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Watchdog Group Demands Strong Leadership and Good Governance for Endorsement Consideration Taxpayers Association Sets Stage for Review of 2022 Tax & Fee Proposals and People's Ordinance

**San Diego, CA (February 2, 2022)** – In anticipation of numerous special tax proposals and citizen's initiatives in San Diego County, the San Diego County Taxpayers Association announced its standards of review for proposals that taxpayers will see on their 2022 ballot. Additionally, the Association is reconsidering its current position on the People's Ordinance by launching an updated analysis of the 1919 measure.

The Association has a long history of opposing unnecessary taxes or fees and supporting those where there is a demonstrated need, evidence of managerial acumen, and good governing procedures. For 2022, the Association has set a high bar for municipal governments or citizens' groups looking to raise taxes and wants agencies to directly address the structural inequities that exacerbate the problems faced by underserved communities

The Association believes that municipal agencies should live within their means and demonstrate an effort to do so. Specifically, the Association highlights that it will oppose any special tax for public goods generally financed out of general funds unless a municipal government does one of three things:

- 1.) It respects the voters by committing to placing on the ballot a tax to pay for growing pension costs. The Association believes that the structural inequities caused by burgeoning public pension obligations should be addressed head on, and the people should be given a choice if they want to pay for that at the same time a special tax is levied.
- 2.) It works with the Local Agency Formation Commission to adjust boundaries so that the tax base is aligned to the true costs of service.
- 3.) It works with its labor groups to reduce salaries and pension benefits by the same amount of revenue it expects to receive through the proposed special tax.

"The purpose of this policy is to be transparent and proactive so any group or governing body seeking an endorsement from the Taxpayers Association knows exactly what we are looking for to serve the best interest of taxpayers," said Mark Nelson, SDCTA Chairman of the Board. "The Association is committed to protecting ALL taxpayers and rooting out inequities caused by decades of misusing taxpayer dollars."



The San Diego County Taxpayers Association has a 76-year history of holding government accountable for making the best use of public funds, and this policy is an homage to that mission. The SDCTA also maintains that any group seeking a new tax has a responsibility to be transparent about how it is currently using the tax dollars it has, why additional funds are necessary, and that the funding stream fits the intended use.

"We are expecting any group seeking to increase taxes to prove that it is being responsible with those dollars and demonstrate to the public exactly how it will impact their pocketbooks." said Haney Hong, SDCTA president & CEO. "With a history of mismanagement of taxpayer dollars in our region, we simply want to ensure that taxpayers are not being asked to contribute even more of their hard-earned dollars to a pot with a gaping hole at the bottom."

This policy for the 2022 election cycle will join other Association policies to ensure good governance, including general opposition to Ballot Box Budgeting (2003), and also to Ballot Box Land Use Planning (2019). These policies have no expiration date.

The full San Diego County Taxpayers Association General Policy on Special Taxes and Citizens Initiatives for 2022 can be found here.

In addition to outlining expectations for groups seeking tax increases in the coming election year, the Taxpayers Association has also committed to taking another look at its position from 2015 to support the repeal of the **People's Ordinance**. SDCTA believes it is important to reassess this long-standing policy and consider the changes to the current economic and political landscape, as well as account for waste diversion mandates imposed by the State.

"There have been significant changes in the seven years since the Taxpayers Association evaluated the People's Ordinance, and it is important to hold ourselves accountable and be intellectually humble enough to reevaluate our past positions," said Hong. "I want to be clear that we are not changing our position without a current, thorough analysis - this vote by our Board of Directors was simply to commit to that analysis."

"This is a hot topic right now and there doesn't seem to be any consensus about what property taxes are intended to pay for," said Mike McLaughlin, SDCTA Vice Chair for Issues. "With San Diego families being stretched so thin, we owe it to them to look at this with fresh eyes through the lens of good governance and responsible financial management."

The Taxpayers Association staff will begin gathering data and conducting its analysis in the coming weeks, and the issue is expected to be considered by the Board in April.

