



California Proposition 2, Use Millionaire's Tax Revenue for Homelessness Prevention Housing Bonds Measure (2018)

California Proposition 2, the Use Millionaire's Tax Revenue for Homelessness Prevention Housing Bonds Measure, is on the ballot in California as a legislatively referred state statute on November 6, 2018.^[1]

A **yes** vote supports authorizing the state to use revenue from Proposition 63 (2004)—a 1 percent tax on income above \$1 million for mental health services—on \$2 billion in revenue bonds for homelessness prevention housing for persons in need of mental health services.

A **no** vote opposes authorizing the state to use revenue from Proposition 63 (2004) on \$2 billion in revenue bonds for homelessness prevention housing for persons in need of mental health services.

California Proposition 2



Election date

November 6,
2018

Topic

Taxes and
Housing

Status

On the ballot

Type	Origin
State statute	State legislature

Overview

Why is Proposition 2 on the ballot?

The California State Legislature passed legislation to spend revenue from Proposition 63 on revenue bonds for homelessness prevention housing in 2016. The legislation, however, did not go into effect because of pending litigation over whether revenue from the millionaire's tax could be spent on homelessness prevention housing.^[2] Unlike general obligation bonds, revenue bonds do not require a public vote in California. Proposition 2 was referred to the ballot because the revenue for the bond would come from a tax that was created through a ballot initiative, Proposition 63. In California, changes to ballot initiatives require a vote of the public.

What other ballot propositions address housing in California?

Voters in California will decide four ballot propositions related to housing on November 6, 2018—the most ever to appear on a state's ballot in one year according to Ballotpedia's catalog of housing-related ballot measures. Besides Proposition 2, voters will decide the following three housing-related ballot propositions:

- Proposition 1 would authorize \$4 billion in bonds for affordable housing programs, loans, grants, as well as housing loans for veterans.
- Proposition 5 would remove restrictions on allowing seniors (ages 55+) and persons with serve disabilities to transfer their tax assessments, with a possible adjustment, from their prior home to their new home.
- Proposition 10 would allow local governments to adopt rent control.

Supporters of Propositions 1, 2, 5, and 10 all argue that their ballot measures would help address the housing situation, such as rent prices, real estate values, and available housing, in California.

Text of the measure

Ballot title

The official ballot title is as follows:^[3]

“ Authorizes Bonds to Fund Existing Housing Program for Individuals With Mental Illness. Legislative Statute.^[4] ”

Ballot summary

The official ballot summary is as follows:^[3]

“

- Ratifies existing law establishing the No Place Like Home Program, which finances permanent housing for individuals with mental illness who are homeless or at risk for chronic homelessness, as being consistent with the Mental Health Services Act approved by the electorate.
- Ratifies issuance of up to \$2 billion in previously authorized bonds to finance the No Place Like Home Program.
- Amends the Mental Health Services Act to authorize transfers of up to \$140 million annually from the existing Mental Health Services Fund to the No Place Like Home Program, with no increase in taxes.^[4]

”

Fiscal impact

The fiscal impact statement is as follows:^[3]

“ Allows the state to use up to \$140 million per year of county mental health funds to repay up to \$2 billion in bonds. These bonds would fund housing for those with mental illness who are homeless.^[4] ”

Full text

The measure would amend state Welfare and Institutions Code, including Proposition 63 (2004). The following underlined text would be added and ~~struck-through~~ text would be deleted:^[1]

AB 1827, Committee on Budget. No Place Like Home Act of 2018.

SECTION 1. The voters hereby find and declare that housing is a key factor for stabilization and recovery from mental illness and results in improved outcomes for individuals living with a mental illness. The Mental Health Services Act, an initiative measure enacted by the voters as Proposition 63 at the November 2, 2004, statewide general election, must therefore be amended to provide for the expenditure of funds from the Mental Health Services Fund to the No Place Like Home Program established pursuant to Part 3.9 (commencing with Section 5849.1) of Division 5 of the Welfare and Institutions Code, which finances the acquisition, design, construction, rehabilitation, or preservation of permanent supportive housing for individuals living with a severe mental illness who are homeless or at risk of chronic homelessness.

SEC. 2. Section 1, this section, and Sections 3 to 7, inclusive, shall be known, and may be cited as the No Place Like Home Act of 2018.

