Report	Period
1/31/2018	Annual Report for 2017	1/01/2017 - 12/31/2017
4/30/2018	Report #1	1/01/2018 - 3/31/2018
7/31/2018	Report #2	4/01/2018 - 6/30/2018
9/27/2018	Report #3	7/01/2018 - 9/22/2018
10/25/2018	Report #4	9/23/2018 - 10/20/2018
1/31/2019	Annual Report for 2018	10/21/2018 - 12/31/2018

Media editorials

Support

- *The Press Democrat*: "A housing-first approach to homeless has proven effective, but it can only work if housing is available. Proposition 2 would help provide badly needed refuge for the mentally ill homeless, and The Press Democrat recommends a "yes" vote."^[10]

Opposition

Ballotpedia did not find any media editorial boards opposing Proposition 2. If you are aware of an editorial, please email it to editor@ballotpedia.org.

Background

What is Proposition 63 (2004)?

In 2004, voters approved a ballot initiative, titled Proposition 63, to enact an additional 1 percent tax on incomes of \$1.0 million or greater. Proposition 63 required that revenue from the tax, referred to as the millionaire's tax, be spent on mental health services and programs in California.^[11]

Proposition 63 is estimated to generate \$2.23 billion in the fiscal year 2018-2019.^[12]


Path to the ballot

See also: *Laws governing legislative alteration in California*

The California State Legislature's bill for this proposed measure is Assembly Bill 1827 (AB 1827). The Assembly Budget Committee introduced the bill. As the bill was written to amend a ballot initiative, legislators were required to refer the legislation to the ballot as a proposition.^[1]

Both chambers of the state legislature approved AB 1827 on June 25, 2018. In the state Senate, the vote was 35-0, with four members not voting. In the state Assembly the vote was 72-1, with seven members not voting. The one legislator to vote against referring the measure was Rep. Catharine Baker (R-16).^[1]

On June 27, 2018, Gov. Jerry Brown (D) signed AB 1827, certifying the measure to appear on the ballot for the election on November 6, 2018.

Vote in the California State Senate June 25, 2018				Vote in the California St June 25, 2018	
<i>Requirement: Simple majority vote of all members in each chamber</i>				<i>Requirement: Simple majority vote of all</i>	
Number of yes votes required: 20 				Number of yes votes req	
	Yes	No	Not voting		Yes
Total	35	0	4	Total	72
Total percent	89.74%	0.00%	10.25%	Total percent	90.00%
Democrat	26	0	0	Democrat	56
Republican	9	0	4	Republican	19

How to vote

See also: *Voting in California*

Poll times

All polls in California are open from 7:00 a.m. to 8:00 p.m. Pacific Time. An individual who is in line at the time polls close must be allowed to vote.^[13]

Registration requirements

To vote in California, an individual must be U.S. citizen and California resident. A voter must be at least 18 years of age on Election Day. Conditional voter registration is available beginning 14 days before an election through Election Day.^[14]

On October 10, 2015, California Governor Jerry Brown (D) signed into law Assembly Bill No. 1461, also known as the New Motor Voter Act. The legislation authorized automatic voter registration in California for any individuals who visit the Department of Motor Vehicles to acquire or renew a driver's license. The law was scheduled to take effect in 2016.^{[15][16]}

Online registration

See also: Online voter registration

California has implemented an online voter registration system. Residents can register to vote by visiting this website.

Voter ID requirements

According to the Office of the California Secretary of State, "in most cases, California voters are not required to show identification at their polling place." A voter may be asked to provide identification at the polls if it is his or her first time voting (this requirement applies if the individual registered by mail without providing a driver's license number, state identification number, or the last four digits of a Social Security number). Acceptable forms of identification include driver's licenses, utility bills, or any document sent by a government agency. For a complete list of acceptable forms of identification, see this list.^[17]

See also

2018 measures



- 2018 ballot measures
- Taxes on the ballot
- Housing on the ballot
- Bond issues on the ballot
- 2018 legislative sessions

California



- California ballot measures
- California ballot measure laws

News and analysis



- Ballot measure lawsuits
- Ballot measure readability
- Ballot measure polls

External links

Footnotes

1. *California State Legislature*, "AB-1827," accessed June 26, 2018
2. *Los Angeles Times*, "\$2 billion to help house California's homeless isn't being spent — and no one knows when it will be," March 1, 2018
3. *California Secretary of State*, "Official Voter Information Guide November 2018," accessed August 21, 2018
4. *Note: This text is quoted verbatim from the original source. Any inconsistencies are attributed to the original source.*

Only the first few references on this page are shown above. [Click to show more.](#)

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2018

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Short Summary of Major Programs in Proposition 3, Water Supply and Water Quality Bond Act of 2018

Safe drinking water and wastewater treatment for disadvantaged communities.

\$750 million. Provides safe drinking water and wastewater treatment for disadvantaged communities, especially in the Central Valley.



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Urban water conservation. \$300 million. Leak detection, toilet replacement, landscape conversion.

Agricultural water conservation. \$50 million. Improves inefficient irrigation systems, increasing river flows

Central valley flood management, including flood plain restoration. \$100 million. Makes farms and communities more flood safe, and makes flood plains for habitat friendly. Additional \$50 million for retrofit of a reservoir (probably Bullard's Bar) for better flood management.

San Francisco Bay Wetlands and flood improvements. \$200 million. Improves wetlands in San Francisco Bay to provide flood protection and mitigate sea level rise.

Data management. \$60 million. Better data collection and management: streamflow, etc.

Stormwater management \$600 million for a variety of state agencies. Capture and treatment of stormwater flows improved river and ocean water quality and increasing water supplies

Watershed Improvement \$2355 million to a wide variety of state agencies. Pays for better management of watersheds throughout the state to improve water quality and water supply. Includes \$150 million for the Los Angeles River, as well as \$100 million for the Delta Conservancy, which helps fund the governor's Eco-Restore program. Includes \$80 million for the removal of Matilija Dam, a silted-in dam in Ventura County. \$200 million for ecological restoration and dust control at the Salton Sea. Watershed restoration after fires in the Sierra Nevada and elsewhere receives \$100 million. Funds state conservancies and state parks to better manage watersheds.



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streamflows.

Groundwater. \$675 million. Implements the Sustainable Groundwater Management Act., stabilizing groundwater levels in overdraft groundwater basins.

Water and specific habitat improvements for fisheries. \$500 million. Purchase of water for fish and waterfowl.

Completion of fish screens in Central Valley. \$100 million. Will prevent baby fish from being diverted into irrigation systems.

San Joaquin River fisheries Restoration. \$100 million. Restoration of Spring Run Chinook Salmon downstream of Friant dam.

Waterfowl habitat. \$280 million. Helps meet waterfowl obligations under the Central Valley Project Improvement Act, and other waterfowl habitat improvement programs.

Bay Area Regional Reliability. \$250 million. Improves interconnections between Bay Area water agencies, making it easier to survive droughts.

Improvement to Friant Kern Canal and other Friant water interconnections. \$750 million. Restores lost capacity to Friant Kern Canal, pays for groundwater recharge programs, water conservation and possibly new water conveyance in the Friant area.

Oroville Dam Spillway Repair. \$200 million. Makes Oroville Dam more flood safe.

The initiative also allows state and federal water contractors to recover the funds they pay in climate change charges due to implementation of AB 32, and use those funds in their own systems for water and energy conservation to reduce greenhouse gas emissions.



CALIFORNIA WATER BOND
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Contributions to the water bond can be made out to “Californians for Safe Drinking Water and a Clean and Reliable Water Supply”, and can be mailed to River City Business Services, 5429 Madison Avenue, Sacramento California 95841. Thank you for your support!

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CONSERVING & RESTORING WATERSHEDS

For decades, state agencies have provided funding for watershed acquisition and restoration. These agencies provide grants to local land and water conservation groups to undertake this work.

The November California Water Bond provides more than three billion dollars to these state conservation agencies, making their continued work possible. These allocations include:

- Coastal Conservancy \$375 million
 - Wildlife Conservation Board: \$1.3 billion
 - Tahoe Conservancy \$100 million
 - Santa Monica Mountains Conservancy: \$175 million
 - Rivers and Mountains Conservancy: \$175 million
 - Sierra Nevada Conservancy: \$250 million
 - San Francisco Bay Restoration authority: \$200 million
 - Bay Area Conservancy: \$100 million
 - California Natural Resources Agency: \$670 million
- (Partial list: see www.waterbond.org for full list)

