



CITY COUNCIL

Darryl Moore
Councilmember District 2

CONSENT CALENDAR
March 5, 2013

To: Honorable Mayor and Members of the City Council
From: Councilmember Darryl Moore, District 2
Subject: Support SCA 3, Investing in Public Education

RECOMMENDATION

Adopt a Resolution supporting SCA 3 for education funding, which would lower the voter threshold for local parcel taxes from two-thirds to 55 percent and would conform more closely with the vote requirement for local school bonds. That the City Clerk sends a copy of the Council action with the resolution to Senators Mark Leno, Jerry Hill, Fran Pavley, Ellen Corbett, Lois Wolk, Kevin de León, Mark DeSaulnier, Noreen Evans, Curren Price, Leland Yee, Darrell Steinberg and Loni Hancock and Assemblymembers Tom Ammiano, Joan Buchanan, Richard Gordon, John Pérez, Nancy Skinner and Rob Bonta.

BACKGROUND

The California Constitution currently requires a two-thirds majority of the voters to approve a local parcel tax placed on the ballot by their school district or community college district. (A parcel tax is a flat tax usually assessed per parcel of land, regardless of the parcel's market value.) State law allows a school bond to be approved by 55% of the voters in a local school or community college district.

Local school districts have limited options for raising additional revenue that is not controlled by the state and can be spent in furtherance of local priorities. A parcel tax is one of the very few ways local school districts can raise discretionary revenue. SCA 3 will increase local choice for local education needs, while ensuring that every dollar generated goes to the school district for locally identified purposes. In the past, school districts have used parcel tax money to enhance instructional programs, hire additional teachers, and support libraries, music, and arts programs, reflecting local priorities in those local districts.

The two-thirds vote required for local parcel taxes is a significant impediment to raising revenue at the local level. Even when a parcel tax has the support of a significant majority of district parcel owners, it would fail passage if a relatively small minority of voters oppose it. Given the state's on-going financial crisis, school districts have faced years of severe cutbacks in funding. School districts need ways to maintain and restore quality programs in their schools. SCA 3 provides school districts with much-needed flexibility in raising local educational funds.

California still lags far behind virtually all other states (ranking 47th according to one recent analysis because of the high cost of living in the state) in its amount of per pupil spending.

SCA 3 allows a local parcel tax by a school district, community college district or a county office of education to be approved on the ballot with a 55 percent majority rather than the two-thirds majority currently required, provided that certain accountability restrictions are met. By lowering the vote threshold, SCA 3 provides for local choice and control, and conforms the vote required for a parcel tax to the 55 percent majority required for local school bonds.

SCA 3 authorizes school districts, community college districts, or county offices of education to impose a parcel tax on real property by a 55 percent vote of the voters in the district or county under specified circumstances, including:

- The district governing board approves the proposition by a majority vote;
- The ballot proposition contains a specific list of programs and purposes to be funded, and a requirement that funds be spent solely for those programs and purposes;
- The ballot proposition includes a requirement for annual independent audit of the amount of tax proceeds collected and expended and the specified purposes and programs funded;
- The ballot proposition requires the governing board to create a citizens' oversight board to review all expenditures of proceeds and financial audits, and report its findings to the governing board and the public;
- The ballot proposition allows for an exemption from the tax for parcels owned by persons over the age of 65 or those receiving SSI.

The measure also defines "parcel tax" as a special tax imposed upon real property at a rate determined without regard to the property's value. Tax proceeds may not be used to fund administrative salaries. SCA 3 also makes clarifying and conforming changes to the Constitution.

FISCAL IMPACTS OF RECOMMENDATION

Unknown

CONTACT PERSON

Councilmember Darryl Moore, District 2

981-7120

Attachments:

1) Resolution

RESOLUTION NO. ##,###-N.S.

SUPPORT SCA 3, INVESTING IN PUBLIC EDUCATION

WHEREAS, the California Constitution currently requires a two-thirds majority of the voters to approve a local parcel tax placed on the ballot by their school district or community college district, which serves as a significant impediment to raising revenue at the local level; and

WHEREAS, a two-thirds majority requirement means that even when a parcel tax has the support of a significant majority of district parcel owners, it would fail passage if a relatively small minority of voters oppose it; and

WHEREAS, local school districts have limited options for raising additional revenue that is not controlled by the state and can be spent in furtherance of local priorities, parcel taxes being one of the very few ways local school districts can raise discretionary revenue; and

WHEREAS, given the state's on-going financial crisis, school districts have faced years of severe cutbacks in funding, which has contributed to California's decline in per pupil spending, trailing virtually all other states (ranking 47th according to one recent analysis because of the high cost of living in the state); and

WHEREAS, SCA 3 provides school districts with much-needed flexibility in raising local educational funds, allowing a local parcel tax by a school district, community college district or a county office of education to be approved on the ballot with a 55 percent majority rather than the two-thirds majority currently required; and

WHEREAS, by lowering the vote threshold, SCA 3 provides for local choice and control, and conforms the vote required for a parcel tax to the 55 percent majority required for local school bonds.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Council supports our public school system and SCA 3 for making it easier for our citizenry to pass parcel taxes, investing in our next generation's education.

