**Although this bill is labeled EDUCATION and LOCAL GOV’T FUNDING, it is the REPEAL of PROPOSITION 13 – VOTE NO!**

The elimination of Prop. 13 is is just one more way of taxing people in California will have the complete opposite effect on what the sponsors are attempting to accomplish.  If additional taxes continue to be added to the already burdensome taxes we are presently being assessed in California it will add to the mass exodus that is occurring in California, not only by business’, but by individuals as well.  Below are the reasons why.  
  
With respect to commercial property, if there are Triple Net (NNN) leases in place, the Landlord will pass through the increase in the property taxes to the tenants, which substantially increases the effective rent of the tenants.  The vast majority of tenants will not be able to afford paying additional rents and a great many of them will be forced to go out of business.  This, in turn, creates multiple  vacancies.  Without sufficient income to make payments on their loans, the lenders will foreclose on the properties and Landlords will lose the properties.  This will further create an adverse effect on the California economy and thus, a substantial reduction in collectible property and income taxes, which is the opposite affect the advocates of the elimination of Prop. 13 are attempting to accomplish.  
  
if Real Property Taxes are increased on properties with Gross Leases as opposed to Triple Net leases, the additional expense will have to be absorbed by the Landlord.  Without sufficient income to pay the mortgages, lenders will foreclose and the Landlords will lose their properties.  This will cause devaluation of the properties and result in less property taxes being collected.   In addition, there will be an adverse snowballing effect on the industries related to the ownership of real estate (ie; the construction industry, mortgages, insurance, title insurance, escrows, etc.).    
  
If Real Property Taxes are increased on residential property (our HOMES) it will undoubtedly have the same effect that the increased mortgage rates had on homeowners in 2008 as property owners, particularly those seniors with fixed income, will no longer be able to make the payments and will subsequently lose their properties.    
  
The proponents of the elimination of Prop. 13 are very short sighted, deceptive and untruthful.  For the reasons stated above it will cause a substantial decrease in the value of all real property, foreclosures will skyrocket  and the economy of California will result in less property taxes being collected and generated.   Then where will the money come from to fund all of the proponents idealistic and idiotic  programs?

**Teachers Union Contributes Another $3 Million Towards 2020 Split Roll Initiative**

The California Teachers Association (CTA) once again opened their checkbook and made another $3 million contribution to the campaign supporting the [**split roll property tax measure**](https://oag.ca.gov/system/files/initiatives/pdfs/19-0008%20%28The%20California%20Schools%20and%20Local%20Communities%20Funding%20Act%20of%202020%29_1.pdf).  This latest move brings CTA’s fundraising for the campaign to $6 million, making the union the biggest supporter of the proposal thus far.  According to the Secretary of State's Office, a total of about $11 million has been raised in support.

The split roll measure, dubbed by the proponents as [**Schools & Communities First**](https://www.schoolsandcommunitiesfirst.org/) initiative, has also garnered support from the Chan Zuckerberg Initiative, which has contributed $1.8 million, and the Service Employees International Union (SEIU), which has contributed $1.5 million.  On the other hand, nearly $2 million has been raised by opponents against the proposed ballot measure.

**Editorial Board Deems Split Roll Ballot Measure “Catastrophically Misguided”**

Opponents of an initiative to revise Proposition 13 and allow for a split property tax roll are distributing excerpts of the Southern California News Group editorial, “Split roll measure a bad idea in good times, now even worse.”  Please read the excerpts below:

*“An initiative that would change Proposition 13 to require nearly all business properties to be regularly reassessed to market value has run into the hurricane of coronavirus. What was already a bad idea is now catastrophically misguided…*

*If or when the commercial property market rebounds, unlimited increases in property taxes would impede economic growth and could drive some businesses to leave the state, taking jobs with them. If values stay depressed, the disruptive change to Proposition 13 would raise far less revenue than predicted.*

*This is a no-win proposal. The best thing the proponents of the split roll initiative could do right now is withdraw this ill-advised measure.”*

For more information, please see <https://stophigherpropertytaxes.org/southern-california-news-group-editorial-board-says-initiative-to-destroy-prop-13-is-catastrophically-misguided/>.