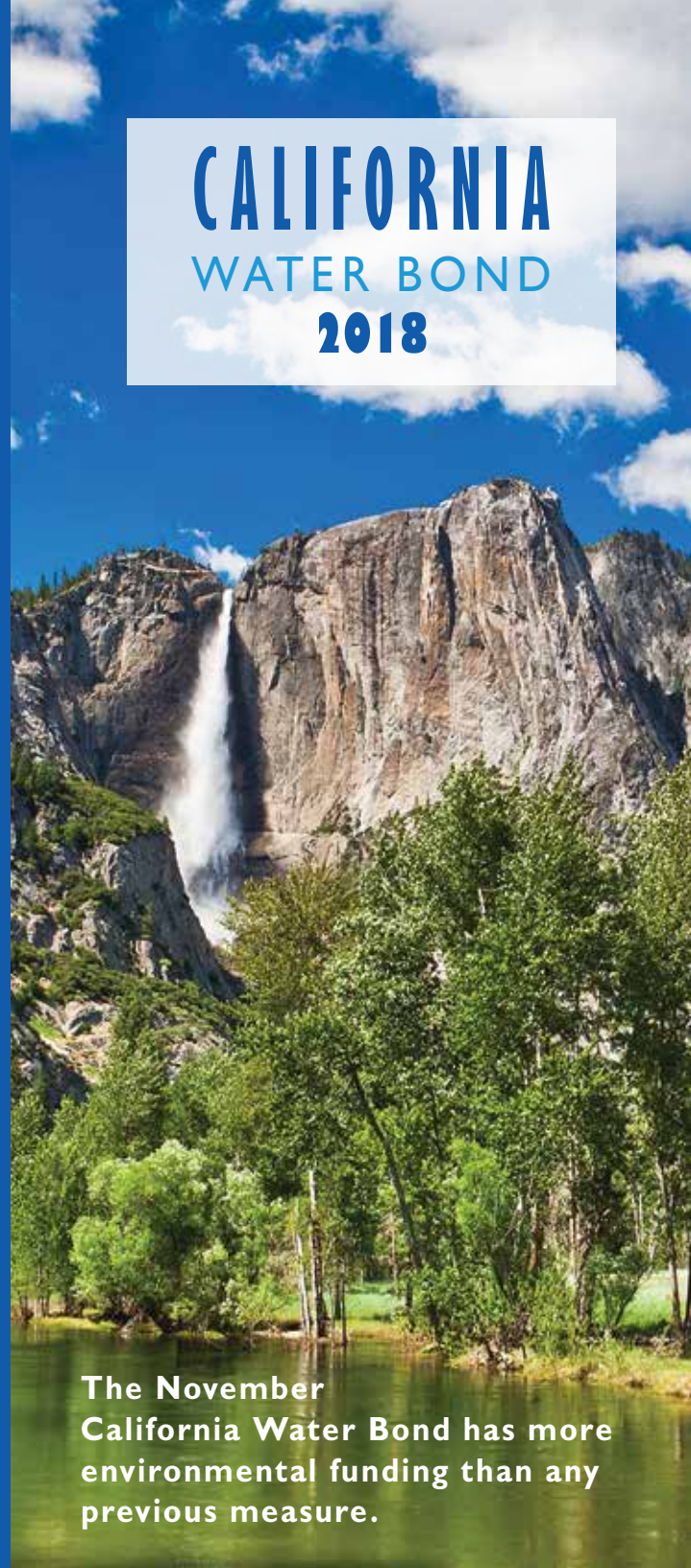
www.waterbond.org

Learn more, and help pass the November California Water Bond

Visit our website: www.waterbond.org, and learn the details of how the November Water Bond protects and restores the California environment.

Environmental groups should endorse the November Water Bond. Please use the website to communicate with the campaign, and find out how your group can contribute and endorse.

CALIFORNIA WATER BOND 2018



The November California Water Bond has more environmental funding than any previous measure.

PROTECTING & RESTORING WILDLIFE



SUSTAINABLE WATER DEVELOPMENT



California's steady growth and the strength of our agricultural economy means that new sources of water for people, agriculture, fish and wildlife must be found to keep our economy strong and our environment protected.

The November Water Bond funds a wide variety of productive technologies that produce real water for people, agriculture and wildlife without causing environmental harm. These include wastewater recycling, groundwater recharge, water conservation, capturing stormwater, cleaning up polluted groundwater, eliminating water-using invasive plants, and repairing existing dams and canals. (No funding for the Delta tunnels is included.)

ENVIRONMENTAL JUSTICE



Hundreds of thousands of Californians, mostly in disadvantaged communities, lack a source of safe drinking water, and many also lack safe ways to dispose of wastewater.

The November Water Bond includes \$750 million to provide safe drinking water and wastewater disposal for disadvantaged communities.

More than half the funding for programs in the bond is prioritized (or even reserved) for disadvantaged communities.

Leading environmental justice groups in the realm of California water such as The Community Water Center, Leadership Counsel for Justice and Accountability, and the Center for Sustainable Neighborhoods have endorsed the bond.

More than a billion dollars is allocated to restoring urban creeks, creating and improving river parkways, reviving our magnificent salmon and steelhead, providing habitat to bring back our native fish from the brink of extinction, and providing access to rivers and streams. The November Water Bond includes funding to acquire water and restore habitat urgently needed by fish and wildlife to survive.

RIVERS, STREAMS & FISH



Millions of waterfowl and shorebirds spend the winter in California, but they need wetlands to survive, and those wetlands need to be restored and provided with a good water supply. The November Water Bond act includes hundreds of millions of dollars to improve habitat and acquire water for wetlands.

Water dependent terrestrial wildlife also need to have habitat preserved, along with a water supply. The November Water Bond act includes funding to protect our precious California wildlife.

ENVIRONMENTAL ENDORSEMENTS

Dozens of conservation groups have endorsed the November Water Bond. Here are just a few. See the whole list at www.waterbond.org.

National Wildlife Federation, American River Conservancy, California Invasive Plant Council, California Native Plant Society, California Urban Streams Partnership, California Waterfowl Association, Planning and Conservation League, California Wildlife Foundation, Ducks Unlimited, Natural Heritage Institute, Salmonid Restoration Federation, Sierra Fund, Sierra Nevada Alliance, Sonoma Ecology Center, Tuolumne River Preservation Trust



California Proposition 5, Property Tax Transfer Initiative (2018)

California Proposition 5, the Property Tax Transfer Initiative, is on the ballot in California as a combined initiated constitutional amendment and state statute on November 6, 2018.^[1]

A **"yes"** vote supports amending Proposition 13 (1978) to allow homebuyers who are age 55 or older or severely disabled to transfer their tax assessments, with a possible adjustment, from their prior home to their new home, no matter (a) the new home's market value; (b) the new home's location in the state; or (c) the buyer's number of moves.

A **"no"** vote opposes amending Proposition 13 (1978) to change how tax assessments are transferred between properties for homebuyers who are age 55 or older or severely disabled.

California Proposition 5



Election date

November 6, 2018

Topic

Taxes and Property

Status

On the ballot

Type Origin

Amendment Citizens & Statute

Overview

What changes would this ballot initiative make to state law?

Proposition 5 would amend Proposition 13 (1978) to allow homebuyers who are age 55 or older or severely disabled to transfer the tax-assessed value from their prior home to their new home, no matter (a) the new home's market value; (b) the new home's location in the state; or (c) the number of moves.^[1] As of 2018, homebuyers over 55 years of age were eligible to transfer their tax assessments from their prior home to their new home if the new home's market value is equal to or less than the prior home's value and once in their lifetimes. Furthermore, counties, not the state, decide whether tax assessments can be transferred across county lines.^[2]

If the new home is a different value than the prior home, the initiative would allow for an adjusted value between the old and new values.^[1] If the new home has a higher market value than the prior home, the assessed value would be adjusted upward. If the new home has a lower market value than the prior home, the assessed value would be adjusted downward. The formulas for the adjustments would as follows:^[2]

Upward adjustment: (assessed value of their prior home) + [(the new home's market value) - (the prior home's market value)]

Example: An individual sold her house for \$500,000. The house had a tax-assessed value of \$75,000. She bought a new house for \$800,000. The tax-assessed value of the new house would be $(\$75,000) + [(\$800,000) - (\$500,000)] = \$375,000$.

Downward adjustment: (assessed value of their prior home) \times [(the new home's market value) \div (the prior home's market value)]

Example: An individual sold his house for \$500,000. The house had a tax-assessed value of \$75,000. He bought a new house for \$300,000. The tax-assessed value of the new house would be $(\$75,000) \times [(\$300,000) \div (\$500,000)] = \$45,000$.

What does Proposition 13 have to do with this ballot initiative?

California Proposition 13, the Tax Limitations Initiative, was on the ballot for the election on June 6, 1978. Voters approved Proposition 13. Proposition 13 required that properties be taxed at no more than 1 percent of their full cash value shown on the 1975-1976 assessment rolls and limited annual increases of assessed (taxable) value to the inflation rate or 2 percent, whichever was less. When a property is sold or transferred to new owners, however, the property is reassessed at 1 percent of its full cash value and the limit on increases to assessed value resets.^[3]

In 1986, voters approved Proposition 60, which amended Proposition 13 to allow homeowners over the age of 55 to transfer the taxable value of their present home to a replacement home, assuming the replacement home was of equal or lesser value, located within the same county, and purchased within two years of selling the original home.^[4] Proposition 13 was again amended in 1988 when voters approved Proposition 90, which allowed qualified homeowners age 55 or older to transfer the current taxable value of their original home to a replacement home in another county, but only if the county in which the replacement home is located agrees to participate in the program.^[5]

Who is contributing to the campaigns surrounding this initiative?

Note: The campaign finance information on this page is according to the most recent scheduled reports, which covered through June 30, 2018. The deadline for the next scheduled reports is September 27, 2018.

There was one ballot measure committee registered in support of the measure—Homeownership for Families and Tax Savings for Seniors. The campaign had raised \$7.20 million, with 58 percent from the California Association of Realtors Issues Mobilization PAC and 42 percent from the National Association of Realtors. There were no committees registered to oppose Proposition 5.^[6]

Text of measure

Ballot title

The official ballot title is as follows:^[7]

“ Changes Requirements for Certain Property Owners to Transfer Their Property Tax Base to Replacement Property. Initiative Constitutional Amendment and Statute.^[8] ”



Ballot summary

The official ballot summary is as follows:^[9]

- “
- Removes the following current requirements for homeowners who are over 55 years old or severely disabled to transfer their property tax base to a replacement residence: that replacement property be of equal or lesser value, replacement residence be in specific county, and the transfer occur only once.
 - Removes similar replacement-value and location requirements on transfers for contaminated or disaster-destroyed property.
 - Requires adjustments to the replacement property's tax base, based on the new property's value.^[8]
- ”

Fiscal impact statement

The fiscal impact statement is as follows:^[7]

- “
- Annual property tax losses for cities, counties, and special districts of around \$150 million in the near term, growing over time to \$1 billion or more per year (in today's dollars). Annual property tax losses for schools of around \$150 million per year in the near term, growing over time to \$1 billion or more per year (in today's dollars). Increase in state costs for schools of an equivalent amount in most years.^[8]
- ”

Constitutional changes

See also: Article XIII A, California Constitution

The ballot initiative would amend Section 2 of Article XIII A of the California Constitution. The following underlined text would be added and ~~struck through~~ text would be deleted:

(a) (1) The "full cash value" means the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value" or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. All real property not already assessed up to the 1975-76 full cash value may be reassessed to reflect that valuation. For purposes of this section, "newly constructed" does not include real property that is reconstructed after a disaster, as declared by the Governor, where the fair market value of the real property, as reconstructed, is comparable to its fair market value prior to the disaster. For purposes of this section, the term "newly constructed" does not include that portion of an existing structure that consists of the construction or reconstruction of seismic retrofitting

Support

The **Homeownership for Families and Tax Savings for Seniors**, a political action committee, was organized to sponsor the ballot initiative.^[6]

The California Association of Realtors (CAR) developed the ballot initiative. Alex Creel, senior VP of governmental affairs for CAR, filed the initiative. CAR, in a statement about the initiative, said, "It's important because seniors, who are often on a fixed income, fear they will not be able to afford a big property tax increase if they sell their existing home and buy another one, discouraging them from ever moving. As a result of this 'moving penalty' almost three-quarters of homeowners 55 and older haven't moved since 2000."^[10]

Arguments

Steve White, president of the California Association of Realtors, said:^[11]

“ Many seniors live in homes that no longer fit their needs because their homes are now too big or too far away from their families. If they want to downsize or move closer to their children, they could face property tax increases of 100 percent, 200 percent or even 300 percent.”^[8]

The **California Chamber of Commerce** endorsed the ballot initiative, stating:^[12]

“ California is facing a massive housing shortage and needs at least 100,000 additional new units a year to meet demand. The CalChamber Board voted to support this measure because it could help ease the shortage by freeing up modest-priced and move-up housing for young families.

