

## Santa Cruz VOTER

## LEAGUE OF WOMEN VOTERS® OF SANTA CRUZ COUNTY

March 2018 Volume 52, Number 6

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#### <u>Calendar</u>

Thursday, March 8, 2018 1:00-3:00 p.m. Local Program Planning Home of Sandy Warren 150 Scenic Street, Santa Cruz, CA 95060

Tuesday, March 13, 2018 10 a.m.-noon LWVSCC Board Meeting Santa Cruz County Bank 720 Front Street, Santa Cruz, CA 95060

Saturday, April 14, 2018
Noon-2 p.m.
11:45 a.m.-1:15 p.m.
A Voter's Guide to News Sources
Featuring Lyle Troxell
Santa Cruz Library
Downtown Branch meeting room
224 Church Street, Santa Cruz, CA 95060
Bring your own lunch
Free and open to the public

Tuesday, April 10, 2018 10 a.m.-noon LWVSCC Board Meeting Santa Cruz County Bank 720 Front Street, Santa Cruz, CA 95060

Saturday, June 9, 2018 10 a.m.-noon LWVSCC Annual Meeting Featuring Carlos Palacios, SCC CAO An update on Vision Santa Cruz Seascape Golf Club 610 Clubhouse Drive, Aptos 95003 Details to come

### **Local Program Planning**

Thursday March 8, 2018 1-3 p.m.



Home of Sandy Warren 150 Scenic Street, Santa Cruz (directions below)

What's the League all about? It's about what our members are interested in. Share your ideas about local issues that you want to learn more about or that you want others to know about. At our March meeting to plan for 2018/2019, present your idea for a program to be presented locally or let us know if you think any of our existing positions need to be updated or if there's a new topic that needs to be studied. View our current positions at <a href="https://www.needs.new.org/positions">www.needs.new.org/positions</a>.

Let us know what sparks your interest on Thursday, March 8, 2018 from 1–3 p.m. at the home of Sandy Warren, 150 Scenic St., Santa Cruz 95060. Can't attend? Submit suggestions in advance of the meeting to league@lwvscc.org, or call the League at 831-325-4140.

<u>Directions to meeting</u>: From northbound Highway 1/Mission Street, turn right onto Bay Street. Continue on Bay 0.7 of a mile, turn left onto Escalona Drive (past Kenneth Street), then make an immediate right onto Bayona Drive heading uphill. Take the first left onto Scenic Street; 150 is the last house on the left at the end of the cul-de-sac.

Lost in the murky waters of today's media swamp? Get help finding reliable new sources at our April meeting. See page 3 for more details.



The League of Women Voters, a nonpartisan political organization, encourages informed and active participation in government, works to increase understanding of major public policy issues, and influences public policy through education and advocacy.

### **Membership Report**

The LWVSCC extends a hearty welcome to our three new members: Diane Cohan, Jan Dwyer, and Colleen Fortis. We're pleased to have you aboard!

The next meeting of the membership committee will be on March 15 at 1 p.m. in the patio area at Staff of Life Market, 1266 Soquel Avenue, Santa Cruz, CA 95062 (near Morrissey Avenue). We will be refining our annual timeline of events and planning a new member tea this spring. Any member is welcome to attend the membership committee meeting. For more information about the meeting, contact me at membership@lwvscc.org.

— Lydia Nogales Parker Membership Chair

### **Voter Service Report**

We are pleased to announce that League member Cecilie Schulze has agreed to be our Voter's Edge Coordinator. Cecilie was very active at this job when she was in the San Jose League, and became proficient in learning the challenges of being coordinator. Now that she has moved to Santa Cruz we are lucky to have the benefit of her expertise.

We have three volunteers for High School Education week. Karen Smith, Marilyn Radisch, and Nancy Litvak will be doing voter education and registration in high schools the weeks of April 16 to April 30.

There are nine county wide offices on the June 5 primary election ballot. More information on these candidates will appear in the April Voter. For current election information, go to votescount.com, the County Elections Department website.

There are now five statewide ballot measures, numbers 68-72. The latest one, number 72, will cancel reassessment on properties that install a rainwater capture system. For information on all five ballot measures, go to <a href="https://www.sos.ca.gov">www.sos.ca.gov</a> and click on elections and statewide propositions.

