



San Bernardino Community College District  
Board Legislative Committee Meeting  
September 10, 2020  
11:00 am-12:00 pm Pacific Time

*Governor Newsom issued Executive Order N-25-20 on March 12, 2020, and Executive Order N-29-20 on March 17, 2020. Portions of these orders relax parts of the Brown Act. In part, the orders allow elected officials to “attend” a meeting via teleconference WITHOUT having to admit members of the public into the location from which they are participating (N-25-20) and orders that "such a body need not make available any physical location from which members of the public may observe the meeting and offer public comment" (N-29-20).*

*Anyone wishing to participate may do so via the Zoom link which is listed on the agenda. The meetings are also recorded. Public comments must be submitted electronically by emailing [hford@sbccd.edu](mailto:hford@sbccd.edu) Submissions must be received 24 hours in advance of the meeting. From the comments received, staff will call each speaker to make their public comment.*

*Submissions will be considered a public record under the Public Records Act, and are therefore subject to public disclosure.*

*Public comments will take place at the time designated at the meeting for public comment. Comments must be limited to five (5) minutes per speaker and twenty (20) minutes per topic if there is more than one speaker.*

*Anyone who requires a disability-related modification or accommodation in order to participate in the public meeting should contact the Chancellor’s Office at (909) 388-6903 as far in advance of the meeting as possible.*

## AGENDA

### Board Legislative Committee Meeting

September 10, 2020

11:00 a.m. - 12:15 p.m.

#### LOCATION: Zoom Conference:

<https://cccconfer.zoom.us/j/94813868332>

Dial: (669) 900-6833 or (346) 248-7799 - Meeting ID: 948 1386 8332

#### I. CALL TO ORDER & SELF INTRODUCTIONS

#### II. PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

*Public comments must be submitted electronically by emailing [hford@sbccd.edu](mailto:hford@sbccd.edu). Submissions must be received 24 hours in advance of the meeting.*

#### III. ESTABLISHING THE COMMITTEE

All votes to be taken by roll call

##### A. Appointments

- a. Chair
- b. Vice Chair

##### B. Committee Charge

- a. Review and draft final committee charge
- b. Adopt legislative principles
- c. Approval of the full board (October 8, 2020)

##### A. Appointments

##### B. Committee Charge

#### IV. APPROVAL OF MINUTES

#### V. CURRENT ISSUES UPDATE: NOVEMBER 3, 2020 BALLOT PROPOSITIONS

A. Proposition 15: Increases Funding Sources for Public Schools, Community Colleges and Local Government Services

B. Proposition 16: Allows Diversity as a Factor in Public Employment, Education and Contracting Decisions

##### A. 2020-09-10 Board Item to Consider Prop 15

##### B. 2020-09-10 Board Item to Consider Prop 16

Official Voter Information Guide, California General Election

#### VI. LEGISLATIVE FIELD REPORTS

Public policy updates related to higher education or workforce development.  
3 minutes each.

- Office of Congressman Paul Cook – Invited
- Office of Congressman Pete Aguilar – Invited
- Office of Senator Connie Leyva – Invited
- Office of Senator Mike Morrell – Invited
- Office of Assemblymember Chad Mayes – Invited
- Office of Assemblymember Jay Obernolte – Invited
- Office of Assemblymember James Ramos – Invited
- Office of Assemblymember Eloise Gomez Reyes – Invited

**VII. FUTURE TOPICS**

Trustee Suggestions

**VIII. ADJOURN**

The next meeting of the Board Legislative Committee: Zoom Conference

<https://cccconfer.zoom.us/j/94813868332>

October 8, 2020, at 11:00 a.m.



## Board of Trustees Legislative Committee

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Meeting Agenda – September 10, 2020, 11 a.m. to 12 p.m.

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### III. **Establishing the Committee**

*All votes to be taken by roll call*

#### A. Appointments

- a. Chair
- b. Vice Chair

#### **Board Members:**

Trustee Frank Reyes

Trustee Anne Viricel

Trustee John Longville.



## Board of Trustees Legislative Committee

Meeting Agenda – September 10, 2020, 11 a.m. to 12 p.m.

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### III. Establishing the Committee

*All votes to be taken by roll call*

- B. Committee Charge
  - a. Review and draft final committee charge
  - b. Adopt legislative principles
  - c. Approval of the full board (October 8, 2020)

#### Committee Charge (Draft):

- To ~~develop~~ establish and ~~enhance~~ cultivate relationships with ~~legislators~~ policymakers and ~~legislative groups~~ organizations that represent the communities served by the district.
- To advocate for legislative change that can positively impact SBCCD and its mission to serve students.
- To examine ~~proposed legislation~~ public policy proposals and ~~determine~~ recommend legislative action to the full Board of Trustees. ~~what legislation should be supported through Board resolutions.~~

#### Legislative Principles (Draft):

1. **Equity** – Research indicates that student access, success, and equity improves when faculty and staff reflect the diversity of students. The San Bernardino Community College District Board of Trustees supports public policies that advances equity, diversity, inclusion, and anti-racism.
2. **Increased Investment in Student Success** – The SBCCD Board of Trustees supports increased state and federal funding, resources and legislation that strengthens the San Bernardino Community College District’s ability to meet local student equity and workforce development goals consistent with the California Community Colleges Vision for Success.
3. **College Affordability & Student Well-Being** – The SBCCD Board of Trustees supports financial aid reforms to make college more affordable, and efforts to address student homelessness, food insecurity, mental health, and the digital divide.
4. **Local Governance** – The SBCCD Board of Trustees supports local governance. The Board of Trustees in general, will take a position on legislative matters affecting board operations and regional decision-making.
5. **State and Federal Partnerships** – The SBCCD Board of Trustees will engage on legislation where the justification for state or federal intervention is compelling, and where the Board of Trustees position is supported by available data and evidence.
6. **Fiscal Responsibility** – The SBCCD Board of Trustees supports the fiscal integrity of the district and efforts to maximize resources available to San Bernardino Community College District within and outside of Proposition 98. In general, the Board of Trustees is concerned



## Board of Trustees Legislative Committee

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with unfunded mandates. The Board of Trustees legislative positions will aim to ensure that administrative obligations imposed by law upon the district and its colleges are adequately funded, and serve the interests of students and the district.