The change is important because seniors, who often are on a fixed income, fear they will not be able to afford a big property tax increase if they sell their existing home and buy another one, discouraging them from ever moving. As a result of this “moving penalty,” almost three-quarters of homeowners 55 and older haven’t moved since 2000. In addition, a recent estimate from the Legislative Analyst’s Office found that this initiative would increase home sales in the tens of thousands per year.”^[8]

Official arguments

Penny Lilburn, executive director of Highland Senior Center, **Kyle Miles**, commander of AMVETS Department of California, and **Susan Chandler**, president of Californians for Disability Rights, wrote the official argument found in the state voter information guide in support of Proposition 5:^[9]



PROP. 5 EXTENDS THE BENEFITS OF PROP. 13, BRINGS TAX STABILITY AND PEACE OF MIND

PROP. 5 eliminates the “moving penalty” that exists today that is contributing to the housing shortage in California. Just as Prop. 13 (1978) prevented millions of seniors from being taxed out of their homes, PROP. 5 will help millions more today. PROP. 5 will help alleviate the housing shortage and will bring tax stability and peace of mind for millions of middle-class and working-class families throughout California.

PROP. 5 EMPOWERS SEVERELY DISABLED PEOPLE TRAPPED IN INADEQUATE HOMES

Many severely disabled people in California live in homes that are no longer safe or practical for them, but they cannot afford to move because their property taxes could

Opposition

No on Prop 5 is leading the campaign in opposition to Proposition 5.^[13]

Opponents

- California Teachers Association^[14]

Arguments

Rep. David Chiu (D-17) said he opposed the initiative:^[15]

“ It doesn’t add housing, and it is going to make it harder for cities and counties to pay for schools, infrastructure and public safety to the tune of \$2 billion per year. We’re in the midst of the most intense housing crisis our state has ever experienced, and this proposal does nothing to address it.”^[8]

Laura Clark, executive director of YIMBY Action, criticized the measure, saying:^[15]

“ We’re talking about, once again, another tax giveaway to people who are wealthy.”^[8]

Official arguments

Gerald G. Wilson, board member of the Middle Class Taxpayers Association, **Shamus Roller**, executive director of the National Housing Law Project, and **Gary Passmore**, president of the Congress of California Seniors, wrote the official argument found in the state voter information guide in opposition to Proposition 5.^[9]



VOTE NO ON PROP. 5

“

We urge a NO on Prop. 5 for one simple reason. We have a terrible affordable-housing crisis in California, and Prop. 5 will do NOTHING to make this crisis better. What Prop. 5 will do:

- Prop. 5 will further raise the cost of housing.
- Prop. 5 will lead to hundreds of millions of dollars and potentially \$1 billion in local revenue losses to our public schools.
- Prop. 5 will cost local services, including fire, police, and health care, up to \$1 billion in revenue losses.
- Prop. 5 gives a huge tax break to wealthy Californians.

Campaign finance

See also: *Campaign finance requirements for California ballot measures*

The campaign finance information on this page is according to the most recent scheduled reports, which covered through June 30, 2018. The deadline for the next scheduled reports is September 27, 2018.

There was one ballot measure committee registered in support of the measure—***Homeownership for Families and Tax Savings for Seniors, Sponsored by the California Association of Realtors***. The committee had received \$7.20 million, with 58 percent from the California Association of Realtors Issues Mobilization PAC and 42 percent from the National Association of Realtors. The committee had spent \$6.64 million.^[6]

Total campaign contributions:	
Support:	\$7,204,875.08
Opposition:	\$0.00

There were no committees registered in opposition to the measure.^[6]

Support

The following table includes contribution and expenditure totals for the committee in support of the initiative.^[6]

Committees in support of Proposition 5				Total:
Supporting committees	Cash contributions	In-kind services	Cash expenditures	Total raised:
Homeownership for Families and Tax Savings for Seniors, Sponsored by the California Association of Realtors	\$6,700,050.00	\$504,825.08	\$6,136,542.34	Total spent:
Total	\$6,700,050.00	\$504,825.08	\$6,136,542.34	

Donors

The following were the donors who contributed to the support committee as of August 30, 2018:^[6]

Donor	Cash	In-kind	Total
California Association of Realtors Issues Mobilization PAC	\$3,700,000.00	\$504,825.08	\$4,204,825.08
National Associaton of Realtors	\$3,000,000.00	\$0.00	\$3,000,000.00

Reporting dates

In California, ballot measure committees filed a total of five campaign finance reports in 2018. The filing dates for reports are as follows:^[16]

Campaign finance reporting dates for November^[show]
2018 ballot

Methodology

Ballotpedia calculates campaign finance based on the political committees registered to support or oppose a measure and independent expenditures, when relevant and available. When a committee is registered to support or oppose multiple measures it is impossible to distinguish between funds used for one measure and funds used for the other.

In calculating campaign finance for supporting and opposing committees, Ballotpedia does not count donations or expenditures from one ballot measure committee to another since that would amount to counting the same money twice. This method is used to give the most accurate information concerning how much funding was actually provided to and spent by the opposing and supporting campaigns.

Ballotpedia subtracts out committee-to-committee contributions—both cash donations and in-kind contributions. Because of this, it is possible for certain committees to have negative contributions. Negative contributions mean that a committee has provided more contributions to other committees than it has received. If expenditures exceed contributions, it means the committee has accrued unpaid bills, has unpaid or unforgiven loans, or has contributed a certain amount of in-kind services to another committee.

Ballotpedia provides information about all reported in-kind donations. In-kind contributions are also counted toward total expenditures since, with in-kind gifts, the contribution and services or goods are provided simultaneously.

Ballotpedia does this to provide the most accurate information about the cash-on-hand of supporting and opposing campaigns.

Background

Proposition 13 (1978)

See also: California Proposition 13, Tax Limitations Initiative (1978)

California Proposition 13, the Tax Limitations Initiative, was on the ballot for the election on June 6, 1978. Voters approved Proposition 13, with 64.79 percent voting for passage.^{[3][17]} Howard Jarvis, who founded the Howard Jarvis Taxpayers Association, developed Proposition 13. He also worked with Paul Gann on writing the initiative.^{[18][19]}

Proposition 13 required that properties be taxed at no more than 1 percent of their full cash value shown on the 1975-1976 assessment rolls and limited annual increases of assessed (taxable) value to the inflation rate or 2 percent, whichever was less. When a property is sold or transferred to new owners, however, the property is reassessed at 1 percent of its full cash value and the limit on increases to assessed value resets.^[3]

Amendments to Proposition 13

The following ballot measures amended Proposition 13 to change who can transfer their home's taxable value and how the transfers work:

- Proposition 58 (1986): Voters approved Proposition 58, which allowed the transfer of a principal residence between spouses or between parents and children without a reset on the home's taxable value. In other words, the recipient of a house, whether a spouse or a child, would continue to pay the taxable value based on the limit set following the 1975-1976 tax assessment.^[4]
- Proposition 60 (1986): Voters approved Proposition 60, which permitted homeowners over the age of 55 to transfer the taxable value of their present home to a replacement home, assuming the replacement home was of equal or lesser value, located within the same county, and purchased within two years of selling the original home.^[4]
- Proposition 90 (1988): The voter-approved Proposition 60 allowed qualified homeowners age 55 or older to transfer the current taxable value of their original home to a replacement home in another county, but only if the county in which the replacement home is located agrees to participate in the program.^[5]

Proposition 90 tax transfers between counties

In 1988, voters approved Proposition 90, which allowed qualified homeowners age 55 or older to transfer the current taxable value of their original home to a replacement home in another county, but only if the county in which the replacement home is located agrees to participate in the program.^[5]

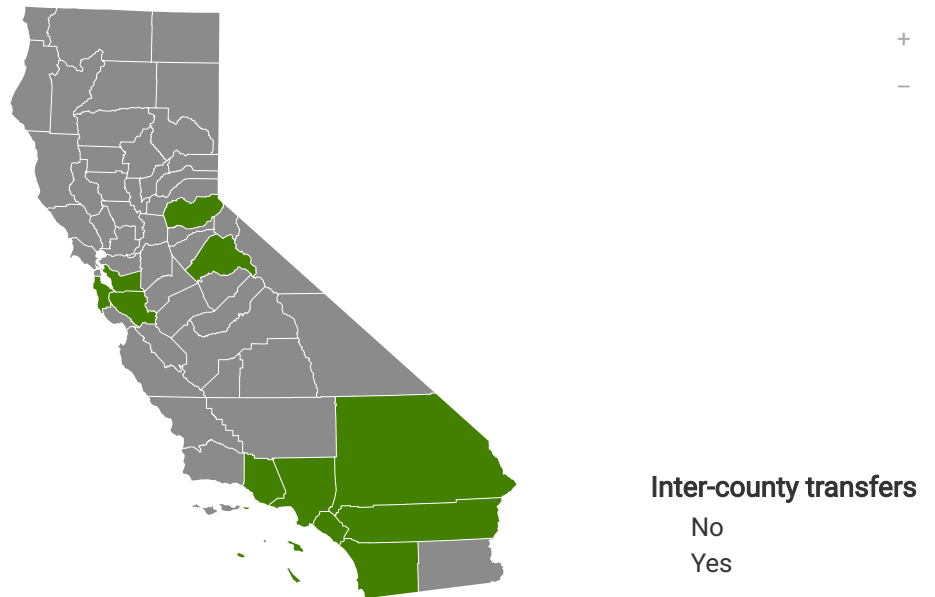
As of 2018, 11 counties in California had adopted ordinances to accept the tax transfers of qualified homeowners age 55 or older from the other counties allowing tax transfers between counties. For example, a person age 55 or older who sold a house in Los Angeles County would be allowed to transfer their original home's taxable value to their new home in San Diego County, assuming the new home was of equal or lesser value than the original home.

