



AP17:072

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Proposed Initiative Enters Circulation

Changes Requirements for Certain Property Owners to Transfer Their Property Tax Base to Replacement Property. Initiative Constitutional Amendment and Statute.

SACRAMENTO – Secretary of State Alex Padilla announced the proponent of a new initiative was cleared to begin collecting petition signatures yesterday.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponent and to the Secretary of State, and the initiative may be circulated for signatures. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials. The Attorney General's official title and summary for the measure is as follows:

CHANGES REQUIREMENTS FOR CERTAIN PROPERTY OWNERS TO TRANSFER THEIR PROPERTY TAX BASE TO REPLACEMENT PROPERTY. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Removes the following current requirements for homeowners who are over 55 years old or severely disabled to transfer their property tax base to a replacement residence: that replacement property be of equal or lesser value, replacement residence be in specific county, and the transfer occur only once. Removes similar replacement-value and location requirements on transfers for contaminated or disaster-destroyed property. Requires adjustments to the replacement property's tax base, based on the new property's value. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Annual property tax losses for cities, counties, and special districts of around \$150 million in the near term, growing over time to \$1 billion or more per year (in today's dollars). Annual property tax losses for schools of around \$150 million per year in the near term, growing over time to \$1 billion or more per year (in today's dollars). Increase in state costs for schools of an equivalent amount in most years.** (17-0013.)

The Secretary of State's tracking number for this measure is 1809 and the Attorney General's tracking number is 17-0013.

The proponent of the measure, Alexander E. Creel, must collect the signatures of 585,407 registered voters (eight percent of the total votes cast for Governor in the November 2014 general election) in order to qualify it for the ballot. The proponent has 180 days to circulate petitions for the measure, meaning the signatures must be submitted to county elections officials no later than March 26, 2018. The proponent can be reached c/o Christopher C. Carlisle at (916) 492-5200.

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