

LAUSD's punishing parcel tax proposal

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America's most dysfunctional school district has stepped in it again. The Los Angeles Unified School District (LAUSD), apparently coming to the shocking realization that there was no way they could pay for the horrible deal they just cut with the unions, has hurriedly placed on the ballot for June a new property tax that leaves no Los Angeles taxpayer unscathed.

That grassroots taxpayer interests would be opposed to the new levy is no surprise. **But several business organizations, usually more tolerant of higher government spending — particularly for education — have had enough.** Groups as diverse as the Howard Jarvis Taxpayers Association, the Los Angeles Chamber of Commerce, the Valley Industry and Commerce Association (VICA) and the L.A. County Business Federation (BizFed) have all announced their opposition. None of these organizations is anti-education. In fact, all are pro-education as long as there is demonstrable improvement in the education product we are all paying for. On this score, LAUSD falls way short.

At the core of the broad-based opposition is the abject lack of long overdue reforms at LAUSD. The list of reasons to oppose the tax is long.

First, taxpayers would be wasting millions of dollars on a special election. The LAUSD Board voted unanimously to put the tax increase before the voters in a special election to be held on June 4, 2019. The cost of the special election is \$12.5 million.

The tax would add hundreds of dollars to tax bills and rents and would do so in a convoluted manner. **Rather than a flat tax on every parcel — which would be bad enough — the proposed tax increase would be 16 cents per square foot of building improvements on properties within the district.**

That's \$160 for every 1,000 square feet. Property owners (and tenants) should be sitting down when they do the math on this one.

Seniors are ostensibly exempt from the tax, but not from rent increases. Properties used as the principal residence of owners who are age 65 or older, or on disability, are eligible for an exemption, but there's no exemption from the higher rents or higher prices that result from the tax hike. Also, seniors should be very cautious about the so-called "exemption," as in many instances it's necessary to re-apply for them every year.

The tax would force taxpayers to bailout the district for its own mismanagement. The expected revenue would be \$500 million annually for 12 years. That's the amount reflective of the district's structural deficit. A large portion of that mismanagement is attributable to the district's irresponsible contract promises to the teachers' union. No private-sector entity would agree to end a labor strike without having the money to fund the contract.

Like many proposed tax increases and bond proposals, LAUSD's proposed tax comes with phony oversight. The measure says the money must be used for the "support" of schools, but that is so general that all the money could be spent on pensions and retiree benefits, with not one cent going into classrooms.

But the biggest reason all Los Angeles voters should vote no on Measure EE is that this bailout would remove the pressure for needed reforms. Before the teachers' strike, L.A. County was warning the district that it could be taken over due to projected financial shortfalls within a three-year period. That created pressure for budget reform. But instead of reform, LAUSD wants a massive tax increase.

We all want quality schools. But voters need to fully comprehend what they would be getting if Measure EE passes.

More importantly, they need to know what they would not be getting.

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