Proposition 5 would allow homebuyers who are age 55 or older or severely disabled to transfer their tax assessments between any counties, not just the counties adopting ordinances for the transfers.^[1]

The following map illustrates which counties allow for tax transfers between each other, as of 2018.^[20]



California counties that allow for Proposition 90 inter-county tax transfers, as of 2018



On December 12, 2017, the El Dorado County Board of Supervisors repealed an ordinance allowing Proposition 90 inter-county tax transfers, effective November 7, 2018.

CALIFORNIA

Media editorials

Other opinions

- **San Diego Union-Tribune** (November 28, 2017) called for more thorough study on the initiative: "The Legislative Analyst's Office warns that the measure could eventually lead to \$2 billion or more in lost annual tax revenue. Realtors challenge this assertion and point to the new revenue that would come in as older homes worth \$500,000 and more are finally taxed at their current value. This question needs more thorough study because the basic concept of the Realtors' proposal makes considerable sense — at least if it can't be readily gamed by wealthy people to limit their property taxes. Retirement security is a huge issue for millions of aging Californians on fixed incomes. Protecting this growing group is a good idea."^[21]

Path to the ballot

See also: *California signature requirements and Laws governing the initiative process in California*

Process in California



In California, the number of signatures required for an initiated constitutional amendment is equal to 8 percent of the votes cast in the preceding gubernatorial election. Petitions are allowed to circulate for 180 days from the date the attorney general prepares the petition language. Signatures need to be certified at least 131 days before the general election. As the verification process can take multiple months, the secretary of state provides suggested deadlines for ballot initiatives.

The requirements to get indirect initiated state statutes certified for the 2018 ballot:

- **Signatures:** 585,407 valid signatures were required.
- **Deadline:** The deadline for signature verification was June 28, 2018. However, the suggested deadlines for turning in signatures was March 7, 2018, for initiatives needing a full check of signatures and April 24, 2018, for initiatives needing a random sample of signatures verified.

Signatures are first filed with local election officials, who determine the total number of signatures submitted. If the total number is equal to at least 100 percent of the required signatures, then local election officials perform a random check of signatures submitted in their counties. If the random sample estimates that more than 110 percent of the required number of signatures are valid, the initiative is eligible for the ballot. If the random sample estimates that between 95 and 110 percent of the required number of signatures are valid, a full check of signatures is done to determine the total number of valid signatures. If less than 95 percent are estimated to be valid, the initiative does not make the ballot.

Initiative #17-0013

Proponents filed three versions of the initiative: Initiative #17-0011, Initiative #17-0012, and Initiative #17-0013.^[22] Initiatives #17-0011 and #17-0012 would have allowed homebuyers of all ages to blend the tax amount due on their old property and the tax amount due on their new property.^{[23][24]}

Alex Creel, senior VP of governmental affairs for the California Association of Realtors, said the group would begin polling the three proposals and select one to collect signatures for at the group's meeting in San Diego in mid-October 2017.^[25] The association selected Initiative #17-0013, rather than #17-0011A1 or #17-0012A1, to collect signatures for. Creel said the group would aim to collect around 1 million signatures and was willing to spend \$20 million to \$50 million on a campaign.^[26]

Alexander Creel submitted a letter requesting a title and summary on July 20, 2017. A title and summary were issued by the California attorney general's office on September 25, 2017, allowing petitions to begin collecting signatures. By January 5, 2018, supporters of the initiative had collected 25 percent of the required signatures. On March 26, 2018, the support committee reported filing 960,361 signatures for the ballot initiative.^[27] Counties had until May 17, 2018, to conduct a random sample of signatures.^[28]

On May 17, 2018, the secretary of state's office announced that the random sample of signatures indicated that 731,019 signatures were valid—145,612 more than was required. As 960,361 signatures were filed, the validation rate was 78.92 percent.^[29]

Cost of signature collection:

Sponsors of the measure hired AAP Holding Company, Inc. and The Monaco Group to collect signatures for the petition to qualify this measure for the ballot. A total of \$5,140,990.49 was spent to collect the 585,407 valid signatures required to put this measure before voters, resulting in a total cost per required signature (CPRS) of \$8.78.

How to vote

See also: Voting in California

Poll times

All polls in California are open from 7:00 a.m. to 8:00 p.m. Pacific Time. An individual who is in line at the time polls close must be allowed to vote.^[30]

Registration requirements

To vote in California, an individual must be U.S. citizen and California resident. A voter must be at least 18 years of age on Election Day. Conditional voter registration is available beginning 14 days before an election through Election Day.^[31]

On October 10, 2015, California Governor Jerry Brown (D) signed into law Assembly Bill No. 1461, also known as the New Motor Voter Act. The legislation authorized automatic voter registration in California for any individuals who visit the Department of Motor Vehicles to acquire or renew a driver's license. The law was scheduled to take effect in 2016.^{[32][33]}

Online registration

See also: Online voter registration

California has implemented an online voter registration system. Residents can register to vote by visiting this website.

Voter ID requirements

According to the Office of the California Secretary of State, "in most cases, California voters are not required to show identification at their polling place." A voter may be asked to provide identification at the polls if it is his or her first time voting (this requirement applies if the individual registered by mail without providing a driver's license number, state identification number, or the last four digits of a Social Security number). Acceptable forms of identification include driver's licenses, utility bills, or any document sent by a government agency. For a complete list of acceptable forms of identification, see this list.^[34]

State profile

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Both sides of America's political divide have taken the opportunity to emphasize how different California is from the rest of the country. After the 2016 presidential election, supporters of Donald Trump complained that were it not for Hillary Clinton's margin of victory in California, Trump would



have won the popular vote. For their part, California's Democratic politicians have taken a leading role in opposing Trump's vision for America; some Californians are even flirting with seceding from the union, though "Calexit" faces constitutional obstacles that make it highly improbable. Despite such antagonism, California and the United States need each other, even if it no longer seems like it.

Americans have long thought of California as the Golden State -- a distant and dreamy land initially, then as a shaper of culture and as a promised land for millions of Americans and immigrants for many decades. America's most populous state remains in many ways a great success story. But in ...(read more)

Presidential voting pattern

See also: *Presidential voting trends in California*

California voted for the Democratic candidate in all five presidential elections between 2000 and 2016.

More California coverage on Ballotpedia

- Elections in California
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- Influencers in California
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Demographic data for California

	California	U.S.
Total population:	38,993,940	316,515,021
Land area (sq mi):	155,779	3,531,905
Gender		
Female:	50.3%	50.8%
Race and ethnicity**		
White:	61.8%	73.6%
Black/African American:	5.9%	12.6%
Asian:	13.7%	5.1%
Native American:	0.7%	0.8%
Pacific Islander:	0.4%	0.2%
Two or more:	4.5%	3%
Hispanic/Latino:	38.4%	17.1%
Education		
High school graduation rate:	81.8%	86.7%
College graduation rate:	31.4%	29.8%
Income		
Median household income:	\$61,818	\$53,889
Persons below poverty level:	18.2%	11.3%

Source: U.S. Census Bureau, "American Community Survey" (5-year estimates 2010-2015)

**Note: Percentages for race and ethnicity may add up to more than 100 percent because respondents may report more than one race and the Hispanic/Latino ethnicity may be selected in conjunction with any race. Read more about race and ethnicity in the census here.

See also

2018 measures



- 2018 ballot measures
- Taxes on the ballot
- Property on the ballot
- 2018 legislative sessions

California



- California ballot measures
- California ballot measure laws
- California Proposition 13 (1978)

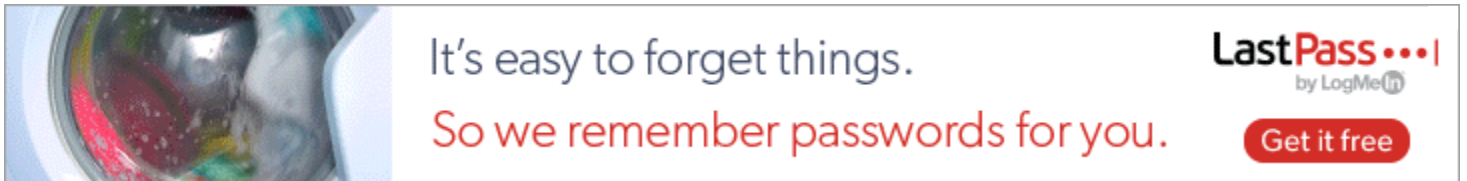
News and analysis



- Ballot measure lawsuits
- Ballot measure readability
- Ballot measure polls

External links

- Initiative #17-0013



It's easy to forget things.
So we remember passwords for you.

LastPass...
by LogMeIn

Get it free

Footnotes

1. *California Attorney General*, "Initiative #17-0013," accessed July 24, 2017
2. *California Legislative Analyst*, "Initiative #17-0013," accessed September 8, 2017
3. *UC-Hastings*, "Voter Information Guide for 1978, Primary," accessed December 21, 2017
4. *UC-Hastings*, "Voter Information Guide for 1986, General," accessed March 26, 2018
5. *UC-Hastings*, "Voter Information Guide for 1988, General," accessed March 26, 2018
6. *Cal-Access*, "Campaign Finance," accessed March 7, 2018
7. *California Secretary of State*, "Initiatives and Referenda Cleared for Circulation," accessed

Only the first few references on this page are shown above. Click to show more.

