

# Proposition 172: The Public Safety 1/2 cent Sales Tax

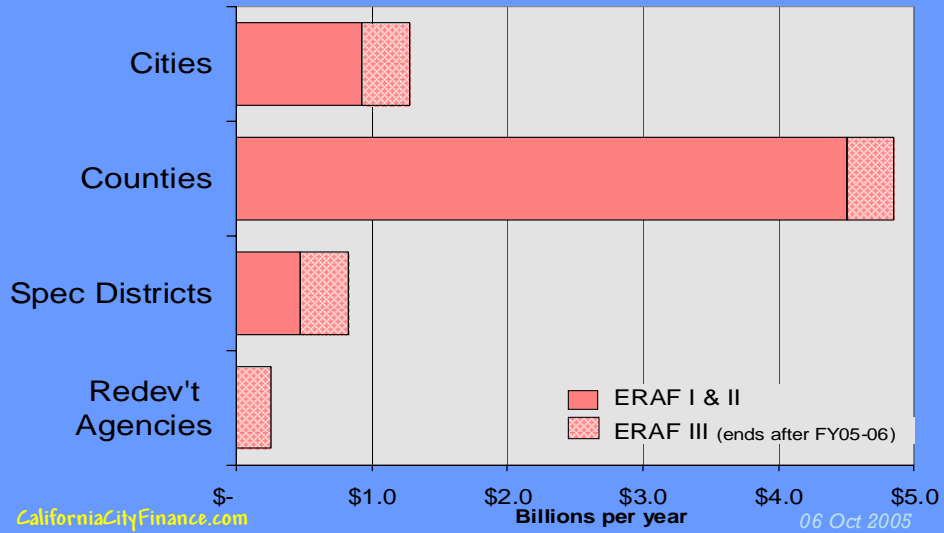
League of California Cities  
Annual Conference  
6 October 2005

Michael Coleman  
coleman@cal.net  
tel/FAX: 530.758.3952  
californiacityfinance.com

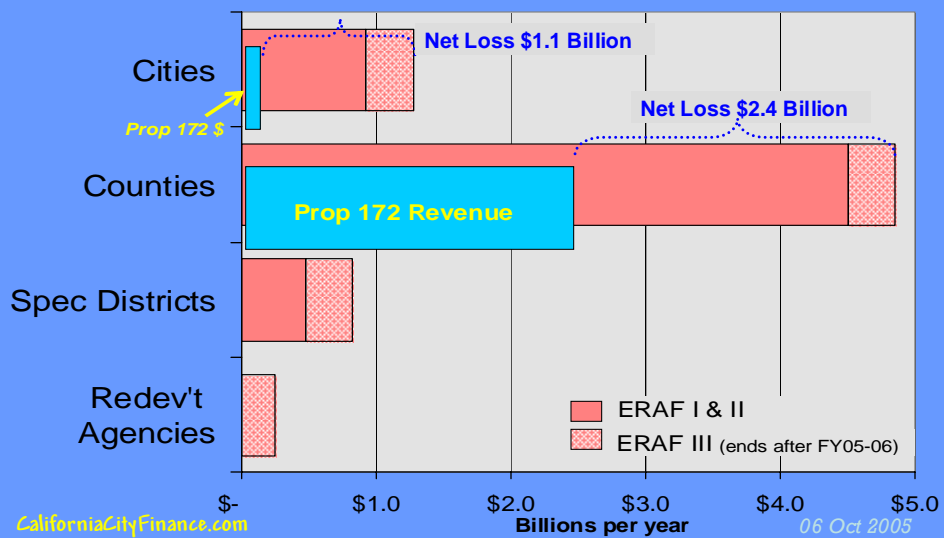
## Proposition 172 The Public Safety 1/2 Cent Sales Tax

- Purpose: To offset part of local gov't revenue losses from ERAF
  - mitigate the impacts of ERAF on public safety services
  - *maintain* public safety finding levels in spite of ERAF losses

## E.R.A.F Property Tax Shift Annual Impacts in FY05-06



## E.R.A.F and Proposition 172 Annual Impacts in FY05-06



# Proposition 172

## The Public Safety 1/2 Cent Sales Tax

- Fire & police special districts get no Prop 172 \$
  - because they are virtually exempt from ERAF.
- Prop 172 funds go some cities & counties that don't provide or fund fire service.
  - Prop 172 is to mitigate the impact of ERAF on public safety funding – regardless of what specific levels of service or responsibility a particular agency might have.
- Cities that got no AB8 benefit (Post-Prop13 Bail-Out) were not subject to ERAF II. So they don't get Proposition 172 \$.

CaliforniaCityFinance.com

06 Oct 2005

# Proposition 172

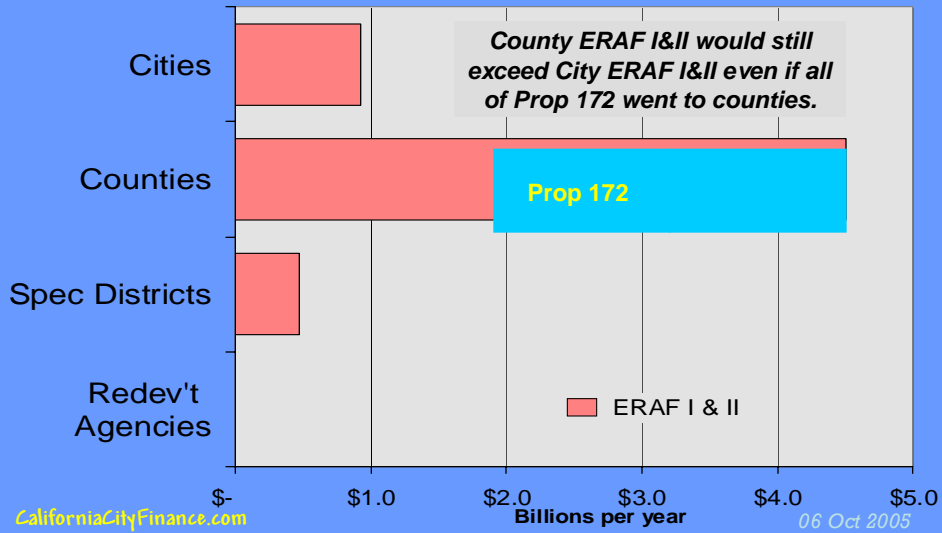
## What's Fair?

	ERAF II	Prop 172	ERAF I&II
Cities	12.6%	5.8%	17.0%
Counties	87.4%	94.2%	83.0%

CaliforniaCityFinance.com

06 Oct 2005

# Proposition 172 What's Fair?



# E.R.A.F. and Proposition 172 Annual Impacts in FY05-06