7. **Public Engagement** – The SBCCD Board of Trustees will advocate for adequate representation by the San Bernardino Community College District on appropriate boards, commissions, task forces, study groups, and other bodies that may have an impact on its educational mission.

## **SAN BERNARDINO COMMUNITY COLLEGE DISTRICT**

**TO:** Board of Trustees

**FROM:** Frank Reyes, Chair, Board Legislative Committee

**REVIEWED BY:** Jose F. Torres, Interim Chancellor

**PREPARED BY:** Angel Rodriguez, Senior District Director of Marketing, Public Affairs and Government Relations

**DATE:** October 8, 2020

**SUBJECT:** Approve Resolution in Support of Proposition 15 (2020)

### **RECOMMENDATION**

It is recommended that the Board of Trustees approve the resolution in support of Proposition 15.

### **OVERVIEW**

The resolution expresses support for Proposition 15 in the November 3, 2020 ballot, which would increase funding sources for public schools, community colleges and local government services.

### **ANALYSIS**

Proposition 15 increases funding sources for K-12 public schools, community colleges and local governments by requiring commercial and industrial real property be taxed based on current market value, instead of purchase price. Exempts from taxation changes: residential properties; agricultural land; and owners of commercial and industrial properties with combined value of \$3 million or less.

According to the non-partisan California Legislative Analyst Office, overall, \$6.5 billion to \$11.5 billion per year in new property taxes would go to local governments. Cities and counties would receive about 60% of the new funding, and the other 40% would increase funding for schools and community colleges. If voters approve Proposition 15 in the November 3, 2020 ballot, it could generate \$7,255,554 in new funding for the San Bernardino Community College District. This revenue projection is based on \$11.5 billion split 60/40 using 2018-19 state funding ratios.

Proposition 15 is supported by the Community College League of California, the Student Senate for California Community Colleges and the Faculty Association of California Community Colleges.

### **BOARD IMPERATIVE**

- II. Learning-Centered Institution for Student Access, Retention and Success

### **FINANCIAL IMPLICATIONS**

None.

**SAN BERNARDINO COMMUNITY COLLEGE DISTRICT  
RESOLUTION IN SUPPORT OF**

**Proposition 15: Increases Funding for Public Schools, Community Colleges, and Local Government Services by Changing Tax Assessment of Commercial and Industrial Property. Initiative Constitutional Amendment.**

**WHEREAS**, since the passage of Proposition 13 in 1978, K-12 and community college districts in California have experienced underinvestment and devastating cuts causing California's education funding to fall behind and resulting in fewer services and resources for students; and

**WHEREAS**, while the intent of Proposition 13 is to help homeowners, it allows major commercial and industrial properties to avoid regular reassessment, resulting in an inequitable tax system; and

**WHEREAS**, researchers at the University of Southern California (USC) estimate that Proposition 15 in the November 3, 2020 ballot would reclaim \$12 billion in property tax revenue every year to ensure that our schools and communities have the resources to educate and support our students; and

**WHEREAS**, Proposition 15 in the November 3, 2020 ballot exempts all residential properties, maintaining full Prop. 13 protections for homeowners and renters; and

**WHEREAS**, Proposition 15 protects small businesses and cuts their taxes by exempting businesses operated out of a home and businesses owning \$3 million or less of nonresidential commercial property; and

**WHEREAS**, California schools are falling behind and state funded per-student support has declined from the top 10 in the nation to the bottom quarter; and

**WHEREAS**, public schools in California face challenges in providing an equitable and fair education for a student population with vast differences in language, income, parental education level, and other social, educational, and economic factors; and

**WHEREAS**, research has proven that investments in students raises achievement levels, lowers poverty, and increases the productivity of the workforce; and

**WHEREAS**, as the largest system of higher education in the nation, California's community colleges serve more than two million students—training and educating today's workforce for jobs that lead to gainful employment and upward economic mobility;

**WHEREAS**, more than 75% of nurses, firefighters and EMT's are trained through community colleges; and

**WHEREAS**, nearly half of students earning a bachelor's degree from a University of California campus in science, engineering, and mathematics transferred from a California community college; and

**WHEREAS**, 29% of University of California graduates and 51% of California State University graduates started at a community college

**WHEREAS**, Proposition 15 would increase funding for schools and community colleges over and above existing funding guarantees; and

**WHEREAS**, Proposition 15 will help alleviate the serious budget shortfalls caused by the economic crisis precipitated by the COVID-19 global pandemic and allow community colleges greater options to serve their communities; and

**WHEREAS**, Proposition 15 will give local communities resources so essential services and frontline workers can respond to current challenges and prepare for future crises, whether from a wildfire, pandemic or earthquake; and

**WHEREAS**, Proposition 15 prioritizes full transparency and accountability by requiring schools, community colleges and local governments to publicly disclose all new revenues they receive and how they are spent;

**NOW THEREFORE, BE IT RESOLVED**, that the San Bernardino Community College District District Board of Trustees endorse Proposition 15 in the November 3, 2020 general election and direct the Chancellor to communicate its position with the general public.

**PASSED AND ADOPTED** this 8<sup>th</sup> day of October, 2020.

## **SAN BERNARDINO COMMUNITY COLLEGE DISTRICT**

**TO:** Board of Trustees

**FROM:** Frank Reyes, Chair, Board Legislative Committee

**REVIEWED BY:** Jose F. Torres, Interim Chancellor

**PREPARED BY:** Angel Rodriguez, Senior District Director of Marketing, Public Affairs and Government Relations

**DATE:** October 8, 2020

**SUBJECT:** Approve Resolution in Support of Proposition 16 (2020)

### **RECOMMENDATION**

It is recommended that the Board of Trustees approve the resolution in support of Proposition 16.

### **OVERVIEW**

The resolution expresses support for Proposition 16 in the November 3, 2020 ballot, which allows diversity as a factor in public employment, education and contracting decisions.

### **ANALYSIS**

For California's community colleges, Proposition 209 (passed in 1996) has created a barrier to hiring diverse faculty and staff. Proposition 209 prohibits discriminating against or "granting preferential treatment" to any individual or group on the basis of race, sex, color, ethnicity, or national origin. Despite nearly 25 years of race-neutral efforts to hiring in community colleges, recruitment of faculty of color falls short of reflecting our diverse student body.