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California Proposition 10, Local Rent Control Initiative (2018)

California Proposition 10, the **Local Rent Control Initiative**, is on the ballot in California as an initiated state statute on November 6, 2018.^[1]

A **yes** vote supports allowing local governments to adopt rent control, repealing the Costa-Hawkins Rental Housing Act.

A **no** vote opposes the initiative, thus keeping the Costa-Hawkins Rental Housing Act and continuing to prohibit local governments from enacting rent control on certain buildings.

California Proposition 10



Election date

November 6, 2018

Topic

Housing and Business regulation

Status

On the ballot

Type	Origin
State statute	Citizens

Overview

What is California Proposition 10?

Proposition 10 is an initiated state statute that would repeal the Costa-Hawkins Rental Housing Act (Costa-Hawkins), thus allowing local governments to adopt rent control ordinances—regulations that govern how much landlords can charge tenants for renting apartments and houses. Proposition 10 would also state that a local government's rent control ordinance shall not abridge a fair rate of return for landlords.^[1]

What is the Costa-Hawkins Rental Housing Act?

Costa-Hawkins is a state statute that limits the use of rent control in California. Costa-Hawkins provides that cities cannot enact rent control on (a) housing first occupied after February 1, 1995, and (b) housing units where the title is separate from connected units, such as condominiums and townhouses. Costa-Hawkins also provided that landlords have a right to increase rent prices to market rates when a tenant moves out. Prior to the enactment of Costa-Hawkins, local governments were permitted to enact rent control, provided that landlords would receive just and reasonable returns on their rental properties. The California State Legislature passed Costa-Hawkins in 1995.^{[3][4][5]}

What does the political landscape surrounding housing look like in California?

Candidates in the 2018 gubernatorial election have proposed plans to increase housing in California. Gavin Newsom (D) called for “a Marshall Plan for affordable housing,” while John Cox (R) said that some development regulations need to be eliminated to incentivize construction and decrease costs.^[6] Neither Newsom nor Cox, however, support a full repeal of Costa-Hawkins. Newsom said he was open to fewer restrictions on rent control, but that outright repeal would “have unintended consequences on housing production that could be profoundly problematic.” Cox stated, “I don’t believe rent control works.”^[7] The California Democratic Party’s executive committee endorsed Proposition 10, while the California Republican Party’s leadership decided to oppose the ballot initiative. Amy Schur, campaign director for the Alliance for Community Empowerment (ACCE), responded to opponents who said that decreasing rents requires more housing, not rent control. She said, “That [building] is slow and expensive. In the meantime, the only policy step that will address the severe displacement crisis in the short term is the expansion of reasonable rent control.”^[8]

The state legislature had also looked at rent control in 2018. Rep. Richard Bloom (D-50) introduced a bill to repeal Costa-Hawkins. The Assembly Housing and Community Development Committee rejected the bill because the committee’s two Republicans voted against passage and two Democrats abstained from voting. Three Democrats voted to recommend the bill, but four votes were required.^[9] Rep. David Chiu (D-17), the committee’s chairman, said, “... this will not be the end of the conversation. It’s just the beginning.”^[10]

Who is behind the campaigns surrounding the ballot initiative?

Note: The campaign finance information on this page is according to the most recent scheduled reports, which covered through June 30, 2018, and interim reports available as of August 28, 2018. The deadline for the next scheduled reports is September 27, 2018.

The campaigns surrounding Proposition 10 had raised a combined \$41.35 million. Opponents of Proposition 10 had out-raised the support campaign two-to-one.

The Coalition for Affordable Housing is leading the campaign in support of the initiative. The AIDS Healthcare Foundation (AHF) and Alliance of Californians for Community Empowerment (ACCE) Action organized the campaign. The coalition had raised \$12.54 million, with AHF providing \$12.43 million. AHF spent \$48.1 million on backing ballot initiatives related to healthcare and housing in 2016 and 2017, including Los Angeles Measure S and California Proposition 61. Michael Weinstein, the founder of AHF, said his organization is interested in rent control from the perspectives of social justice and public health. “From a social justice point of view,” said Weinstein, “we are seeing mass displacement... and we feel like shelter is the most basic right and people are being deprived of that and we don’t believe that the marketplace can handle providing shelter to everyone who needs it.” He added, “From a public health point of view, we see our clients being rendered homeless or being pushed further and further out from where our healthcare centers are.”^[11]

The California Apartment Association (CAA) and the California Rental Housing Association (CalRHA) each organized a PAC to oppose Proposition 10. A third PAC—No On Prop 10—was also formed. The three committees had raised a combined \$28.81 million. The largest contributors included Michael K. Hayde (\$3.76 million) and Essex Property Trust, Inc. (\$2.27 million). Hayde is the CEO of Western National Group, a real estate firm. Essex Property Trust, based in San Mateo, California, owned 192 apartment communities, containing 48,419 rental units, as of 2017.^[12] Both Tom Bannon, CEO of CAA, and Larry Cannizzaro, president of CalRHA, said their groups’ opposition is about private investment in rental housing, among other issues. Proposition 10, according to Bannon and Cannizzaro, would make the state’s housing crisis worse because rent control would discourage investment.^{[13][14]}

California Proposition 10 (2018)

	Contributions	Expenditures
Support Committees	\$12,535,696.80	\$2,345,328.24
Opposition Committees	\$28,813,865.68	\$1,457,824.68

Source: [Ballotpedia](#)

BALLOTPEDIA

What other ballot propositions address housing in California?

Voters in California will decide four ballot propositions related to housing on November 6, 2018—the most ever to appear on a state's ballot in one year according to Ballotpedia's catalog of housing-related ballot measures. Besides Proposition 10, voters will decide the following three housing-related ballot propositions:

- Proposition 1 would authorize \$4 billion in bonds for affordable housing programs, loans, grants, as well as housing loans for veterans.
- Proposition 2 would authorize the state to use revenue from a 1 percent tax on income above \$1 million, which was enacted in 2004 to provide funds for mental health services, on homelessness prevention housing.
- Proposition 5 would remove restrictions on allowing seniors (ages 55+) and persons with serve disabilities to transfer their tax assessments, with a possible adjustment, from their prior home to their new home.

Sponsors of Propositions 1, 2, 5, and 10 all argue that their ballot measures would help address the housing situation in California, such as rent prices, real estate values, and available housing.

Text of measure

Ballot title

The official ballot title is as follows:^[15]

“ Expands Local Governments' Authority to Enact Rent Control on Residential Property. Initiative Statute.^[16] ”

Ballot summary

The official ballot summary is as follows:^[17]

- “
- Repeals state law that currently restricts the scope of rent-control policies that cities and other local jurisdictions may impose.
 - Allows policies that would limit the rental rates that residential-property owners may charge for new tenants, new construction, and single-family homes.
 - In accordance with California law, provides that rent-control policies may not violate landlords’ right to a fair financial return on their rental property.^[16]
- ”

Fiscal impact

Note: The fiscal impact statement for a California ballot initiative authorized for circulation is prepared by the state's legislative analyst and director of finance.

The fiscal impact statement is as follows:^[15]

- Unknown, but potentially significant, changes in state and local government tax revenues.
- “ Net decrease more likely than net increase. Potential increase in local government costs of up to tens of millions of dollars per year in the long term, likely paid by fees on owners of rental housing.^[16] ”

Full text

The full text of the measure is as follows:^[1]

Affordable Housing Act

The People of the State of California do hereby ordain as follows:

Section 1. Title.

This Act shall be known and may be cited as "Affordable Housing Act."

Section 2. Findings and Declarations.

The People of the State of California hereby find and declare all of the following:

a) Rents for housing have skyrocketed in recent years. Median rents are higher in California than any other state in the country, and among all 50 states, California has the 4th highest increase in rents.

b) Research by Apartment List indicates that the median rent for a one-bedroom apartment in California is \$1,410, an increase of 4.5% in just one year. A one

Support

The **Coalition for Affordable Housing**, also known as **Yes on 10**, is leading the campaign in support of the initiative. The AIDS Healthcare Foundation and Alliance of Californians for Community Empowerment (ACCE) Action are sponsoring the campaign.^[18]

Jim Ross, a political consultant for the Coalition for Affordable Housing, said, "This is the defining issue for California right now. Everyone in California has a story about rental housing — it's the thing that pulls us together."^[19]



Supporters

Officials

- Mayor Eric Garcetti (D), Los Angeles^[20]
- Mike Bonin, Los Angeles City Council—District 11^[21]
- Lindsey Horvath, West Hollywood City Council^[22]

Parties

- California Democratic Party^[23]

Unions

- AFSCME California PEOPLE^[24]
- California Nurses Association^[25]
- California Teachers Association^[26]
- SEIU California^[27]

Arguments

- **Jose Sanchez**, a member of the LA Tenants Union, said, "People are tired of the false promises of 'build build build' solutions to this housing crisis that only seek to fill the pockets of for-profit developers. Entire communities are being wiped out while Wall Street landlords rake in the cash – we need to stop the bleeding first before we can do anything else."^[28]
- **Lindsey P. Horvath**, a councilmember of the West Hollywood City Council, stated, "California is experiencing a housing and homeless crisis like we've never seen before and policies like Costa-Hawkins have had a devastating effect on housing affordability. ... Costa-Hawkins has undermined our ability to protect our residents from being displaced, especially the most vulnerable, due to skyrocketing rent increases."^[22]
- **Mayor Eric Garcetti** (D), mayor of Los Angeles, said, "I've always believed that those who live closest to a given block or a street know what's best. Local government should have control over their own city."^[21]
- **Dean Preston**, executive director of Tenants Together, said the question of rent control is about whether housing "is an essential, like a human right — something that everyone needs and deserves, or whether one views housing as just another commodity that should be bought and sold and rented without limits."^[29]

Official arguments

Zenei Cortez, co-president of the California Nurses Association, **Nan Brasmer**, president of the California Alliance for Retired Americans, and **Elena Popp**, executive director of the Eviction Defense Network, wrote the official argument found in the state voter information guide in support of Proposition 10:^[17]

“ The rent is too damn high! Voting YES on Proposition 10 will free our local communities to decide what rent control protections are needed, if any, to tackle the housing crisis. Prop. TEN protects TENants.

