

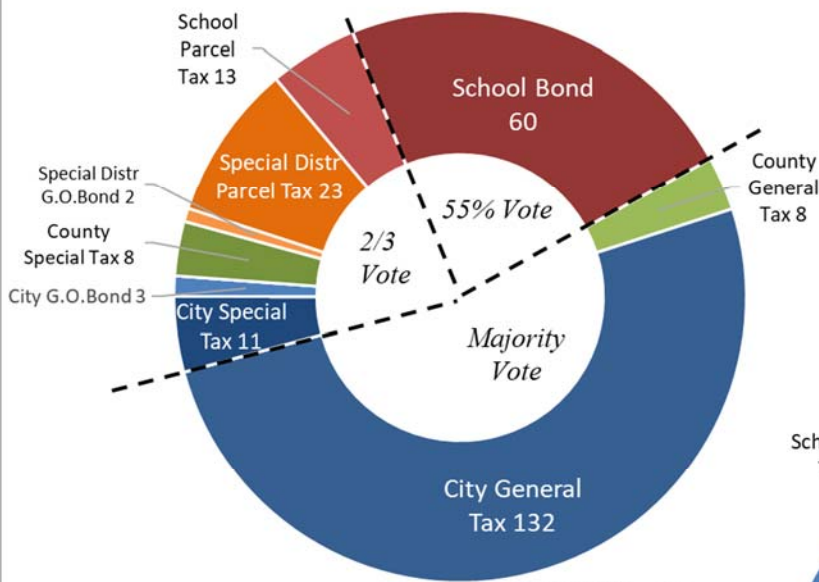
Local Tax and Bond Measures in California November 2020

The Presidential election in California on November 3 will decide over 420 local measures. Among these are 260 measures affecting local taxes, fees or charges, including 65 bond measures seeking a total of \$15.3 billion in school construction bond financing.

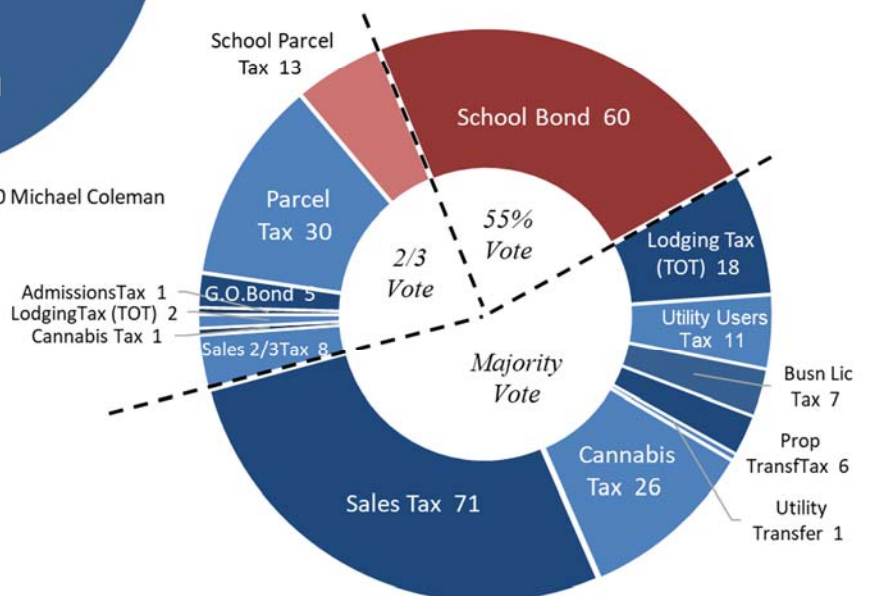
There are 187 city, county and special district fiscal measures including 140 majority vote measures and 47 special taxes and bonds requiring two-thirds voter approval. Among the majority vote tax measures are 71 sales taxes, 26 cannabis taxes, 19 lodging taxes and 11 utility user taxes.

Sixteen of the 140 majority vote tax measures are to extend without increasing a current expiring rate. One expands an existing UUT to video technology. One revises and slightly lowers an existing cannabis tax.