If approved by voters in the November 3, 2020 election, Proposition 16 would repeal Proposition 209. As a result, community colleges, local and state entities could establish policies and programs to increase diversity and equal opportunity in public education, public employment and public contracting, consistent with federal and state laws related to equal protection. Research indicates that students are more likely to be academically successful when taught by faculty that come from similar backgrounds; thus a repeal of Proposition 209 would likely result in an increase in student access, success and equity.

Proposition 16 (previously ACA 5) is supported by the California Community Colleges Board of Governors, the Community College League of California, the Academic Senate for California Community Colleges, the California State Firefighters Association, and the California Nurses Association.

### **BOARD IMPERATIVE**

- II. Learning-Centered Institution for Student Access, Retention and Success

### **FINANCIAL IMPLICATIONS**

None.

**SAN BERNARDINO COMMUNITY COLLEGE DISTRICT  
RESOLUTION IN SUPPORT OF**

**Proposition 16: Allows Diversity as a Factor in Public Employment, Education and Contracting Decisions. Legislative Constitutional Amendment.**

**WHEREAS**, Native American, Latinx, Black, Asian, Pacific Islander, and other people of color and women have historically faced racism and discrimination in the United States (U.S.), including the denial of equal opportunity in employment and equal access to higher education; and

**WHEREAS**, the U.S. government in the late 1960s established affirmative action policies to address discrimination and bias in hiring, government contracts, and access to higher education towards racial minorities and women; and

**WHEREAS**, the passage of Proposition 209 in 1996 amended the California Constitution by prohibiting the consideration of race, sex, and ethnicity in admission to public employment, public education, and public contracting; and

**WHEREAS**, Proposition 209 inhibited California state and local governments' ability to remedy the continuing effects of past discrimination through race-conscious programs, such as those designed to ensure access to higher education through the University of California, California State University, and California Community Colleges; and

**WHEREAS**, Proposition 209 deterred the California Community Colleges, California State University, and University of California from implementing race-conscious policies, services, and interventions in programs that increase student achievement such as counseling, tutoring, outreach, and financial aid; and

**WHEREAS**, the effect of Proposition 209 was to reduce the percentages of underrepresented students admitted to public institutions of higher education in California, placing it in direct conflict with the goals of the California Community Colleges Vision for Success by making it more difficult to close equity gaps; and

**WHEREAS**, within the community colleges, 73 percent of students are students of color, immigrants, or both, yet the majority of college faculty and staff are white, and

**WHEREAS**, empirical studies have repeatedly indicated that diverse faculty have a positive impact on student educational outcomes and produces students who are better prepared for leadership, citizenship, and professional competitiveness; and

**WHEREAS**, the repeal of Proposition 209 would additionally enable the California Community Colleges, California State University, and University of California campuses to target enrollment and support efforts to address the higher education opportunity, transfer, and completion gaps faced by Black and Latinx students; and

**WHEREAS**, compared to their white peers, Black and Latinx students have significantly lower transfer and completion rates at the community colleges, CSU and UC; and

**WHEREAS**, California has the fifth largest and strongest economy in the world, but Proposition 209 has prevented full participation in the state's economic prosperity for over two decades for

all Californians, and represents a step backwards for people of color and women by limiting their access to economic opportunities and higher education; and

**WHEREAS**, a 2015 study by the Equal Justice Society found that Proposition 209 has cost women and minority-owned businesses \$1.1 billion each year, perpetuated gender and racial wage gaps, and allowed discriminatory hiring and contracting processes to continue unhindered; and

**WHEREAS**, California is one of only eight states that does not allow race or gender to be considered in hiring, or allotting state contracts, or accepting students into the state's public colleges and universities in order to remedy the effects of generations of discrimination; and

**WHEREAS**, the California Community Colleges system, comprised of 2.1 million students and 115 campuses, provides a wide variety of special programs and support services for students and is committed to serving California residents, regardless of sex, race, ethnicity, or national origin; and

**WHEREAS**, the California Community Colleges system has engaged in ongoing efforts to diversify the faculty and staff serving our 2.1 million students, through the establishment of a Diversity, Equity, and Inclusion Task Force in 2018 and its final report released in May 2020, which concluded that, among other things, "Decreasing racial and gender gaps among [community college] leadership, faculty, and staff are key to improving student outcomes"; and

**WHEREAS**, the California Community Colleges Chancellor's Office in 2018 convened a Black and African American Advisory Panel that made recommendations for reducing inequities and disparities in the California Community Colleges system for Black students, concluding that hiring more diverse staff and targeted outreach and support services for Black and African American students would be among the most effective remedies; and

**WHEREAS**, in June 2020 Chancellor Eloy Ortiz Oakley issued a statewide call to action urging system leaders, faculty, staff, and students to join the Board of Governors in actively fighting systemic racism within the higher education system and working towards true racial justice; and

**WHEREAS**, in June 2020 the San Bernardino Community College District Board of Trustees endorsed resolution "Reaffirming Our Commitment to Racial Equity and Justice;"

**WHEREAS**, Proposition 16, if approved by the voters of California, would repeal Proposition 209 and eliminate the state prohibition on the use of race and sex, and other characteristics in considering admission to higher education;

**NOW THEREFORE, BE IT RESOLVED** that the San Bernardino Community College District Board of Trustees endorse Proposition 16 in the November 3, 2010 general election and direct the Chancellor to communicate its position with the public.

**PASSED AND ADOPTED this 8<sup>th</sup> day of October, 2020.**

PROPOSITION **15** **INCREASES FUNDING SOURCES FOR PUBLIC SCHOOLS, COMMUNITY COLLEGES, AND LOCAL GOVERNMENT SERVICES BY CHANGING TAX ASSESSMENT OF COMMERCIAL AND INDUSTRIAL PROPERTY. INITIATIVE CONSTITUTIONAL AMENDMENT.**

**OFFICIAL TITLE AND SUMMARY**

PREPARED BY THE ATTORNEY GENERAL

15

The text of this measure can be found on the Secretary of State's website at [voterguide.sos.ca.gov](http://voterguide.sos.ca.gov).