Too many families spend over half their income on housing. That’s simply unacceptable. Living paycheck to paycheck means it’s difficult for these families to make ends meet, much less save for an emergency. Seniors on fixed-incomes have less to spend on food and medicine. Many of the people who should be the foundation of our local communities —the teachers, nurses and firefighters— are forced to move far away from the communities they serve because corporate landlords are doubling or even tripling the rent. With so many families struggling, many are driven to move away from California altogether, leaving jobs, relatives and schools behind. Even worse, many are forced into

Opposition

Three PACs registered to oppose Proposition 10—**Californians for Responsible Housing**, sponsored by the California Apartment Association; **Californians For Affordable Housing**, sponsored by the California Rental Housing Association; and **No On Prop 10**.^{[30][31]}



Opponents

Parties

- California Republican Party^[32]

Arguments

- **Tom Bannon**, CEO of the California Apartment Association, said, "It’s a disincentive for the construction of new, multifamily housing."^[33]
- **Erika D. Smith**, associate editor of *The Sacramento Bee*, described rent control as an "imperfect, blunt-force policy tool that could very well make the housing crisis worse by shrinking supply."^[34]
- **Stuart Waldman**, president of the Southern California Valley Industry and Commerce Association, stated, "It will ultimately harm the very people it is trying to help. The only way to solve the housing crisis is to build more."^[35]

Official arguments

Alice Huffman, president of the California State Conference of the National Association for the Advancement of Colored People, **Frederick A. Romero**, state commander of the American G.I. Forum of California, and **Stephen White**, president of the California Association of Realtors, wrote

the official argument found in the state voter information guide in opposition to Proposition 10:^[17]

“ PROP. 10 IS BADLY FLAWED AND WILL MAKE OUR HOUSING CRISIS WORSE. VOTE NO. ”

- PROP. 10: BAD FOR CURRENT AND FUTURE HOMEOWNERS

“Prop. 10 could hurt homeowners by authorizing a new government bureaucracy that can tell homeowners what they can and cannot do with their own private residence. It could make homes more expensive for future buyers and hurt families trying to purchase their first home.” — Stephen White, President, California Association of REALTORS

- PROP. 10: BAD FOR RENTERS

“Tens of thousands of renters, INCLUDING SENIORS AND OTHERS ON FIXED INCOMES, could be forced out of their apartments and communities under Prop. 10.”

Campaign finance

See also: *Campaign finance requirements for California ballot measures*

The campaign finance information on this page is according to the most recent scheduled reports, which covered through June 30, 2018, and interim reports available as of August 28, 2018. The deadline for the next scheduled reports is September 27, 2018.

There was two ballot measure committees, the **Coalition for Affordable Housing** and **Make Housing Affordable**, registered in support of Proposition 10. Supporters had raised \$12.54 million, with 99 percent of funds received from the AIDS Healthcare Foundation. The committee had reported expenditures of \$2.35 million.^[36]

Total campaign contributions:	
Support:	\$12,535,696.80
Opposition:	\$28,813,865.68

There were three ballot measure committee registered in opposition to Proposition 10—**Californians for Responsible Housing**, **Californians For Affordable Housing**, and **No On Prop 10**. Together, the committees had raised \$28.81 million. The committees had spent \$1.46 million. The largest contributor to the committee was Michael K. Hayde, CEO of Western National Group and affiliated entities, who provided \$3.76 million.^[36]

Note: The 501(c)(6) nonprofit organization California Rental Housing Association (CRHA) was also registered as supporting Proposition 10. As of 2018, California requires 501(c)(6) organizations, which includes nonprofit business associations, that contributed more than \$50,000 to a ballot measure committee during a 12-month period to report contribution and expenditures under the same guidelines as committees.^[37] CRHA did not spend funds on Proposition 10 independent of the recipient committee Californians For Affordable Housing.^[36] Therefore, the 501(c)(6) nonprofit organization is not included in the opposition finance table.

Support

The following table includes contribution and expenditure totals for the committees in support of Proposition 10:^[36]

Committees in support of Proposition 10				Total
Supporting committees	Cash contributions	In-kind services	Cash expenditures	Total raised:
Coalition for Affordable Housing	\$12,370,010.00	\$165,686.80	\$2,179,641.44	Total spent:
Make Housing Affordable - Yes on Prop. 10	\$0.00	\$0.00	\$0.00	
Total	\$12,370,010.00	\$165,686.80	\$2,179,641.44	

Donors

The following were the top donors who contributed to the support committee:^[36]

Donor	Cash	In-kind	Total
AIDS Healthcare Foundation	\$12,260,000.00	\$165,686.80	\$12,425,686.80
American Federation of State County & Municipal Employees Local 3299 Issues PAC	\$60,000.00	\$0.00	\$60,000.00
California Nurses Association	\$50,000.00	\$0.00	\$50,000.00
California Nurses Association Initiative PAC	\$50,000.00	\$0.00	\$50,000.00

Opposition

The following table includes contribution and expenditure totals for the committee in opposition to Proposition 10:^[36]

Committees in opposition to Proposition 10				Totals
Opposing committees	Cash contributions	In-kind services	Cash expenditures	Total raised:
Californians for Responsible Housing, Sponsored by the California Apartment Association	\$20,557,215.99	\$197,103.69	\$1,080,708.93	Total spent:
No On Prop 10 - A Flawed Initiative That Will Make The Housing Crisis Worse; a Coalition Of Housing Advocates, Renters, Large and Small Businesses, Taxpayer Groups, and Veterans	\$7,507,365.00	\$31,000.00	\$47,000.00	
Californians For Affordable Housing, No On Proposition 10, Sponsored By The California Rental Housing Association	\$521,181.00	\$0.00	\$102,012.06	
Total	\$28,585,761.99	\$228,103.69	\$1,229,720.99	

Donors

The following were the top five donors who contributed to the opposition committees.^[36]

Donor	Cash	In-kind	Total
Michael K. Hayde, including Western National Group & Affiliated Entities	\$3,761,840.00	\$0.00	\$3,761,840.00
Essex Property Trust, Inc., and Affiliated Entities	\$2,267,330.00	\$0.00	\$2,267,330.00
Geoffrey H. Palmer	\$2,000,000	\$0.00	\$2,000,000
Equity Residential	\$1,707,400.00	\$0.00	\$1,707,400.00
Avalonbay Communities, Inc.	\$1,503,050.00	\$0.00	\$1,503,050.00

Reporting dates

In California, ballot measure committees filed a total of five campaign finance reports in 2018. The filing dates for reports are as follows:^[38]

Campaign finance reporting dates for November^[show]
2018 ballot

Methodology

Ballotpedia calculates campaign finance based on the political committees registered to support or oppose a measure and independent expenditures, when relevant and available. When a committee is registered to support or oppose multiple measures it is impossible to distinguish between funds used for one measure and funds used for the other.

In calculating campaign finance for supporting and opposing committees, Ballotpedia does not count donations or expenditures from one ballot measure committee to another since that would amount to counting the same money twice. This method is used to give the most accurate information concerning how much funding was actually provided to and spent by the opposing and supporting campaigns.

Ballotpedia subtracts out committee-to-committee contributions—both cash donations and in-kind contributions. Because of this, it is possible for certain committees to have negative contributions. Negative contributions mean that a committee has provided more contributions to other committees than it has received. If expenditures exceed contributions, it means the committee has accrued unpaid bills, has unpaid or unforgiven loans, or has contributed a certain amount of in-kind services to another committee.

Ballotpedia provides information about all reported in-kind donations. In-kind contributions are also counted toward total expenditures since, with in-kind gifts, the contribution and services or goods are provided simultaneously. Ballotpedia does this to provide the most accurate information about the cash-on-hand of supporting and opposing campaigns.

Media editorials

Support

Ballotpedia did not find any media editorial boards supporting Proposition 10. If you are aware of an editorial, please email it to editor@ballotpedia.org.

Opposition

- ***The Mercury News***: "Rents in California, especially the Bay Area, are soaring. Decent housing is unaffordable for far too many. But the solution is to build more housing, not restrict rents. That's why voters should reject Proposition 10 on the Nov. 6 ballot. ... In other words, it would not fix the state's housing crisis; it would exacerbate it."^[39]

Background

Costa-Hawkins Rental Housing Act

The Costa-Hawkins Rental Housing Act (Costa-Hawkins) is a state statute that limits the use of rent control in California. Costa-Hawkins provided that:^{[3][4]}

- Cities cannot enact rent control on housing first occupied after February 1, 1995, and housing units where the title is separate from connected units (such as free-standing houses, condominiums, and townhouses).
- Housing exempted from a local rent control ordinance before February 1, 1995, must remain exempt.
- Landlords have a right to increase rent prices to market rates when a tenant moves out (a policy known as *vacancy decontrol*).