Support

Zima Creason, CEO of Mental Health America (MHA) of California, **David Swing**, president of the California Police Chiefs Association, and **Sergio Aguilar-Gaxiola**, a former member of the National Advisory Mental Health Council of the National Institute of Mental Health, wrote the official arguments in support of Proposition 2 that appeared in the state's voter guide.^[5]

Decades of research shows providing people with a stable place to live along with mental health services promotes healthy, stable lives. The combination is known as permanent supportive housing. Studies show supportive housing significantly reduces public health costs and reduces blight.

STRENGTHENING PARTNERSHIPS TO HELP PEOPLE IN NEED

YES on 2 will help establish and strengthen partnerships between doctors, law enforcement, mental health and homeless service providers to help ensure care is coordinated and tailored to meet the needs of each person suffering from mental health illness and homelessness, or who is at great risk of becoming homeless.

Opposition

Leaders of the National Alliance on Mental Illness (NAMI) Contra Costa—President **Charles Madison**, Executive Director **Gigi R. Crowder**, and Legislative Committee Chairperson **Douglas W. Dunn**—wrote the official argument against Proposition 2 that appeared in the state's voter guide:^[6]

treatment or to build housing in their localities.

- Does nothing to address systemic legal barriers, like limited state protection against restrictive local zoning, that make it very difficult to build supportive housing for groups like the severely mentally ill. Neighborhoods often fight hard to keep them out. It is senseless to pay out billions in interest and expenses to borrow money that may sit unspent because of local opposition to supportive housing projects with severely mentally ill tenants.

The Voters dedicated Proposition 63 money to treatment, which prevents homelessness, in 2004. That is where it should go.

Campaign finance

See also: Campaign finance requirements for California ballot measures

The campaign finance information on this page is according to the most recent scheduled reports, which covered through June 30, 2018, and interim reports available as of July 31, 2018. The deadline for the next scheduled reports is September 27, 2018.

There was one ballot measure committee registered in support of Proposition 2—**Affordable Housing Now**. Affordable Housing Now is raising and spending funds for Proposition 2 and Proposition 1. The committee reported \$2.09 million in contributions and \$363,797 in expenditures.^[7]

Total campaign contributions:	
Support:	\$2,087,931.10
Opposition:	\$0.00

The Chan Zuckerberg Advocacy, a committee affiliated with the Chan Zuckerberg Initiative, provided the largest contribution—\$250,000—to Affordable Housing Now.^[7] Mark Zuckerberg, the founder of Facebook, and his spouse Priscilla Chan founded the Chan Zuckerberg Initiative, which, as of 2018, focuses on supporting and investing in projects that promote biomedical research, personalized learning, affordable housing, and criminal justice reform.^[8]

There were no committees registered in opposition to Proposition 2.^[7]

Support

The following table includes contribution and expenditure totals for the committee in support of the initiative.^[7]

Committees in support of Proposition 2				Total
Supporting committees	Cash contributions	In-kind services	Cash expenditures	Total raised:
Affordable Housing Now, a Coalition of Housing California, California Housing Consortium, State Building and Construction Trades Council of California and Silicon Valley Leadership Group	\$2,066,900.00	\$21,031.10	\$342,765.77	Total spent:
Total	\$2,066,900.00	\$21,031.10	\$342,765.77	

Donors

The following were the donors who contributed \$100,000 or more to the support committee as of August 24, 2018:^[7]

Donor	Cash	In-kind	Total
Chan Zuckerberg Advocacy	\$250,000.00	\$0.00	\$250,000.00
Members' Voice of the State Building and Construction Trades Council of California	\$150,000.00	\$0.00	\$150,000.00
Caleb J. Roope	\$100,000.00	\$0.00	\$100,000.00
California Works - Senator Toni Atkins BMC	\$100,000.00	\$0.00	\$100,000.00
EAH, Inc.	\$100,000.00	\$0.00	\$100,000.00
Eden Housing, Inc.	\$100,000.00	\$0.00	\$100,000.00
Highridge Costa Investors, LLC	\$100,000.00	\$0.00	\$100,000.00
Housing Trust Silicon Valley	\$100,000.00	\$0.00	\$100,000.00
Mercy Housing, Inc.	\$100,000.00	\$0.00	\$100,000.00
MidPen Housing Corporation c/o Mid-Peninsula Housing	\$100,000.00	\$0.00	\$100,000.00

Reporting dates

In California, ballot measure committees filed a total of five campaign finance reports in 2018. The filing dates for reports are as follows:^[9]