- Increases funding sources for K–12 public schools, community colleges, and local governments by requiring commercial and industrial real property be taxed based on current market value, instead of purchase price.
- Exempts from taxation changes: residential properties; agricultural land; and owners of commercial and industrial properties with combined value of \$3 million or less.
- Any additional education funding will supplement existing school funding guarantees.
- Exempts small businesses from personal property tax; for other businesses, provides \$500,000 exemption.

**SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:**

- Increased property taxes on commercial properties worth more than \$3 million providing \$6.5 billion to \$11.5 billion in new funding to local governments and schools.

**ANALYSIS BY THE LEGISLATIVE ANALYST**

**BACKGROUND**

**Local Governments Tax Property.** California cities, counties, schools, and special districts (such as a fire protection district) collect property taxes from property owners based on the value of their property. Property taxes raise around \$65 billion each year for these local governments. Overall, about 60 percent of property taxes go to cities, counties, and special districts. The other 40 percent goes to schools and community colleges. These shares are different in different counties.

**Property Includes Land, Buildings, Machinery, and Equipment.** Property taxes apply to many kinds of property. Land and buildings are taxed. Businesses also pay property taxes on most other things they own. This includes equipment, machinery, computers, and furniture. We call these things “business equipment.”

**How Is a Property Tax Bill Calculated?** Each property owner's annual property tax bill is equal to the taxable value of their property multiplied by their property tax rate. The typical property owner's property tax rate is 1.1 percent.

**Taxable Value of Land and Buildings Is Based on Original Purchase Price.** In the year a piece of

land or a building is purchased, its taxable value typically is its purchase price. Each year after that, the property's taxable value is adjusted for inflation by up to 2 percent. When a property is sold again, its taxable value is reset to its new purchase price. The taxable value of most land and buildings is less than what they could be sold for. This is because the price most properties could be sold for grows faster than 2 percent per year.

**Taxable Value of Business Equipment Is Based on How Much It Could Be Sold for.** Unlike land and buildings, business equipment is taxed based on how much it could be sold for today.

**Counties Manage the Property Tax.** County assessors determine the taxable value of property. County tax collectors bill property owners. County auditors distribute tax revenue to local governments. Statewide, counties spend about \$800 million each year on these activities.

**PROPOSAL**

**Tax Commercial and Industrial Land and Buildings Based on How Much They Could Be Sold for.** The measure requires commercial and industrial (after this referred to simply as “commercial”)

INCREASES FUNDING SOURCES FOR PUBLIC SCHOOLS, COMMUNITY COLLEGES, AND LOCAL GOVERNMENT SERVICES BY CHANGING TAX ASSESSMENT OF COMMERCIAL AND INDUSTRIAL PROPERTY. INITIATIVE CONSTITUTIONAL AMENDMENT.

PROPOSITION

**15****15****ANALYSIS BY THE LEGISLATIVE ANALYST**

CONTINUED

land and buildings to be taxed based on how much they could be sold for instead of their original purchase price. This change is put in place over time starting in 2022. The change does not start before 2025 for properties used by California businesses that meet certain rules and have 50 or fewer employees. Housing and agricultural land continues to be taxed based on its original purchase price.

***Some Lower Value Properties Not Included.***

This change does not apply if the owner has \$3 million or less worth of commercial land and buildings in California (adjusted for inflation every two years). These properties continue to be taxed based on original purchase price.

***Reduce Taxes on Business Equipment.*** The measure reduces the taxable value of each business's equipment by \$500,000 starting in 2024. Businesses with less than \$500,000 of equipment pay no taxes on those items. All property taxes on business equipment are eliminated for California businesses that meet certain rules and have 50 or fewer employees.

**FISCAL EFFECTS*****Increased Taxes on Commercial Land and Buildings.***

Most owners of commercial land and buildings worth more than \$3 million would pay higher property taxes. Only some of these property owners would start to pay higher taxes in 2022. By 2025, most of these property owners would pay higher taxes. Beginning in 2025, total property taxes from commercial land and buildings probably would be \$8 billion to \$12.5 billion higher in most years. The value of commercial property can change a lot from year to year. This means the amount of increased property taxes also could change a lot from year to year.

***Decreased Taxes on Business Equipment.*** Property taxes on business equipment probably would be several hundred million dollars lower each year.

***Money Set Aside to Pay Costs of the Measure.***

The measure sets aside money for various

costs created by the measure. This includes giving **several hundred million dollars per year** to counties to pay for their costs of carrying out the measure. The measure would increase the amount of work county assessors do and could require changes in how they do their work. Counties could have costs from the measure before new money is available to cover these costs. The state would loan money to counties to cover these initial costs until new property tax revenue is available.

***New Funding for Local Governments and Schools.***

Overall, \$6.5 billion to \$11.5 billion per year in new property taxes would go to local governments. 60 percent would go to cities, counties, and special districts. Each city, county, or special district's share of the money depends on several things including the amount of new taxes paid by commercial properties in that community. Not all governments would be guaranteed new money. Some in rural areas may end up losing money because of lower taxes on business equipment. The other 40 percent would increase funding for schools and community colleges. Each school or community college's share of the money is mostly based on how many students they have.

Visit <http://cal-access.sos.ca.gov/campaign/measures/> for a list of committees primarily formed to support or oppose this measure.

Visit <http://www.fppc.ca.gov/transparency/top-contributors.html> to access the committee's top 10 contributors.

If you desire a copy of the full text of this state measure, please call the Secretary of State at (800) 345-VOTE (8683) or you can email [vigfeedback@sos.ca.gov](mailto:vigfeedback@sos.ca.gov) and a copy will be mailed at no cost to you.

PROPOSITION **15** INCREASES FUNDING SOURCES FOR PUBLIC SCHOOLS, COMMUNITY COLLEGES, AND LOCAL GOVERNMENT SERVICES BY CHANGING TAX ASSESSMENT OF COMMERCIAL AND INDUSTRIAL PROPERTY. INITIATIVE CONSTITUTIONAL AMENDMENT.

15

★ ARGUMENT IN FAVOR OF PROPOSITION 15 ★

We are all better off when everyone pays their fair share. But California is giving away billions of dollars in property tax breaks to wealthy corporations. These billions could be used instead to deal with increasing inequality, persistent poverty, unemployment, unaffordable housing, homelessness and underfunded schools.