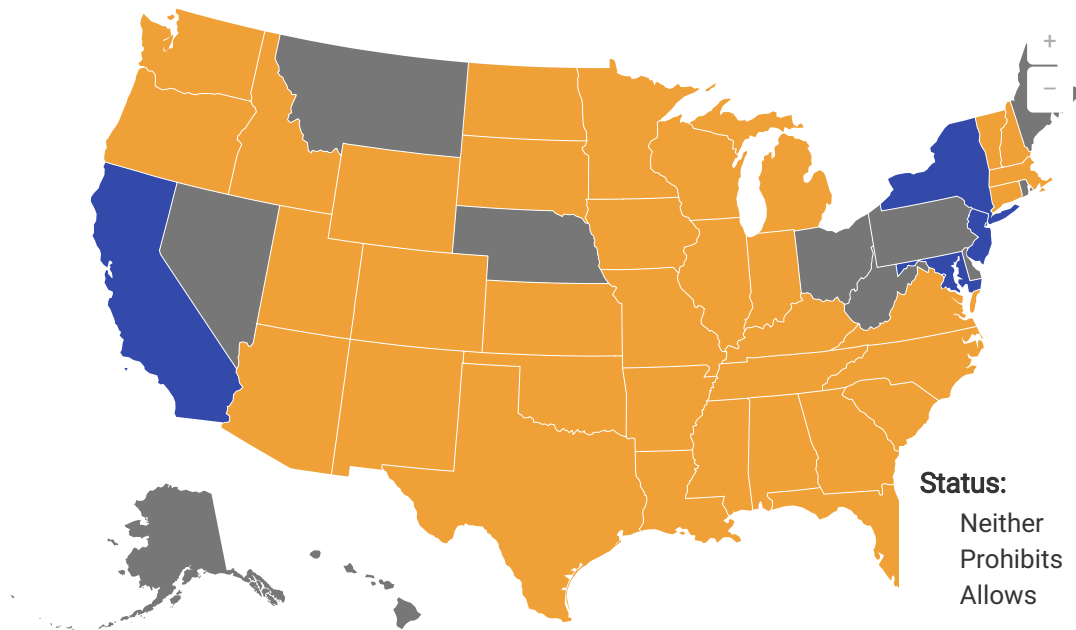
Prior to the enactment of Costa-Hawkins, local governments were permitted to enact rent control, provided that landlords would receive just and reasonable returns on their rental properties.^[3]

The California State Legislature passed Costa-Hawkins in 1995. Costa-Hawkins was named after Sen. Jim Costa (D) and Rep. Phil Hawkins (R), who led the effort to pass the bill. Approved as AB 1164, the state Assembly passed the statute 45-18 and the state Senate passed the statute 24-11.^[5] Gov. Pete Wilson (R) signed the bill into law.^[3]

State policies on rent control

As of 2018, four states, including California, and D.C. allowed some form of rent control on specific properties. In 11 states, no cities have rent control but rent control was not preempted. In 24 states, the state legislature preempted all forms of local rent control ordinances. The following map illustrates the distribution of rent control policies in the U.S.:^[40]

State policies regarding rent control



Updated as of 2018

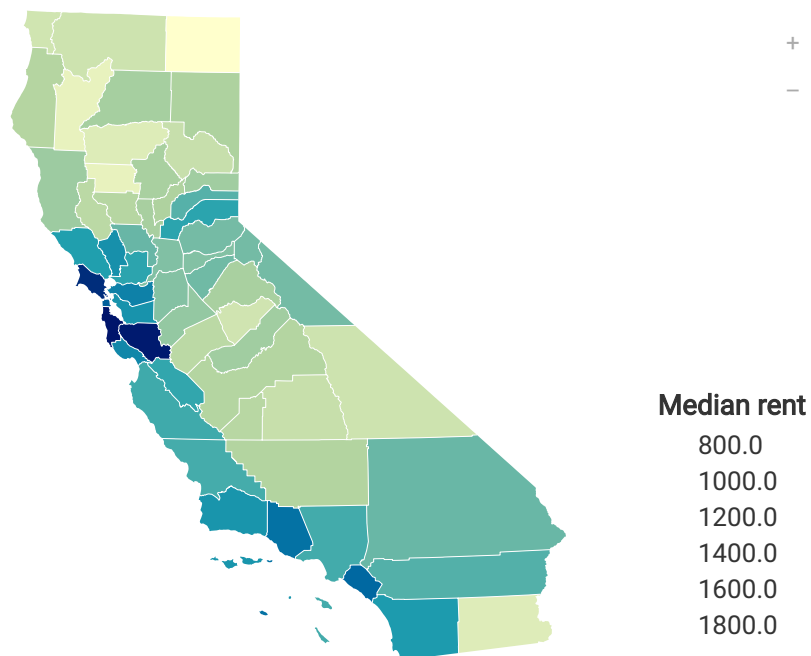
Source: [National Apartment Association](#)

BALLOTPEDIA

Median rents in California's counties

California had the second highest median rent in the U.S.—\$1,297 per month—as of 2016, according to the U.S. Census Bureau. Hawaii had the highest median rent at \$1,459 per month. In California, the median rent varied based on location, with the highest median rents located in the San Francisco Bay Area and coastal Southern California and the lowest median rents located in rural Northern California. San Mateo County, located in the San Francisco Bay Area and with a population of 764,797, had the highest median rent in California at \$1,830 per month. Modoc County, located at the state's northeastern edge and with a population of 8,795, had the lowest median rent at \$681 per month.^[41]

Median monthly rent by California county, 2016



Source: U.S. Census American Community Survey

BALLOTEDIA

Rents in California's largest cities

The following table outlines the median rents and rents as a share of income in California's 15 largest cities in 2010 and 2016, according to the U.S. Census Bureau. The median rent increased between 2010 and 2016 in all 15 cities, with the largest percentage increases in San Jose (26.1 percent) and San Francisco (22.9 percent).^[41]

The U.S. Department of Housing and Urban Development (HUD) uses a concept called *rental burden* as an economic welfare indicator. HUD defines the rate of rental burden as the percentage of households spending more than 30 percent of their income on rent each month. Of the 15 largest cities in California, Santa Ana had the highest rental burden at 64.8 percent and San Francisco had the lowest rental burden at 42.6 percent.^[42]

Median rents in California's 15 largest cities, 2010–2016

City	County	Population	2016 median rent	2010 median rent	2010–2016 increase	30%+ of income on rent
Los Angeles	Los Angeles	3,999,759	\$1,241	\$1,077	15.23%	61.20%
San Diego	San Diego	1,419,516	\$1,427	\$1,259	13.34%	54.30%
San Jose	Santa Clara	1,035,317	\$1,689	\$1,339	26.14%	53.30%
San Francisco	San Francisco	884,363	\$1,632	\$1,328	22.89%	42.60%
Fresno	Fresno	527,438	\$901	\$832	8.29%	61.50%
Sacramento	Sacramento	501,901	\$1,057	\$959	10.22%	53.90%
Long Beach	Los Angeles	469,450	\$1,150	\$1,033	11.33%	55.20%
Oakland	Alameda	425,195	\$1,189	\$1,000	18.90%	54.10%




Median rents in California's 15 largest cities, 2010–2016

City	County	Population	2016 median rent	2010 median rent	2010–2016 increase	30%+ of income on rent
Bakersfield	Kern	380,874	\$1,005	\$906	10.93%	53.10%
Anaheim	Orange	352,497	\$1,402	\$1,262	11.09%	62.10%
Santa Ana	Orange	334,136	\$1,354	\$1,231	9.99%	64.80%
Riverside	Riverside	327,728	\$1,194	\$1,092	9.34%	60.00%
Stockton	San Joaquin	310,496	\$967	\$917	5.45%	60.60%
Irvine	Orange	277,453	\$1,997	\$1,788	11.69%	52.80%
Chula Vista	San Diego	270,471	\$1,351	\$1,201	12.49%	61.40%

Local rent control ballot measures in 2016 and 2017

In 2016 and 2017, there were 11 local ballot measures to expand or increase rent control in 10 jurisdictions in California. Six of the proposals were defeated, and five of the proposals were approved. Measures varied in the proposed base rents, maximum allowed annual increase in rents, and causes for tenant termination. The following table provides a list of local ballot measures related to rent control in California:

Local rent control on the ballot in California, 2016–2017

Year	Measure	Provisions	Outcome
2017	Pacifica Measure C	<ul style="list-style-type: none"> Prohibit landlords from charging rents that exceed rents in effect on February 13, 2017, plus annual changes in the Consumer Price Index. Prohibit landlords from terminating tenancies unless certain causes exist. Applicable to apartments first occupied before February 1, 1995. 	
2017	Santa Rosa Measure C	<ul style="list-style-type: none"> Prohibit landlords from charging rents that exceed rents in effect on January 1, 2016, plus 3 percent annual increases. Prohibit landlords from terminating tenancies unless certain causes exist. Applicable to apartments first occupied before February 1, 1995. 	
2016	Alameda Measure M1	<ul style="list-style-type: none"> Prohibit landlords from charging rents that exceed rents in effect on May 5, 2015, plus 65 percent of the annual changes in the Consumer Price Index. Prohibit landlords from terminating tenancies unless certain causes exist. Application to apartments before or after a specific date not specified. 	

Local rent control on the ballot in California, 2016–2017

Year	Measure	Provisions	Outcome
2016	Burlingame Measure R	<ul style="list-style-type: none"> • Prohibit landlords from charging rents that exceed rents in effect on March 30, 2016 (with exceptions), plus annual changes in the Consumer Price Index not to exceed 4 percent. • Prohibit landlords from terminating tenancies unless certain causes exist. • Applicable to apartments first occupied before February 1, 1995. 	
2016	East Palo Alto Measure J	<ul style="list-style-type: none"> • Changes to existing rent control ordinance, including capping rent increase at 10 percent per year and allowing nuisance-based tenant termination. 	
2016	Humboldt County Measure V	<ul style="list-style-type: none"> • Prohibit landlords from increasing rents for spaces in mobile home parks by more than the annual change in the Consumer Price Index. 	
2016	Mountain View Measure V	<ul style="list-style-type: none"> • Prohibit landlords from increasing rents by more than the annual change in the Consumer Price Index not to exceed 5 percent. • Prohibit landlords from terminating tenancies unless certain causes exist. • Applicable to apartments first occupied before February 1, 1995. 	
2016	Mountain View Measure W	<ul style="list-style-type: none"> • Prohibit landlords from increasing rents by more than 5 percent per year. • Prohibit landlords from terminating tenancies unless certain causes exist. • Applicable to apartments first occupied before February 1, 1995. 	
2016	Oakland Measure JJ	<ul style="list-style-type: none"> • Extend just-cause eviction requirements from units approved occupied before October 14, 1980, to units occupied before December 31, 1995. • Require landlords to request approval for rent increases above the maximum allowed adjustment. 	
2016	Richmond Measure L	<ul style="list-style-type: none"> • Prohibit landlords from charging rents that exceed rents in effect on July 21, 2015, plus annual changes in the Consumer Price Index. • Prohibits landlords from terminating tenancies unless certain causes exist. • Applicable to apartments first occupied before February 1, 1995. 	
2016	San Mateo Measure Q	<ul style="list-style-type: none"> • Prohibit landlords from charging rents that exceed rents in effect on initial occupation, plus annual changes in the Consumer Price Index not to exceed 4 percent. • Prohibit landlords from terminating tenancies unless certain causes exist. • Applicable to apartments first occupied before February 1, 1995. 	