We need voter registration volunteers for April and May. Please contact Dottie Fry at 831-688-9234 (email: <a href="mailto:fryfrydl@comcast.net">fryfrydl@comcast.net</a>) or Sue Becker at 831-462-4160 (email: <a href="mailto:suebecker108@sbcglobal.net">suebecker108@sbcglobal.net</a>)

— Sue Becker, Voter Service Co-Chair

#### **President's Message**

Looking to the future, as we transition from winter to spring, we will be doing interviews with our legislators, Senator Bill Monning and Assemblyman Mark Stone,



partnering with members of the San Jose/Santa Clara League. Topics will include money bail (posting money for bail) reform; California Environmental Quality Act and housing; sea level rise; and the legislator's priorities.

On March 8, we look forward to an informative and stimulating look at our local League's positions, and to taking suggestions for what to emphasize and recommend for the 2018-19 program, which will appear in our annual meeting kit to be voted on at our June annual meeting. We often get unexpected suggestions from our members for programs, position updates, and speakers. The local program planning will again be hosted by Sandy Warren. Thank you to Karen Smith for her help in organizing, to our willing volunteers from our board of directors, and to Sandy for being up to the challenge of hosting our group.

With great admiration, I want to commend our February 10 speaker, LWVC President Helen Hutchison, for spearheading the campaign to close the corporate tax loophole in Proposition 13. Helen, who has served as LWVC president since 2014, arrived for our program at the Scotts Valley library, and, despite having a cold, did an excellent presentation and answered the many questions about the pending state ballot initiative with grace and dignity. Since that time, at our February 13 board meeting, Pam Newbury and Jan Karwin have volunteered to co-chair the signature gathering locally to qualify this measure for the November 2018 ballot. Thank you to all who showed up and helped make our program so successful.

—Barbara Lewis, President LWVSCC

# Learn How to Tell Fact from Fiction in Today's Media at Our April Meeting

Overwhelmed by news media saturated with partisanship, pundits, and infotainment? Learn how to find high-quality journalism, stay well-informed, and keep up with breaking news with our featured speaker, Lyle Troxell, host of the radio show/podcast Geek Speak, at our April meeting: "A Voter's Guide to News Sources: Distinguishing fact from fiction in a changing media landscape".

This free, public program will be held on Saturday, April 14, 11:45 a.m. to 1:15 p.m., at the Santa Cruz Downtown Library meeting room, 224 Church Street, Santa Cruz, CA, and is co-sponsored by Santa Cruz County's League of Women Voters and American Association of University Women. Attendees may bring their own lunch. For more information, go to <a href="mailto:lwvscc.org/calendar">lwvscc.org/calendar</a>, email <a href="mailto:league@lwvscc.org">league@lwvscc.org</a>, or call 831-325-4140.



#### **Expand Your Horizons with the League**

If you have leadership experience or want to gain some, working on the LWVSCC board is a great opportunity. It's a great way to learn more about how the League works and to help us educate the public and work for change in our community.

From "one-and-done" jobs to being on a committee to serving as an officer on the board, we have a job that fits your interests and availability. To learn more about how to share your time and talents with the League, contact the nominating committee member of your choice: Stephanie Harlan: 475-7184 <a href="sharlan@sbcglobal.net">sharlan@sbcglobal.net</a>; Dottie Fry: 688-9234 <a href="fryfrydl@comcast.net">fryfrydl@comcast.net</a>; Laura Grossman: 475-9442 <a href="laurag@baymoon.com">laurag@baymoon.com</a>; or Lydia Parker 462-3921 <a href="lydiaparker3@yahoo.com">lydiaparker3@yahoo.com</a>.

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# California in the Balance: Bringing Equity to Property Taxes



A proposed ballot measure to change the way California commercial properties are taxed was discussed by Helen Hutchison, president of the LWV of California, at our February meeting. She began with some history on the changes made to California's property tax system by Proposition 13.

Forty years ago, voters passed Proposition 13 to protect homeowners from property tax increases. The new law applied equally to all residential and commercial property in California, limited property taxes to 1% of a property's value, and allowed a maximum annual increase of 2%. When a property changes ownership, the property tax rate increases to reflect its current value.

