Our guest speaker, David Wolfe has worked for eleven years with the Howard Jarvis Taxpayers’ Association as their Legislative Director. In this capacity he is in the State Capitol continuously, writing position letters and testifying on hundreds of bills. Dozens of these bills would have demolished the protections of Proposition 13 leading to higher taxes for millions of property owners.

His other responsibilities include putting together an annual Report Card for all 120 legislators, speeches to local taxpayer groups, and contributing to the HJTA quarterly publication "Taxing Times." He has also worked on a variety of initiative campaigns including to defeat taxes and advocate for property rights.

David made the following points in today’s meeting:

Prop 13 was passed into law in June 1978. Polls show that 62% still support it, roughly the same as when it passed more than 40 years ago. It is even supported by a majority of Democrats. Prop 13 provides a number of protections for all Californians. It limits assessments to 1% of purchase cost and allows a 2% tax increase per year. This assures an affordable and predictable property tax for owners. It assures a steady and reliable increase in tax revenues for the state while other tax sources can vary wildly depending on economic conditions. Prop 13 also requires a 2/3 vote to pass most new tax measures.

Prop 13 is an equally important protection for renters, both residential and commercial, as it assures far more stable pricing. Prop 13 has also withstood review by the US Supreme Court.

Prop 13 is now heavily under attack with AB-1, which will be on the upcoming ballot next year. This is called the “Split Roll”, as it removes major protections from commercial property. It would allow commercial properties valued over $2 million to be reassessed every two years. If successful, residential property will be next.

A host of other new taxes are being considered now that there is a 75% super majority both houses of the state legislature. Incredibly, additional taxes on water, soda, and cell phone service are being considered. Also being considered is increasing sales taxes to cover services.

California also has the largest percentage of people below the poverty line in the US. One third of California residents qualify for Medi-Cal which is increasing medical costs at a rate of $1 Billion per year.