Effects of rent control

Positive effects

The following content is a selection of comments that argue that rent control has positive effects:

- **Tom Waters (Community Service Society of New York):** "Rent regulation is a response to the power imbalance between landlords and tenants, which creates an opportunity for landlords to exploit tenants that certainly exists in tight market cities like New York. And one of the most important benefits of rent regulation in New York City is that organizers can go and form tenant associations and have tenants withhold rent in order to deal with leaks or problems like that. If the landlord had the power to evict everyone who complains it would be a lot harder to do that."^[43]
- **Tenants Together:** "Rent control is good for local economies. Rent control helps renters keep more disposable cash in their pockets to support local economies. Rent control is not about putting landlords out of business. It's about fairness, and allowing landlords a reasonable return while giving tenants the peace of mind that they can budget for reasonable yearly rent increases."^[44]

Negative effects

The following content is a selection of comments that argue that rent control has negative effects:

- **The Economist:** "Economists reckon a restrictive price ceiling reduces the supply of property to the market. When prices are capped, people have less incentive to fix up and rent out their basement flat, or to build rental property. Slower supply growth exacerbates the price crunch. And those landlords who do rent out their properties might not bother to maintain them, because when supply and turnover in the market are limited by rent caps, landlords have little incentive to compete to attract tenants."^[45]
- **Caleb Malik (Market Urbanism):** "Rent control is the equivalent of limiting the pay of professional basketball players to \$50,000 a year. Athletes would instead play baseball, football, soccer, and other more remunerative sports. Likewise, in a rent controlled market, builders turn to making commercial buildings so they can continue to turn a profit."^[46]

Academic research

The following content is a selection of academic research on the empirical effects of rent control.

- **Diamond, R., McQuade, T., and Qian, F. (2017). "The Effects of Rent Control Expansion on Tenants, Landlords, and Inequality: Evidence from San Francisco." National Bureau of Economic Research.**

Diamond et al.'s research analyzed the effects of San Francisco Proposition I on tenants and landlords. Voters approved Proposition I on November 8, 1994.^[47] San Francisco first enacted rent control in 1979, capping annual nominal rent increases to 7 percent on rental units built before June 13, 1979. The original law exempted owner-occupied buildings with four or fewer rental units. These types of owner-occupied buildings comprised 30 percent of the rental market in 1990. Proposition I removed this exemption for buildings built prior to 1980.^[48]

Diamond et al. examined data on individual migration decisions and parcel assessments between 1995 and 2012. The researchers concluded that Proposition I decreased out-migrations of tenants who lived in rent-controlled units. Tenants who lived in rent-controlled units saved an estimated combined \$2.9 billion between 1995 and 2012. The researchers also concluded that landlords of rent-controlled properties had a higher rate of taking their properties off the market than landlords not affected. Landlords of rent-controlled properties had higher rates of converting their properties into condos and high-end housing or tearing them down and rebuilding, thus avoiding rent control. These changes decreased the stock of rental units in San Francisco and increased overall rent prices.^[48]

- **Diamond, R., McQuade, T., and Qian, F. (2017). "Autor, D., Palmer, C., and Pathak, P. (2012). "Housing Market Spillovers: Evidence From the End of Rent Control in Cambridge Massachusetts." National Bureau of Economic Research.**

In 2012, Autor et al. published research on the effects of rent decontrol in Cambridge, Massachusetts, in 1995. Between 1970 and 1994, Cambridge had enacted rent control on rental units built before January 1, 1969. On November 8, 1994, voters in Massachusetts approved Question 9, a ballot initiative to preempt local rent control ordinances, such as Cambridge's. Autor et al. examined the assessed values of properties between 1988 and 2005, concluding that rent decontrol caused the value of properties to increase for both units that were subject to rent control and units that were never subject to rent control.^[49]

Path to the ballot

See also: California signature requirements and Laws governing the initiative process in California

Process in California

In California, the number of signatures required for an initiated state statute is equal to 5 percent of the votes cast in the preceding gubernatorial election. Petitions are allowed to circulate for 180 days from the date the attorney general prepares the petition language. Signatures need to be certified at least 131 days before the general election. As the verification process can take multiple months, the secretary of state provides suggested deadlines for ballot initiatives.

The requirements to get indirect initiated state statutes certified for the 2018 ballot:

- **Signatures:** 365,880 valid signatures were required.
- **Deadline:** The deadline for signature verification was June 28, 2018. However, the secretary of state suggested deadlines for turning in signatures of March 7, 2018, for initiatives needing a full check of signatures and April 24, 2018, for initiatives needing a random sample of signatures verified.

Signatures are first filed with local election officials, who determine the total number of signatures submitted. If the total number is equal to at least 100 percent of the required signatures, then local election officials perform a random check of signatures submitted in their counties. If the random sample estimates that more than 110 percent of the required number of signatures are valid, the initiative is eligible for the ballot. If the random sample estimates that between 95 and 110 percent of

the required number of signatures are valid, a full check of signatures is done to determine the total number of valid signatures. If less than 95 percent are estimated to be valid, the initiative does not make the ballot.

Initiative #17-0041

On October 23, 2017, Michael Weinstein, Elena Popp, and Christina Livingston submitted a letter requesting a title and summary for the initiative. The attorney general issued ballot language on December 27, 2017, allowing proponents to begin collecting signatures. On February 27, 2018, supporters of the initiative had collected 25 percent of the required signatures. Proponents of the initiative had until June 25, 2018, to file 365,880 valid signatures to get their initiative placed on a future ballot, but they submitted signatures in April 2018.^[50]

On April 23, 2018, the support committee reported filing more than 565,000 signatures for the ballot initiative.^[51] About 64.8 percent of the signatures need to be found valid for the initiative to make the ballot. Counties had until June 18, 2018, to complete a random sample of the filed signatures. The random sample was completed on June 15, 2018, and Secretary of State Alex Padilla (D) reported that enough signatures were valid to place the initiative on the ballot.^[52] The final random sample indicated that 451,261 signatures were valid—75.8 percent of all signatures submitted.^[53]

Compared to the 15 ballot initiatives certified for the ballot in California in 2016, a 64.8 percent validation requirement was about four percentage points above the average for an initiative to make the ballot. The 15 ballot initiatives from 2016 had an average validation requirement of 61.9 percent, with a range between 58.1 and 67.4 percent.

Cost of signature collection:

Sponsors of the measure hired AAP Holding Company, Inc. and The Monaco Group to collect signatures for the petition to qualify this measure for the ballot. A total of \$1,982,004.92 was spent to collect the 365,880 valid signatures required to put this measure before voters, resulting in a total cost per required signature (CPRS) of \$5.42.

Negotiations to withdraw the ballot initiative

Representatives of the AIDS Healthcare Foundation, which supports Proposition 10, and the California Apartment Association, which opposes Proposition 10, entered into discussions with state Sen. Bob Hertzberg (D-18) to negotiate compromise legislation. The sides agreed to a nondisclosure agreement to avoid information from the negotiations becoming public.^[54]

According to *Capital Public Radio*, the parties discussed various options, such as allowing cities that had enacted rent control within the limits of Costa-Hawkins as of a specific date to enact rent control on all units. The parties also discussed tax incentives to encourage housing construction.^[54]

Rand Martin, a representative for the AIDS Healthcare Foundation, said the sides negotiated for about two weeks, “[putting] together some very substantive ideas about what they would support.” He said Debra Carlton, the representative for the California Apartment Association, backed out of negotiations with about a week before the deadline to pass compromise legislation on June 28. She said the California Apartment Association could not support what Martin and the AIDS Healthcare Foundation offered as a compromise.^[54]

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See also: Voting in California

Poll times

All polls in California are open from 7:00 a.m. to 8:00 p.m. Pacific Time. An individual who is in line at the time polls close must be allowed to vote.^[55]

Registration requirements

To vote in California, an individual must be U.S. citizen and California resident. A voter must be at least 18 years of age on Election Day. Conditional voter registration is available beginning 14 days before an election through Election Day.^[56]

On October 10, 2015, California Governor Jerry Brown (D) signed into law Assembly Bill No. 1461, also known as the New Motor Voter Act. The legislation authorized automatic voter registration in California for any individuals who visit the Department of Motor Vehicles to acquire or renew a driver's license. The law was scheduled to take effect in 2016.^{[57][58]}

Online registration

See also: Online voter registration

California has implemented an online voter registration system. Residents can register to vote by visiting this website.

Voter ID requirements

According to the Office of the California Secretary of State, "in most cases, California voters are not required to show identification at their polling place." A voter may be asked to provide identification at the polls if it is his or her first time voting (this requirement applies if the individual registered by mail without providing a driver's license number, state identification number, or the last four digits of a Social Security number). Acceptable forms of identification include driver's licenses, utility bills, or any document sent by a government agency. For a complete list of acceptable forms of identification, see this list.^[59]

| See also

2018 measures



- 2018 ballot measures
- Housing on the ballot
- Business regulation on the ballot
- 2018 legislative sessions
- Local rent control on the ballot

California



- California ballot measures
- California ballot measure laws

News and analysis



- Ballot measure lawsuits
- Ballot measure readability
- Ballot measure polls

External links

- [Petition #17-0041](#)



Footnotes

1. *California Attorney General*, "Initiative #17-0041," accessed October 24, 2017
2. *Fourth District Court of Appeal*, "TG Oceanside, L.P. v. City of Oceanside," November 16, 2007
3. *California State Legislature*, "AB 1164," accessed April 2, 2018
4. *California Legislative Analyst's Office*, "A.G. File No. 2017-041," December 12, 2017
5. *Los Angeles Times*, "Legislature Deals Blow to Rent Control," July 25, 1995
6. *The Mercury News*, "Republican and Democratic candidates for governor take on

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