



Express support for ACA 8 (Bloom, D- Santa
Monica) – Local government financing
Communications and Legislation Committee
Item 8-7
April 11, 2016

Background

- California water infrastructure needs estimated in billions
- ACA 8 promotes local funding for local projects
- Local agencies could benefit from greater flexibility needed to fund necessary infrastructure improvements



Background (cont'd)

- Unless otherwise exempted,
 - AV property taxes subject to Proposition 13 limit
 - Special taxes and bonded indebtedness subject to two-thirds vote
- Proposition 39 (2000) exempted school districts from limit and lowered required bonded indebtedness vote to 55%



ACA 8, As Introduced

- Would place constitutional amendment on November 2016 ballot to create exception under CA Constitution for special districts, municipalities or counties to:
 - Levy ad valorem tax in amount greater than 1% of assessed property value
 - Adopt special tax pursuant to 55% vote (lowered from two-thirds requirement)
 - Incur bonded indebtedness pursuant to 55% vote (lowered from two-thirds requirement)
- Funds must be used for water, stormwater or wastewater-related infrastructure

ACA 8 Support/Opposition

- Support (partial list):
 - West Basin MWD (sponsor)
 - Association of CA Water Agencies
 - CA Municipal Utilities Association
 - CA Assn of Sanitation Agencies
 - WaterReuse California
 - So. California Water Committee
- Opposition:
 - California Chamber of Commerce

Board Options

- Option 1:
 - Adopt CEQA determination
 - Support ACA 8
- Option 2:
 - Take no position on ACA 8

Staff Recommendation

- Option 1