Proposed Local Revenue Measures November 2020

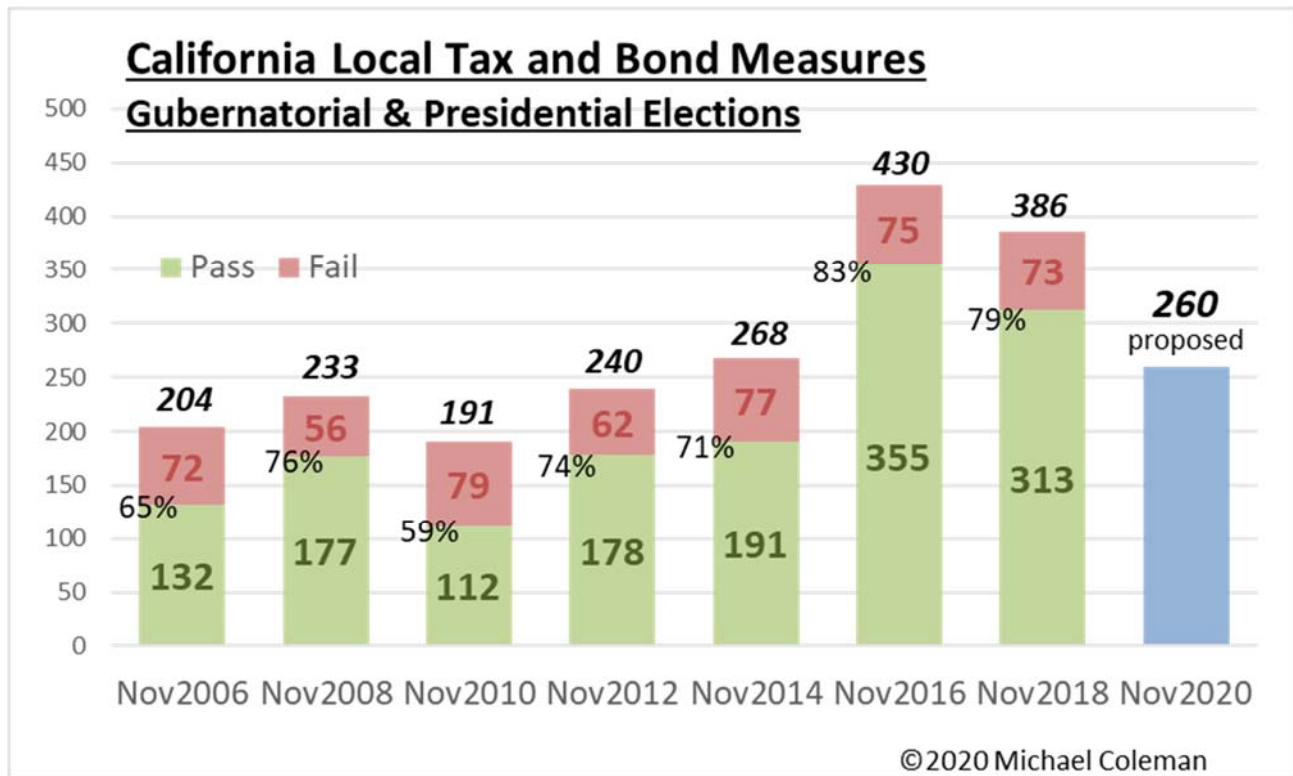


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The volume and make-up of measures on this election is somewhat lower than the previous two presidential and gubernatorial general elections in 2018 and 2016, but comparable to years prior. The drop off in proposed measures is specific to certain types of measures: 1) those with higher vote thresholds, and 2) cannabis tax measures.



