

Date of Hearing: May 1, 2019

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Cecilia Aguiar-Curry, Chair

AB 570 (Aguiar-Curry) – As Amended March 25, 2019

SUBJECT: Local Government Investment Act.

SUMMARY: Enacts the Local Government Investment Act to clarify technical implementation issues related to ACA 1 (Aguiar-Curry). Specifically, **this bill:**

- 1) Enacts the Local Government Investment Act to clarify technical implementation issues related to ACA 1 (Aguiar-Curry), as follows:
 - a) Defines the term “affordable housing,” to additionally mean a first-time home buyer program offered by a local agency; and,
 - b) Clarifies that a parcel tax may include an exemption for persons who are 65 years of age or older, receiving Social Security Income for a disability, or receiving Social Security Disability Insurance Benefits, and whose yearly income does not exceed specified amounts, which is consistent with existing law for parcel taxes.
- 2) Declares that the provisions of the bill will only become operative if ACA 1 is approved by voters at a statewide ballot.

FISCAL EFFECT: None

COMMENTS:

- 1) **Bill Summary and Author’s Statement.** This bill defines the term “affordable housing,” for purposes of ACA 1 implementation, to additionally include a first-time home buyer program offered by a local agency. AB 570 also clarifies that a parcel tax imposed pursuant to ACA 1 may include an exemption for persons who are 65 years of age or order, receiving Social Security Income for a disability, or receiving Social Security Disability Insurance Benefits, and whose yearly income does not exceed specified amounts. This is consistent with existing law for parcel taxes. The provisions of AB 570 will only become operative if ACA 1 is approved by voters. This bill is author-sponsored.

According to the author, “This bill is a companion measure to ACA 1 and will help to clarify any implementation issues that may come up, should voters support ACA 1 at a statewide ballot in 2020. Some implementation issues do not need to be addressed in provisions of the California Constitution, and instead can be done via statute. This bill will be used for that purpose, and right now contains several clarifications. The bill will only take effect if ACA 1 is approved by voters.”

- 2) **Arguments in Support.** Supporters argue that this bill is necessary to help clarify issues related to ACA 1 implementation, should it be approved by voters in 2020.
- 3) **Arguments in Opposition.** Howard Jarvis Taxpayers Association argues that the bill is premature since the voters have not yet voted on ACA 1.

REGISTERED SUPPORT / OPPOSITION:

Support

California Labor Federation

Opposition

Howard Jarvis Taxpayers Association

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