

June 28, 2023

The Honorable Cecilia Aguiar-Curry Member, California State Assembly 1021 O Street, Room 6350 Sacramento, CA 95814

RE: Assembly Constitutional Amendment 1 – SUPPORT As Amended May 30, 2023

Dear Assembly Member Aguiar-Curry:

On behalf of the Rural County Representatives of California (RCRC), we support your Assembly Constitutional Amendment 1, which would lower the vote threshold to 55 percent for approval of local bonded-indebtedness and specially-dedicated taxes imposed for specified uses.

RCRC is an association of forty rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties. In all but a handful of jurisdictions, counties conduct elections, including those involving candidates and ballot measures for cities. This function occurs through the county election clerk, many of whom are appointed by the Board of Supervisors.

For much of California's history, measures to impose local bonded-indebtedness - backed by local property taxes - must be approved by a two-thirds vote of the local electorate. In November 2000, California voters loosened this restriction with the passage of Proposition 39 which allowed local school facilities construction - backed by local property taxes - to be approved with 55 percent majority vote provided certain conditions are met. Currently, parcel taxes or increasing the local sales tax when dedicating to a specific purpose requires a two-thirds vote; however, taxes that would be allocated to the local general fund can be imposed with a majority vote.

The housing crisis in California has been well-documented. The state has attempted to address the housing shortfall through a combination of imposing new regulatory measures on local governments and creating one-time and permanent funding mechanisms for affordable housing construction. Additionally, local governments throughout the state have proposed local initiatives, such as water and transportation

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bonds or special taxes, to address specific barriers to increased housing in their respective communities.

The RCRC Board of Directors does not take lightly the notion of lowering the vote threshold to 55 percent for approval of local general obligation bonds and special taxes. However, we recognize that ACA 1 intends to address the on-going housing crisis to fund affordable housing and public infrastructure. Many RCRC member counties struggle with aging infrastructure, particularly water, sewer and road infrastructure. ACA 1 would give local governments an additional tool to address housing and infrastructure challenges by allowing a county, city, or special district to levy an ad valorem tax to service bonded-indebtedness incurred to fund the construction, reconstruction, rehabilitation or replacement of public infrastructure, affordable housing, or permanent supportive housing. ACA 1 also authorizes a city, county or special district to impose, extend, or increase a special use tax for the same purposes if the approved by 55 percent of the voters. ACA 1 conforms voter approval thresholds for affordable housing and public infrastructure to those for school construction bonds.

For the above reasons, RCRC supports your ACA 1. If you should have any questions, please do not hesitate to contact me at trhine@rcrcnet.org or (916) 447-4806.

Sincerely,

TRACY RHINE

Senior Policy Advocate

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