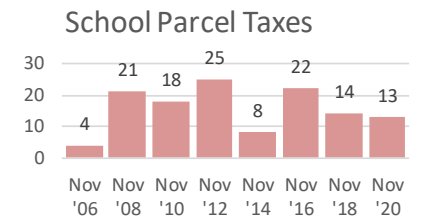
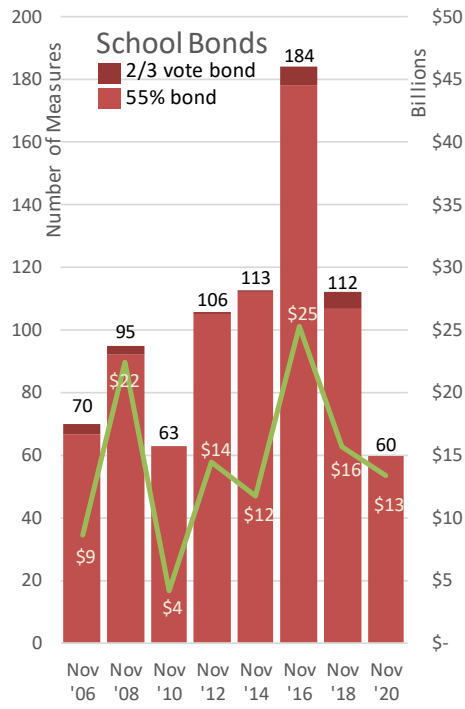
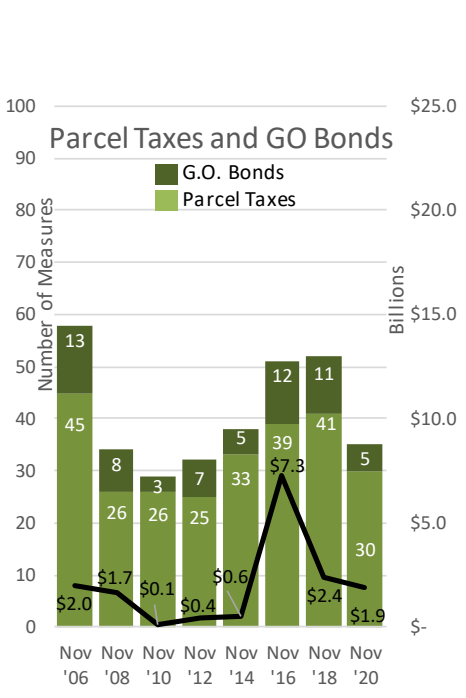
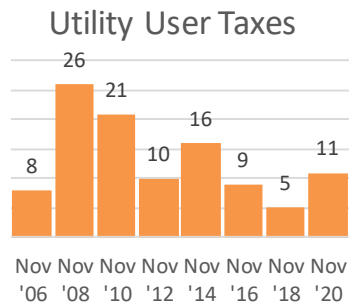
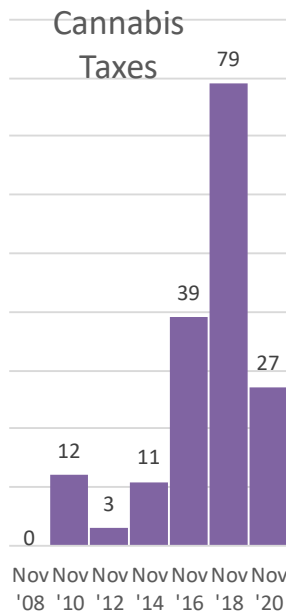
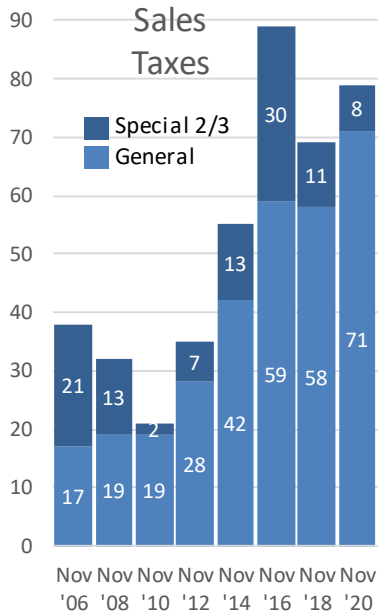
The 79 proposed sales tax measures is comparable to November 2018 (69) and November 2016 (89) and the 71 majority vote sales taxes is actually the highest of this type of tax proposal at any election, ever. Cannabis taxation has been hot for the last several years since legalization and the drop-off in those measures is essentially a function of this area of taxation and regulation running its course.

Other than cannabis tax measures, the most precipitous drop off in proposed measures from November 2016 and November 2018 is in school bonds. There are just 60 school bond measures this election, all 55 percent (i.e. no two-thirds vote school bond measures). This is about half as many as in 2018 and a third of the 184 proposed in 2016. It appears that school boards are anticipating that this election is a more difficult one for the more difficult to pass higher vote threshold measures.

Likewise, here are just 25 non-school parcel taxes and general obligation bonds on local ballots compared to 52 in November 2018 and 51 in November 2016.

Among the 60 school bond measures requesting a total of \$13.4 billion of bonds is the \$7 billion Los Angeles Unified School District Measure RR, the \$835 million San Jose – Evergreen Community College District Measure J, and the \$735 million Oakland Unified School District Measure Y.

The \$1.9 billion of non-school general obligation bond measures includes the \$900 million San Diego Measure A and the \$488 million Proposition A, both for supportive housing for vulnerable people, and the \$425 million Washington Township Health Care District in Alameda County.



Other measures of Note

- The City of Woodland is back with its unique sales tax approach: a measure to approve the extension for ten years of their ¼ percent sales tax accompanied by not one but four advisory measures as to the use of the proceeds.
- The City of Beverly Hills' ¾ percent sales tax stipulates that it would take effect “if, and only if, another local governmental entity seeks to increase the transaction and use tax (sales tax) in Beverly Hills.”
- There are twelve measures to convert elected city clerk or treasurer positions to appointed (by city council or manager) and one initiative (in Dixon) to revert to an elected city clerk.
- Oxnard voters will consider a radical initiative measure to cede major new powers to that city's iconoclastic elected city treasurer.
- Menifee and Oxnard are facing initiatives to repeal recently approved sales tax increase. Dixon voters are considering an initiative to repeal a water rate increase. Voters in the San Bernardino County Fire Protection District are considering an initiative to repeal a recently enacted (two-thirds voter approved) parcel tax.
- Ten cities, two school districts and a county (San Bernardino) face term limits initiatives.
- Two cities (Chico, Selma) and the San Diego Unified School District are considering district elections.
- Sacramento is considering another strong mayor proposal.
- Albany and Eureka are considering ranked choice voting.
- A number of measures appear to have potential legal issues with ballot title wording including violations of Elections Code 13110 by failing to stipulate rat, revenue or duration or by attempting a general tax using such words as “essential services” (the Yuba County issue).

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Source: City and county elections offices.

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