While the wealthiest corporations avoid paying their fair share, our schools have the most crowded classrooms in the nation and our local communities are struggling to respond to the impact of COVID-19.

Prop. 15 is a fair and balanced reform which:

- closes property tax loopholes benefiting wealthy corporations
- cuts small business taxes
- reclaims billions of dollars to invest in our schools and local communities.

Prop. 15 will:

*Close corporate loopholes:* Wealthy corporations avoid reassessment by employing highly paid tax lawyers and accountants to exploit loopholes in the law. Prop. 15 closes these loopholes by requiring nonresidential commercial properties to be assessed based on their actual fair market value.

- The top 10% of California's most valuable nonresidential commercial properties account for 92% of Prop. 15's new revenues.

*Does not impact homeowners and renters:* Prop. 15 exempts all residential properties, maintaining FULL PROP. 13 PROTECTIONS for homeowners and renters.

*Cut taxes for small businesses:* Prop. 15 protects small businesses and cuts their taxes by:

- Exempting businesses operated out of a home and businesses owning \$3,000,000 or less of nonresidential commercial property
- Cutting business personal property taxes on equipment, computers and fixtures.

*Restore balance to the property tax:* Since Prop. 13 passed, the residential share of property taxes has skyrocketed from 55% to 72% and the nonresidential commercial share has

fallen. Meanwhile we're paying more in fees, fines and other taxes.

Prop. 15 rebalances the scales.

*Increase funding for schools and community colleges:* Every school district and community college will receive additional funding over and above existing funding guarantees. Prop. 15 funds go directly to education and state politicians can't take it away.

*Invest in essential workers and local services:* Prop. 15 gives local communities desperately needed resources so essential services and frontline workers can respond to current challenges and prepare for future crises, whether from a wildfire, pandemic, or earthquake.

*Support economic and racial equity:* Prop. 15 makes sure schools with the greatest needs get the most help and gives local communities critically needed resources to deal with the unequal impacts of COVID-19, unemployment, and housing costs on communities of color.

*Prioritize full transparency and accountability* by requiring schools and local governments to publicly disclose all new revenues they receive and how they are spent.

*Protect agricultural land:* Prop. 15 makes no change to existing laws affecting the taxation or preservation of agricultural land.

We can't afford business as usual. Prop. 15 rebalances the scales by closing loopholes and supporting our schools, local communities and small businesses.

Prop. 15 takes a big step forward toward a better future for all Californians. It was placed on the ballot by the signatures of over 1,700,000 voters who want wealthy corporations to pay their fair share.

Please add your voice to theirs: Vote Yes on Prop. 15.

**TONY THURMOND**, California Superintendent of Public Instruction

**JACQUELINE MARTINEZ**, CEO  
Latino Community Foundation

**SASHA CUTTLER**, Public Health Nurse  
San Francisco Department of Public Health

★ REBUTTAL TO ARGUMENT IN FAVOR OF PROPOSITION 15 ★

PROP. 15: ALL CALIFORNIANS WILL PAY FOR THE LARGEST PROPERTY TAX INCREASE IN STATE HISTORY!

REPEALS PROP. 13 PROTECTIONS

Prop 13 limits property tax increases to 2% annually, providing certainty to homeowners and small businesses that they can afford their taxes in the future. Supporters of Prop 15 admit they'll go after Prop 13 protections for homes next - meaning skyrocketing taxes for all homeowners!

PROP. 15: RAISES OUR COST OF LIVING AND MAKES INCOME INEQUALITY WORSE

Billions in higher taxes will be passed on to California's small businesses in the form of higher rents, forcing businesses that are barely surviving now to lay off employees and raise prices. Higher costs for food and everyday necessities will hit all of us and low-income families hardest. We can't afford to raise our cost of living.

PROP. 15: DOESN'T SOLVE OUR CURRENT BUDGET CRISIS

Prop. 15 will not solve today's budget deficits. The nonpartisan Legislative Analyst says most funding won't arrive until 2025. Additionally, the California Assessors' Association says Prop. 15 will cost more than \$1 billion to implement, meaning deeper cuts to already stretched local government budgets.

PROP. 15: MISLEADING AND LACKS ACCOUNTABILITY

Prop. 15's supporters say it's about more money for education, but nearly 70% of the tax money doesn't even go to schools. Politicians can even divert the local government tax money for other purposes, just like they're doing with the gas tax.

NO ON PROP. 15. [www.NOonProp15.org](http://www.NOonProp15.org)

**JON COUPAL**, President  
Howard Jarvis Taxpayers Association

**ALICE HUFFMAN**, President  
California State Conference of the NAACP

**BETTY JO TOCCOLI**, President  
California Small Business Association

INCREASES FUNDING SOURCES FOR PUBLIC SCHOOLS, COMMUNITY COLLEGES, AND  
LOCAL GOVERNMENT SERVICES BY CHANGING TAX ASSESSMENT OF COMMERCIAL  
AND INDUSTRIAL PROPERTY. INITIATIVE CONSTITUTIONAL AMENDMENT. PROPOSITION  
**15**

★ ARGUMENT AGAINST PROPOSITION 15 ★

PROP. 15 WILL BE THE LARGEST ANNUAL PROPERTY TAX INCREASE IN CALIFORNIA HISTORY—UP TO \$12.5 BILLION PER YEAR!

Prop. 15's massive increase in annual property taxes will have disastrous economic impacts for every Californian—from small businesses and consumers to farmers and homeowners.

PROP. 15 REPEALS TAXPAYER PROTECTIONS IN PROP. 13

Prop. 13's taxpayer protections have kept property taxes affordable by capping property taxes and limiting increases annually, providing taxpayers certainty they can afford their property taxes now and into the future. Prop. 15 eliminates that certainty for millions of taxpayers.

- “Prop. 15 is a direct threat to homeowners. Supporters of the tax hike openly admitted that this is merely the first step in completely dismantling Prop. 13 which voters approved to stop skyrocketing property taxes.”—*Jon Coupal, President, Howard Jarvis Taxpayers Association*

PROP. 15 RAISES OUR COST OF LIVING

Prop. 15's tax hike will increase costs on everything people buy, including groceries, fuel, utilities, day care and health care.

