# CRESTLINE SANITATION DISTRICT

#### MEMORANDUM

DATE:

04/14/2022

TO:

**BOARD OF DIRECTORS**Crestline Sanitation District

FROM:

RICK DEVER General Manager

SUBJECT: Resolution No. 087 - Opposing Initiative 21-042A1

# A. RECOMMENDATION

I recommend to adopt Resolution No. 087

### B REASON FOR RECOMMENDATION

According to CA Special District Association (CSDA), Ballot Initiative 21-0042A1 would result in the loss of billions of dollars annually in critical state and local funding, restricting the ability of local agencies and the State of California to fund services and infrastructure

# C. ATTACHMENTS

Resolution No. 087 Background Information

#### **RESOLUTION NO. 087 TO OPPOSE INITIATIVE 21-0042A1**

WHEREAS, an association representing California's wealthiest corporations and developers is spending millions to push a deceptive proposition aimed for the November 2022 statewide ballot; and

WHEREAS, the proposed proposition, Initiative 21-0042A1, has received the official title: "LIMITS ABILITY OF VOTERS AND STATE AND LOCAL GOVERNMENTS TO RAISE REVENUES FOR GOVERNMENT SERVICES. INITIATIVE CONSTITUTIONAL AMENDMENT."

WHEREAS, the measure includes provisions that would make it more difficult for local voters to pass measures needed to fund local services and infrastructure, and would limit voter input by prohibiting local advisory measures where voters provide direction on how they want their local tax dollars spent; and

WHEREAS, the measure exposes taxpayers to a new wave of costly litigation, limits the discretion and flexibility of locally elected boards to respond to the needs of their communities, and injects uncertainty into the financing and sustainability of critical infrastructure; and

**WHEREAS**, the measure severely restricts state and local officials' ability to protect our environment, public health and safety, and our neighborhoods against corporations and others who violate the law; and

**WHEREAS**, the measure creates new constitutional loopholes that would allow corporations to pay less than their fair share for the impacts they impose on our communities, including local infrastructure, our environment, water quality, air quality, and natural resources; and

WHEREAS, the measure threatens billions of dollars currently dedicated to state and local services, and could force cuts to Crestline Sanitation District as well as public schools, fire and emergency response, law enforcement, public health, parks, libraries, affordable housing, services to address homelessness, mental health services, and more; and

WHEREAS, the measure would also reduce funding for critical infrastructure like streets and roads, public transportation, ports, drinking water, sanitation, utilities, and more.

**THEREFORE, BE IT RESOLVED** that the Crestline Sanitation District opposes Initiative 21-0042A1:

**BE IT FURTHER RESOLVED**, that the Crestline Sanitation District will join the No on Initiative 21-0042A1 coalition, a growing coalition of public safety, labor, local government, infrastructure advocates, and other organizations throughout the state.

We direct staff to email a copy of this adopted resolution to the California Special Districts

PASSED, APPROVED, AND ADOPTE	ED this day of, 2022.
AYES: NOES: ABSENT: ABSTAIN:	
Chairman, Board of Directors	ATTEST:Secretary, Board of Directors

# Background

#### Initiative #21-0042A1:

Limits Ability of Voters and State and Local Governments to Raise Revenues for Government Services. Initiative Constitutional Amendment.

The purported "Taxpayer Protection and Government Accountability Act," a statewide initiative measure to amend the California Constitution sponsored by the <u>California Business Roundtable</u> ("CBRT"), is the most consequential proposal to limit the ability of the state and local governments to enact, modify, or expand taxes, assessments, fees, and property-related charges since the passage of Proposition 218 (1996) and Proposition 26 (2010). If enacted, public agencies would face a drastic rise in litigation that could severely restrict their ability to meet essential services and infrastructure needs.

In order to qualify for the ballot, proponents must collect 997,139 valid signatures from California voters. The California Secretary of State's recommended last day to submit signatures to counties to qualify for the November 8, 2022 statewide general election is April 29, 2022. The last day for measures to be certified for the ballot or withdrawn from the ballot is June 30, 2022.

CSDA has joined a coalition of local government leaders in adopting an Oppose position on Initiative 21-0042A1 and encourages all special districts, partners, and community leaders to join the coalition by passing a board resolution. Once approved, please email your resolution to <a href="mailto:advocacy@csda.net">advocacy@csda.net</a> and consider issuing a press release to local media. Individuals may also register their opposition with the growing coalition by emailing their name, title, and organization.

# **Quick Summary**

Ballot Initiative <u>21-0042</u>A1 would result in the loss of billions of dollars annually in critical state and local funding, restricting the ability of local agencies and the State of California to fund services and infrastructure by:

- Adopting new and stricter rules for raising taxes, fees, assessments, and property-related fees.
- Amending the State Constitution, including portions of Propositions 13, 218, and 26 among other
  provisions, to the advantage of the initiative's proponents and plaintiffs; creating new grounds to
  challenge these funding sources and disrupting fiscal certainty.
- Restricting the ability of local governments to issue fines and penalties to corporations and property
  owners that violate local environmental, water quality, public health, public safety, fair housing,
  nuisance and other laws and ordinances.

The initiative includes provisions that would retroactively void *all* state and local taxes or fees adopted after January 1, 2022 if they did not align with the provisions of this initiative. This may also affect indexed fees that adjust over time for inflation or other factors. Effectively, it would allow voters throughout California to invalidate the prior actions of local voters, undermining local control and voter-approved decisions about investments needed in their communities.