California Legislature

ASSEMBLY REPUBLICAN CAUCUS

August 28, 2012

Mr. Jon Coupal
President, Howard Jarvis Association
921 11th Street, Suite 1201
Sacramento, CA 95814

Dear Mr. Coupal,

We, the undersigned members of the California Legislature, are writing in support of a legal challenge to Assembly Bill 1X 29 (Chapter 8, Statutes of 2011).

This measure imposed a fire tax on homeowners living in state responsibility areas with a mere majority vote of the Legislature. In our view, this is a direct violation of voter-approved taxpayer protections in Propositions 13 and 218, which clearly require a two-thirds vote of the Legislature to enact a tax increase. This principle was most recently affirmed by the voters with the passage of Proposition 26.

We believe this legal challenge is important for several reasons; the first and foremost will be the fact that it ends this patently illegal tax and will provide homeowners refunds. A successful lawsuit will also provide legal certainty and will ensure that homeowners are not subject to a future legislative effort to impose a fire tax with a simple majority vote. Finally, establishing the legal precedent has broader implications than the fire tax. If the Howard Jarvis lawsuit is successful, it will put the Legislature on notice that imposing any other tax by a majority vote is illegal.

In August, over 800,000 homeowners living in State Responsibility Areas began receiving tax bills for two separate fiscal years; one for the 2011-12 fiscal year and one for the 2012-13 fiscal year. Without a doubt, the imposition of this illegal tax will hit rural homeowners the hardest, as they live in areas of the state that are experiencing double digit unemployment.

Thank you again for your leadership on this important issue.

Sincerely,

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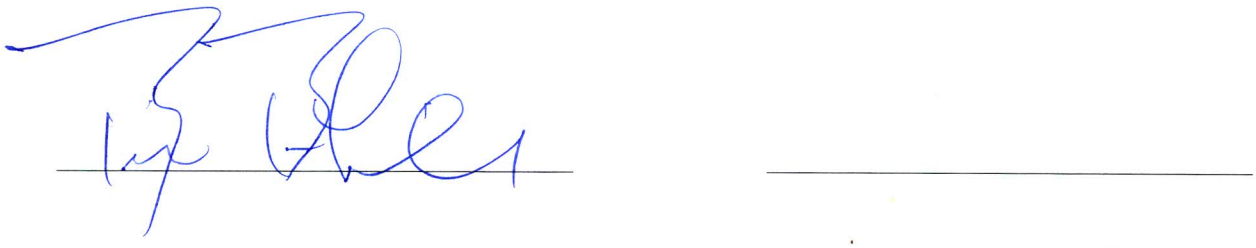
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