- “Too many families have been priced out of their neighborhoods because of the rising cost of living. Prop. 15 will raise the cost of living for California families by up to \$960 and will especially hurt lower-income communities.”—*Alice Huffman, President, California State Conference of the NAACP*

PROP. 15 DESTROYS JOBS AND SMALL BUSINESSES

Seven million Californians work for a small business. Millions of Californians are filing for unemployment and are at risk of losing everything. NOTHING in Prop. 15 stops the tax from being passed on to small business tenants. Prop. 15 will make the economic crisis worse by devastating small businesses—

including our neighborhood restaurants, barbershops, and dry cleaners.

- “Most small businesses rent the property on which they operate. Prop. 15's higher property taxes will mean skyrocketing rents at a time we can least afford it.”—*Jot Condie, President, California Restaurant Association*

PROP. 15 RAISES TAXES FOR FAMILY FARMERS, RESULTING IN HIGHER COSTS FOR FOOD

Prop. 15 will raise property taxes on farming—including barns, dairies, processing plants and even fruit and nut trees.

- “Prop. 15 hurts family farmers and we all will end up paying higher costs for groceries including milk, eggs and meat.”—*Jamie Johansson, President, California Farm Bureau Federation*

PROP. 15 LACKS ACCOUNTABILITY

Prop. 15 will cost taxpayers \$1 billion each year in bureaucratic expenses, and politicians can spend the higher property tax revenue on anything they want, including administrative costs, outside consultants and pay raises.

- “Prop. 15 allows politicians to divert its tax hike revenue to anything the special interests want, just like they're doing with the gas tax.”—*Marilyn Markham, Board Member, California Senior Advocates League*

INDEPENDENTS, DEMOCRATS AND REPUBLICANS AGREE—NO ON PROP. 15.

NOW IS NOT THE TIME TO RAISE PROPERTY TAXES IN CALIFORNIA.

**ROBERT GUTIERREZ**, President  
California Taxpayers Association

**ALICE HUFFMAN**, President  
California State Conference of the NAACP

**BETTY JO TOCCOLI**, President  
California Small Business Association

★ REBUTTAL TO ARGUMENT AGAINST PROPOSITION 15 ★

Prop. 15 is a fair and balanced reform which: - Closes property tax loopholes benefiting wealthy corporations - Cuts small business taxes - Does not impact homeowners and renters - Reclaims billions of dollars for schools and local communities

California must take these steps right now to secure a better future for us all.

Wealthy owners of the MOST EXPENSIVE 10% OF BUSINESS PROPERTIES account for 92% of Prop. 15's revenues.

Prop. 15 supporters: teachers, nurses, small business owners, clergy, affordable housing advocates, and community organizations who want to close corporate tax loopholes and rebalance the scales.

Prop. 15 opponents: wealthy corporations and out-of-state investors trying to keep their tax breaks by using scare tactics to confuse the issue.

Read the measure for yourself and remember, Prop. 15:

- Maintains FULL PROP. 13 PROTECTIONS for homeowners and renters.
- CUTS small business taxes AND specifically exempts all home-based businesses AND exempts small

businesses owning \$3,000,000 or less in business property.

- Guarantees transparency and accountability by requiring full public disclosure of all new revenues and how they're spent.
- Keeps Prop. 13's low 1% limit, so California's business property taxes will still be below most states.

Learn more at [scaretactics15.org](http://scaretactics15.org).

As we rebuild from the COVID-19 shut down and prepare for challenges ahead, business as usual won't do. It's time we invest in small businesses, students, healthy families, and safe neighborhoods.

Prop. 15 is a balanced reform that closes corporate loopholes benefiting the top 10% and restores billions to our schools and communities—Vote Yes on Prop. 15.

**E. TOBY BOYD**, President  
California Teachers Association

**CAROL MOON GOLDBERG**, President  
League of Women Voters

**TARA LYNN GRAY**, CEO  
Fresno Metro Black Chamber of Commerce

PROPOSITION  
**16** **ALLOWS DIVERSITY AS A FACTOR IN PUBLIC EMPLOYMENT,  
EDUCATION, AND CONTRACTING DECISIONS.  
LEGISLATIVE CONSTITUTIONAL AMENDMENT.**

**OFFICIAL TITLE AND SUMMARY**

PREPARED BY THE ATTORNEY GENERAL

The text of this measure can be found on the Secretary of State's website at [voterguide.sos.ca.gov](http://voterguide.sos.ca.gov).

16

- Permits government decision-making policies to consider race, sex, color, ethnicity, or national origin to address diversity by repealing article I, section 31, of the California Constitution, which was added by Proposition 209 in 1996.
- Proposition 209 generally prohibits state and local governments from discriminating against, or granting preferential treatment to, individuals or groups on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, education, or contracting.
- Does not alter other state and federal laws guaranteeing equal protection and prohibiting unlawful discrimination.

**SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:**

- No direct fiscal effect on state and local entities because the measure does not require any change to current policies or programs.
- Possible fiscal effects would depend on future choices by state and local entities to implement policies or programs that consider race, sex, color, ethnicity, or national origin in public education, public employment, and public contracting. These fiscal effects are highly uncertain.

FINAL VOTES CAST BY THE LEGISLATURE ON ACA 5 (PROPOSITION 16)  
(RESOLUTION CHAPTER 23, STATUTES OF 2020)

Senate:	Ayes 30	Noes 10
Assembly:	Ayes 60	Noes 14

**ANALYSIS BY THE LEGISLATIVE ANALYST**

**BACKGROUND**

***State and Federal Constitutions Require Equal Protection.***

The state and federal constitutions provide all people equal protection, which generally means that people in similar situations are treated similarly under the law.

***In 1996, California Voters Banned Consideration of Race, Sex, Color, Ethnicity, or National Origin in Public Programs.*** In 1996, California voters approved Proposition 209, adding a new section to the State Constitution—Section 31 of Article I. The new section generally banned the consideration of race, sex, color, ethnicity, or national origin in public employment, public education, and public contracting in California.