In 1978, property tax revenue in California was split approximately 50/50 between commercial and residential properties. Today, there's a huge differential between the two: residential properties pay 72% of property taxes, while commercial properties account for only 28%. Residential property changes ownership on average every ten years, which triggers a reassessment of property taxes. Commercial property doesn't work that way, particularly large commercial property. When commercial properties change hands, large corporations hire attorneys to find ways to avoid reassessment, such as creating shell corporations or never transferring more than 50% of a property at one time. Reassessment doesn't apply until 51% of interest in the property changes hands. Wealthy corporations have found ways to exploit the ambiguity of Prop 13 with regard to change of ownership, so that now even county assessors have a difficult time determining when commercial property has changed hands. (for more on how corporations game the system, see *System Failure*: California's Loophole-Ridden Commercial Property Tax prepared by California Tax Reform Association.)

In 1978, voters were told Prop 13 would protect homeowners, and it has done so. It's less clear whether most voters intended that commercial property owners would shirk paying their fair share of what is costs to run the state, although it's possible that the proposition was drafted with that intention. *Continued on page 4* 

Continued from page 3

Since 1978, California schools, infrastructure and public services have become underfunded. California went from being one of the top states in per-pupil spending to one of the lowest. Maintenance of our roads, water systems, and sewage systems has been neglected. And our first responders must struggle to find money for new equipment and staffing.

The California Schools and Local Communities Funding Act of 2018 (current working title) seeks to restore funds to California communities by creating a "split roll" for property taxes, with non-residential, non-agricultural commercial property being reassessed every three years, while retaining Prop 13 protections for homeowners, residential renters, agricultural land, and small businesses.

In December, 2017, LWVC together with Make It Fair (a broad, grassroots coalition including PICO California, California Calls, Advancement Project California and Evolve California) submitted a draft proposal of the initiative to California's attorney general. Hoping to qualify for the November 2018 ballot, if the measure passes it could generate as much as eleven billion dollars each year for schools, community colleges, state universities, libraries, infrastructure, affordable housing, family services, transportation, parks, flood control, health care, crime prevention, public safety, and much more. The measure also eliminates the business personal property tax currently levied on fixtures and equipment.

Seventy-seven percent of the additional taxes would come from just 8% of commercial properties owned by old, big businesses such as Chevron, Disneyland, and Wells Fargo, long-term property owners whose holdings rarely change hands, or if they do, ownership transfers are structured to avoid triggering reassessment.

Hutchison also addressed some common arguments against the measure, such as the "slippery slope" argument: if we come for commercial now, changes to residential taxes will be next. She pointed out that no changes can be made to Prop 13 without voter approval.

Another argument is that tax increases to businesses will be passed on to consumers in higher prices. "Have you noticed Chevron giving us cheaper gas because they have lower property taxes?" asked Hutchison. Prices are set by the market and what the market will bear. The money saved on taxes is going into the pockets of Chevron shareholders, not into our schools. Plus, the big corporations that we are asking to pay this tax are the same ones that

just got a big, permanent tax break from the federal government. This measure will create a level playing field so small and new businesses can compete more fairly with big corporations.

Some say that businesses will leave California for states with lower property taxes. Hutchison countered that California has high property values and low property tax rates, and that California ranks among the largest economies in the world, making it unlikely that businesses will leave just because of a property tax increase.

Hutchison gave an overview of the measure's timeline: the state is expected to get the title and summary from the attorney general soon. By the beginning of March, they expect to have petitions ready to circulate, then we have two months to gather about a million signatures in support of putting the measure on the November ballot. Once on the ballot, we'll need to get our message out to voters to counter the huge pushback expected from the Howard Jarvis Taxpayers Association and large corporations.

—Pam Newbury, VOTER Editor

View a video of this event at lwvscc/videos

Interested in helping to gather signatures to get this measure on the ballot? Petition signing efforts will move into full swing in March and April. To sign up, contact us at <a href="mailto:league@lwvscc.org">league@lwvscc.org</a> or call 831-325-4140.

Membership in the League of Women Voters is open to men and women of voting age who are U.S. citizens. Others are welcome to join the League as associate members.
Send your check payable to League of Women Voters of Santa Cruz County or LWVSCC with this form to LWVSCC, Box 1745, Capitola, CA 95010-1745\$65 Individual annual membership\$100.00 Two members in a household\$30.00 Student membershipContribution \$ Checks made out to LWVSCC are not tax deductible. To make a tax-deductible donation, write a separate check to LWV Education Fund. Name
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