

State of California

SECRETARY OF STATE

June 28, 2018

TO: ALL COUNTY CLERKS/REGISTRARS OF VOTERS (CCROV 18164)

Pursuant to Section 9033(b)(2) of the Elections Code, I hereby certify that CHANGES REQUIREMENTS FOR CERTAIN PROPERTY OWNERS TO TRANSFER THEIR PROPERTY TAX BASE TO REPLACEMENT PROPERTY. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. (#1809) is qualified for the November 6, 2018, General Election.

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.)**



IN WITNESS WHEREOF, I hereunto set my hand and affix the Great Seal of the State of California this 28th day of June, 2018.

ALEX PADILLA
Secretary of State