***There Are Some Exceptions to Proposition 209.*** State and local entities can consider sex when it is necessary as part of normal operations. For example, the state can consider the sex of an employee when staffing specific jobs at state prisons where it is

necessary for staff and inmates be the same sex. Additionally, state and local entities may consider specified characteristics when it is required to receive federal funding. For example, the state is required to set goals for the portion of contracts awarded to certain groups for federally funded transportation projects, like businesses owned by women and people of color.

***Proposition 209 Affected Certain Public Policies and Programs.*** Before Proposition 209, state and local entities had policies and programs intended to increase opportunities and representation for people who faced inequalities as a result of their race, sex, color, ethnicity, or national origin. These types of programs often are called “affirmative action” programs. For example, some of the state’s public universities considered race and ethnicity as factors when making admissions decisions and offered programs to support the academic achievement of those students. State and local entities had

## ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

employment and recruitment policies intended to increase the hiring of people of color and women. The state also established programs to increase the participation of women-owned and minority-owned businesses in public contracts. The state set goals for the portion of state contracts that were awarded to those types of businesses. After voters approved Proposition 209, these policies and programs were discontinued or modified unless they qualified for one of the exceptions.

***Federal Law Allows Policies and Programs That Consider Certain Characteristics, Within Limits.*** Before Proposition 209, state and local policies and programs that considered race, sex, color, ethnicity, or national origin still had to comply with federal law. Federal law establishes a right to equal protection and as a result limits the use of these considerations. For example, under federal law, universities may consider these characteristics as one of several factors when making admission decisions in an effort to make their campuses more diverse. To ensure compliance with federal law, these policies and programs must meet certain conditions that limit the consideration of these characteristics. These conditions are intended to prevent discrimination that violates equal protection. State law also has a number of antidiscrimination provisions that are similar to those in federal law.

***Policies and Programs Created or Modified After Proposition 209.*** After voters approved Proposition 209, some public entities in California created or modified policies and programs to instead consider characteristics not banned by Proposition 209. For example, many of the state's universities provide outreach and support programs for students who are first in their family to attend college. Many university campuses also consider where students attended high school and where they live when making admissions decisions. The universities view these policies and programs as ways to increase diversity without violating Proposition 209.

## PROPOSAL

***Eliminates Ban on the Consideration of Certain Characteristics in Public Education, Public Employment, and Public Contracting.*** If approved, the measure would repeal Proposition 209—Section 31 of Article I of

the California Constitution. This would eliminate the ban on the consideration of race, sex, color, ethnicity, or national origin in public education, public employment, and public contracting. As a result, state and local entities could establish a wider range of policies and programs so long as they are consistent with federal and state law related to equal protection.

## FISCAL EFFECTS

***No Direct Fiscal Effects on Public Entities.*** The measure would have no direct fiscal effect on state and local entities because the measure would not require any change to current policies or programs. Instead, any fiscal effects would depend on future choices by state and local entities to implement policies or programs that consider race, sex, color, ethnicity, or national origin in public education, public employment, and public contracting.

***Potential Fiscal Effects of Implementing Programs Highly Uncertain.*** State and local entities could make any number of decisions about policies and programs that consider race, sex, color, ethnicity, or national origin. Because the specific choices state and local entities would make if voters approved this measure are unknown, the potential fiscal effects are highly uncertain.

Visit <http://cal-access.sos.ca.gov/campaign/measures/> for a list of committees primarily formed to support or oppose this measure.

Visit <http://www.fppc.ca.gov/transparency/top-contributors.html> to access the committee's top 10 contributors.

If you desire a copy of the full text of this state measure, please call the Secretary of State at (800) 345-VOTE (8683) or you can email [vigfeedback@sos.ca.gov](mailto:vigfeedback@sos.ca.gov) and a copy will be mailed at no cost to you.

★ ARGUMENT IN FAVOR OF PROPOSITION 16 ★

16

YES on Prop. 16 means EQUAL OPPORTUNITY FOR ALL CALIFORNIANS.

All of us deserve equal opportunities to thrive with fair wages, good jobs, and quality schools.

Despite living in the most diverse state in the nation, white men are still overrepresented in positions of wealth and power in California. Although women, and especially women of color, are on the front lines of the COVID-19 response, they are not rewarded for their sacrifices.

Women should have the same chance of success as men.

Today, nearly all public contracts, and the jobs that go with them, go to large companies run by older white men. White women make 80¢ on the dollar. The wage disparity is even worse for women of color and single moms. As a result, an elite few are able to hoard wealth instead of investing it back into communities. Prop. 16 opens up contracting opportunities for women and people of color.

We know that small businesses are the backbone of our economy. Yet, Main Street businesses owned by women and people of color lose over \$1,100,000,000 in government contracts every year because of the current law. We need to support those small businesses, especially as we rebuild from COVID-19. Wealth will be invested back into our communities.

YES on Prop. 16 helps rebuild California stronger with fair opportunities for all.

YES on Prop. 16 means:

- Supporting women and women of color who serve disproportionately as essential caregivers/frontline workers during COVID-19
- Expanding access to solid wages, good jobs, and quality schools for all Californians, regardless of gender, race, or ethnicity
- Creating opportunities for women and people of color to receive public contracts that should be available to all of us

- Improving access to quality education, both K–12 schools and higher education, for all of California’s kids
- Taking action to prevent discrimination and ensure equal opportunity for all
- Rebuilding an economy that treats everyone equally
- Investing wealth back into our communities as opposed to continuing to allow the rich to get richer
- Strong anti-discrimination laws remain in effect
- Quotas are still prohibited

We live in the middle of an incredible historic moment. In 2020, we have seen an unprecedented number of Californians take action against systemic racism and voice their support for real change.

At the same time, our shared values are under attack by the Trump administration’s policies. We are seeing the rise of overt racism: white supremacists on the march, the daily demonization of Latino immigrants, Black people gunned-down in our streets, anti-Asian hate crimes on the rise, women’s rights under attack, and COVID-19 ravaging Native communities.

By voting YES on Prop. 16, Californians can take action to push back against the Trump administration’s racist agenda.

By voting YES on Prop. 16, Californians can take action to push back against racism and sexism and create a more just and fair state for all.

Equal opportunity matters. Yes on Prop. 16.

