



## FACT SHEET

### Background

On Feb. 28, 2019, the LAUSD's Board unanimously voted to place on a June 4<sup>th</sup> Special Election ballot a **new \$500 million property tax on homes, apartments and business properties throughout the LAUSD's service area**. The district's proposed property tax would assess a tax of 16-cents per square foot on all properties, which is in addition to an existing 12-cent per square foot property tax already levied by the district, and statewide tax increases dedicated to schools passed by voters in 2012 and 2016. The property tax requires two-thirds voter approval. **The Special Election will cost \$12.5 million to conduct.**

### Why the District is Calling for a Property Tax Increase

The Board's decision to tax homeowners, renters and businesses is in direct response to the promises made by the district to meet union demands to end the strike earlier this year. These promises were made knowing the district did not have the funds to pay for the union's demands. In fact, the district projects a more than \$400 million annual shortfall, due in large measure to skyrocketing retiree health care costs and pension debt.

The district's own resolution to place the property tax on the ballot calls for, among other things, money for administrative services. **Measure EE has no cap on administrative expenses and, despite district and union claims to the contrary, has no requirement the new tax revenue is spent in the classroom or on children.**

The LAUSD already spends more than \$7.5 billion a year, yet the district is so badly mismanaged that money hasn't led to any significant improvements in classrooms or test results. **A 2018 Reason Foundation report found that over the last 15 years, the district has lost more than 245,000 students but staffing (administration and teachers) has increased.** The cost of the district's employee benefits has increased 44% since 2014. Its spending on outside consulting services rose 110% since 2014.

### The Real Story

In a missive to its followers, **United Teachers Los Angeles (UTLA) made clear the property tax is the first of a number of steps the union intends to take to continue taxing homeowners and businesses, including the elimination of Proposition 13, capping charter and magnet school growth and "unapologetically taxing the rich."**

**Measure EE is a thinly-veiled attempt by district bureaucrats and defenders of the failed status quo to have taxpayers bail out a school district with a history of red ink, appalling education results, declining enrollment, runaway administrative hiring and exploding retirement and health care costs.**

The district's own polling shows that, with a strong challenge, Measure EE does not have sufficient support to meet the two-thirds vote threshold. **A well-funded outreach campaign can defeat Measure EE.**

**For more information visit: [www.VoteNoOnEE.com](http://www.VoteNoOnEE.com)**

#### Campaign Contact:

Matt Klink  
(310) 283-6267  
[matt@klinkcampaigns.com](mailto:matt@klinkcampaigns.com)

#### Fund-Raising Contact:

Tracy Austin  
(310) 435-8474  
[tracy@tracyaustininc.com](mailto:tracy@tracyaustininc.com)

**Ad paid for by No on Measure EE: Reform LA Unified First - Not New Taxes, a committee sponsored by taxpayers, homeowners, renters, and small businesses**

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Additional information is available at [ethics.lacity.org](http://ethics.lacity.org).