

Duperron Voices Opposition to Proposition 15

Donna Duperron, President & CEO, voiced the chamber's opposition to Proposition 15 at last Tuesday's City Council meeting. The chamber's Government Affairs Policy (GAP) voted in August to oppose Proposition 15, a \$12.5 billion a year property tax increase—the largest in state history—that is riddled with flaws which will hurt all Californians.

Duperron expressed three key issues of proposition 15, it will hurt small business; it will harm female and minority owned businesses and it lacks accountability and transparency.

Most small businesses rent the property on which they operate and have a “triple net lease” under which they are responsible for paying property taxes, insurance, and maintenance costs. Small businesses—such as restaurants, gyms, barber shops, daycare centers, grocery stores, nail salons—will pay higher rents if Proposition 15 passes, therefore, it will hurt small businesses.

Numerous studies show that increasing property taxes on small businesses will have a disproportionate negative impact on businesses owned by women and minorities, therefore, it will harm female and minority owned businesses.

Flimsy reporting requirements in Proposition 15 will enable government agencies to hide where they are spending the new tax dollars. There is no independent oversight. Therefore, it lacks accountability and transparency.

Duperron explained that passing Proposition 15 would pummel California's economy at the very worst time. The commercial market is struggling now, as Californians increasingly work from home and as many brick and mortar retailers and restaurants remain closed.