[VoteYesOnProp16.org](http://VoteYesOnProp16.org)

**CAROL MOON GOLDBERG**, President  
 League of Women Voters of California

**THOMAS A. SAENZ**, President  
 Mexican American Legal Defense and Educational Fund

**EVA PATERSON**, President  
 Equal Justice Society

★ REBUTTAL TO ARGUMENT IN FAVOR OF PROPOSITION 16 ★

**TOM CAMPBELL**: “This proposition will allow California’s public universities to keep students out because of their race, in order to help students of another race get in. That’s currently illegal. Berkeley’s business school was rated among the best for recruiting minority graduates, and we did it without using race. We also gave no favoritism to children of donors, alums, or politicians. We were strictly merit-based. That’s how it should stay. (I’m neither a Democrat nor a Republican.)”

**LEO TERRELL**: “I’m a black man, civil rights attorney for 30 years, lifelong Democrat, now independent. Proposition 16 is a scam to use government money to benefit politically connected HIGH-BID contractors who are supposedly ‘minority’ or who hire a so-called ‘minority’ as window dressing. Taxpayers get shafted. Also, we certainly don’t need to favor one race over another in government jobs, promotions, or layoffs. And for education, let’s help those who need it, regardless of race!”

**KALI FONTANILLA**: “My father was a Jamaican immigrant, but I was raised in poverty by my single mother. My husband is Mexican/Puerto Rican: we are proudly multiracial. An honors multi-degreed University of California graduate, I tutored black students in Compton; now I help Latinos enter UC on MERIT (like I did), NOT quotas! Proposition 16, a giant step backward, would hurt the very students we want to help. There is no need to lower standards! I love teaching, but Proposition 16 would totally disrupt K–12.”

*Don’t divide us. Unite us. Vote NO!*

**TOM CAMPBELL**, Former Dean  
 Haas School of Business, University of California, Berkeley

**LEO TERRELL**, Civil Rights Lawyer

**KALI FONTANILLA**, Public School Teacher

★ ARGUMENT AGAINST PROPOSITION 16 ★

The California Legislature wants you to strike these precious words from our state Constitution: *“The state shall not discriminate against, or grant preferential treatment to, any individual or group, on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.”*

*Don't do it! Vote NO.*

Those words—adopted by California voters in 1996 as Proposition 209—should remain firmly in place. Only by treating everyone equally can a state as brilliantly diverse as California be fair to everyone.

**REPEAL WOULD BE A STEP BACKWARD**

Discrimination of this kind is poisonous. It will divide us at a time we desperately need to unite. Politicians want to give preferential treatment to their favorites. They think they can “fix” past discrimination against racial minorities and women by discriminating against other racial minorities and men who are innocent of any wrongdoing. Punishing innocent people will only cause a never-ending cycle of resentment. *The only way to stop discrimination is to stop discriminating.*

**HELP THOSE WHO REALLY NEED IT**

Not every Asian American or white is advantaged. Not every Latino or black is disadvantaged. Our state has successful men and women of all races and ethnicities. Let's not perpetuate the stereotype that minorities and women can't make it unless they get special preferences.

At the same time, our state also has men and women—of all races and ethnicities—who could use a little extra break. Current law allows for “affirmative action” of this kind so long as it doesn't discriminate or give preferential treatment based on race, sex, color, ethnicity or national origin. For example, state universities can give a leg-up for students from low-income families or

students who would be the first in their family to attend college. The state can help small businesses started by low-income individuals or favor low-income individuals for job opportunities.

But if these words are stricken from our state Constitution, the University of California will again be free to give a wealthy lawyer's son a preference for admission over a farmworker's daughter simply because he's from an “under-represented” group. *That's unjust.*

**GIVE TAXPAYERS A BREAK**

Prior to the passage of Proposition 209, California and many local governments maintained costly bureaucracies that required preferential treatment in public contracting based on a business owner's race, sex or ethnicity. The lowest qualified bidder could be rejected. A careful, peer-reviewed study by a University of California economist found that CalTrans contracts governed by Proposition 209 saved 5.6% over non-209 contracts in the two-year period after it took effect. If the savings for other government contracts are anywhere near that, repealing this constitutional provision could cost taxpayers *many BILLIONS of dollars.*

**EQUAL RIGHTS ARE FUNDAMENTAL**

Prohibiting preferential treatment based on race, sex, color, ethnicity or national origin is a fundamental part of the American creed. It's there in our Constitution for all of us . . . now and for future generations. *Don't throw it away.*

VOTE NO.

**WARD CONNERLY**, President  
Californians for Equal Rights

**GAIL HERIOT**, Professor of Law

**BETTY TOM CHU**, Former California Constitution Revision  
Commissioner

16

★ REBUTTAL TO ARGUMENT AGAINST PROPOSITION 16 ★

*Stand for Our California Values. Stand Against Discrimination.*

Californians agree everyone deserves equal opportunity to succeed—regardless of their gender, what they look like, or where they were born. We agree that women should be paid the same as men; that all children, regardless of their background or skin color, deserve access to a great school.

The opposition uses deceptive language to claim that they care about California's future. In fact, their approach would take us backwards.

Businesses owned by women and people of color lose \$1.1 billion each year because lucrative contracts are given to a wealthy few. Women make 80 cents on the dollar, and women of color make even less.

The only way to move California forward is to pass Proposition 16—extending equal opportunity for all and actively combating systemic racism.

*By passing Proposition 16, Californians can:*

- Tackle all forms of discrimination, removing barriers to equal opportunity

- Fight gender wage discrimination
- Give women of color an equal shot at job promotions and leadership positions
- Expand career and educational opportunities in science and technology for girls

*California can join 42 other states in taking action towards equal opportunity for all by voting Yes on Proposition 16.*

As Californians, we value diversity and fairness, we know that ending discrimination and promoting equality is the right thing to do.

During this uncertain time of COVID-19, we can build a future California that reflects our values by *voting YES on Proposition 16.*

*Get the facts at [VoteYesOnProp16.org](http://VoteYesOnProp16.org)*

**E. TOBY BOYD**, President  
California Teachers Association

**NORMA CHAVEZ-PETERSON**, Executive Director  
ACLU of San Diego and Imperial Counties

**DR. BERNICE A. KING**, CEO  
The Martin Luther King, Jr. Center