**Campaign finance reporting dates for November [hide]
2018 ballot**

Date	Report	Period
1/31/2018	Annual Report for 2017	1/01/2017 - 12/31/2017
4/30/2018	Report #1	1/01/2018 - 3/31/2018
7/31/2018	Report #2	4/01/2018 - 6/30/2018
9/27/2018	Report #3	7/01/2018 - 9/22/2018
10/25/2018	Report #4	9/23/2018 - 10/20/2018
1/31/2019	Annual Report for 2018	10/21/2018 - 12/31/2018

Media editorials

Support

- **The Press Democrat:** "A housing-first approach to homeless has proven effective, but it can only work if housing is available. Proposition 2 would help provide badly needed refuge for the mentally ill homeless, and The Press Democrat recommends a “yes” vote.”^[10]

Opposition

Ballotpedia did not find any media editorial boards opposing Proposition 2. If you are aware of an editorial, please email it to editor@ballotpedia.org.

Background

What is Proposition 63 (2004)?

In 2004, voters approved a ballot initiative, titled Proposition 63, to enact an additional 1 percent tax on incomes of \$1.0 million or greater. Proposition 63 required that revenue from the tax, referred to as the millionaire's tax, be spent on mental health services and programs in California.^[11]

Proposition 63 is estimated to generate \$2.23 billion in the fiscal year 2018-2019.^[12]

Path to the ballot

See also: *Laws governing legislative alteration in California*

The California State Legislature's bill for this proposed measure is Assembly Bill 1827 (AB 1827). The Assembly Budget Committee introduced the bill. As the bill was written to amend a ballot initiative, legislators were required to refer the legislation to the ballot as a proposition.^[1]

Both chambers of the state legislature approved AB 1827 on June 25, 2018. In the state Senate, the vote was 35-0, with four members not voting. In the state Assembly the vote was 72-1, with seven members not voting. The one legislator to vote against referring the measure was Rep. Catharine Baker (R-16).^[1]

On June 27, 2018, Gov. Jerry Brown (D) signed AB 1827, certifying the measure to appear on the ballot for the election on November 6, 2018.

Vote in the California State Senate June 25, 2018				Vote in the California St June 25, 20	
Requirement: Simple majority vote of all members in each chamber				Requirement: Simple majority vote of al	
Number of yes votes required: 20				Number of yes votes req	
	Yes	No	Not voting		Yes
Total	35	0	4	Total	72
Total percent	89.74%	0.00%	10.25%	Total percent	90.00%
Democrat	26	0	0	Democrat	5
Republican	9	0	4	Republican	1



How to vote

See also: *Voting in California*

Poll times

All polls in California are open from 7:00 a.m. to 8:00 p.m. Pacific Time. An individual who is in line at the time polls close must be allowed to vote.^[13]

Registration requirements

To vote in California, an individual must be U.S. citizen and California resident. A voter must be at least 18 years of age on Election Day. Conditional voter registration is available beginning 14 days before an election through Election Day.^[14]

On October 10, 2015, California Governor Jerry Brown (D) signed into law Assembly Bill No. 1461, also known as the New Motor Voter Act. The legislation authorized automatic voter registration in California for any individuals who visit the Department of Motor Vehicles to acquire or renew a driver's license. The law was scheduled to take effect in 2016.^{[15][16]}

Online registration

See also: Online voter registration

California has implemented an online voter registration system. Residents can register to vote by visiting this website.

Voter ID requirements

According to the Office of the California Secretary of State, "in most cases, California voters are not required to show identification at their polling place." A voter may be asked to provide identification at the polls if it is his or her first time voting (this requirement applies if the individual registered by mail without providing a driver's license number, state identification number, or the last four digits of a Social Security number). Acceptable forms of identification include driver's licenses, utility bills, or any document sent by a government agency. For a complete list of acceptable forms of identification, see this list.^[17]

See also

2018 measures



- 2018 ballot measures
- Taxes on the ballot
- Housing on the ballot
- Bond issues on the ballot
- 2018 legislative sessions

California



- California ballot measures
- California ballot measure laws

News and analysis



- Ballot measure lawsuits
- Ballot measure readability
- Ballot measure polls

External links

- [Assembly Bill 1827](#)

Footnotes

1. *California State Legislature*, "AB-1827," accessed June 26, 2018
2. *Los Angeles Times*, "\$2 billion to help house California's homeless isn't being spent — and no one knows when it will be," March 1, 2018
3. *California Secretary of State*, "Official Voter Information Guide November 2018," accessed August 21, 2018
4. *Note: This text is quoted verbatim from the original source. Any inconsistencies are attributed to the original source.*

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