



REALTOR TOOLKIT

Home Protection for Seniors, Severely Disabled, Families,
and Victims of Wildfire or Natural Disasters

The following information is intended for California Realtors to learn
and provide information about Proposition 19 to colleagues and clients.

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INTRODUCTION

CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) is co-sponsoring Proposition 19 with the California Professional Firefighters because it provides relief for the state's housing crisis and protections for homeowners. Not to mention, it protects property tax savings for families, seniors, people with disabilities and victims of natural disasters and wildfires, and secures funding for fire protection, local governments and schools.

Proposition 19 protects homeowners from increases in their property tax rate while generating millions of dollars in funding for fire protection, schools and local communities. Realtors are the best advocates to share the facts and benefits of Proposition 19 within their networks and with their clients.

This toolkit provides information about the initiative and sample content that may be shared with your networks and clients.

Additional resources will be shared including social media graphics that Realtors can use to in the coming months. You can learn more information about Prop 19 at www.CARHOMECoalition.com and follow Yes on Prop 19 on [Facebook](#), [Twitter](#) and [Instagram](#).

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FAQ

What are the main provisions of the initiative?

- Strengthens and expands portability for Proposition 13 tax savings by allowing seniors, people with severe disabilities, and victims of natural disasters/wildfires to transfer their Prop 13 tax base to a replacement home, regardless of the price.
- Generates hundreds of millions of dollars in new funding for fire protection, local schools, public safety, firefighters, emergency response, libraries, homeless services, and local housing programs.
- Protects the Constitutional right of grandparents and parents to pass the family home to their children and grandchildren so families can afford to move into the family home as their primary residence without facing an increase in the tax rate as intended under Propositions 58 and 193.

How does Proposition 19 provide housing relief?

- Limits property tax increases on primary residences for homeowners over 55 years old, people with severe disabilities, and victims of natural disasters or wildfires by removing unfair location restrictions for people who may need to move closer to family or medical care, downsize, or find a home that better fits their needs.
- Limits property tax increases for victims of wildfires to replace a damaged home and limit damage from wildfires on homes through dedicated funding for fire protection and emergency response.

- Limits property tax increases on family homes used as a primary residence by protecting the right of parents and grandparents to pass on their family home to their children and grandchildren for continued use as a primary residence.
- Opens up tens of thousands of housing opportunities to make homes more readily available for first-time homeowners, families, and Californians throughout the state.

How does Proposition 19 benefit families?

- The initiative would protect the right for a grandparent or parent to pass their family home onto their children and grandchildren so family members can affordably move into the home as their primary residence, safeguarding family transfers, which are currently under threat of removal or elimination. It also allows seniors to move into a home to be near family or medical care, creating a wave of home buying opportunities for tens of thousands of families and first-time home buyers across the state.

Is this the right time for this initiative?

- Yes. This initiative will play a key role in California's economic recovery when we need it most, as it provides significant financial support for much-needed fire protection, will help fill local governments' budget gaps widened by the pandemic. It will also help alleviate the housing crisis with increased portability and more homes opening up.

If Prop 19 loses in November, how would that impact the real estate industry?

■ Failure on this initiative would result in significant negative consequences short-term and long-term for real estate and the housing market. With about 4.1 million California homeowners aged 55 or older by 2021, the initiative will likely generate 67,000 to 150,000 new home transactions per year over the next few decades. More specifically, the media and state legislators have already targeted family transfers for significant reform or complete elimination in the past two years on the recommendation by the Legislative Analyst's Office to legislators that reform or removal of these "special rules" would generate \$1.5 billion in annual revenue. With the urgent need to fill state and local budget deficits due to COVID-19, removal of intergenerational transfer tax rules is imminent – which is why it is so important to preserve and protect this right with this initiative.

Does the Legislature want to eliminate intergenerational transfers?

Yes. The "special rules" are under attack in the media and targeted for removal by the Legislature. Without this initiative, the elimination of all intergenerational transfers is at stake.

Media headlines from 2018 include:

- **LA Times:** [California homeowners get to pass low property taxes to their kids. It's proved highly profitable to an elite group](#) (August 17, 2018)
- **AP News:** [CA Bill Targets Tax Breaks for Wealthy Homeowners](#) (January 9, 2020)
- **Biz Journals:** [Mayors of California's largest cities support bill to eliminate tax breaks for vacation homes](#) (March 9, 2020)
- **SF Chronicle:** [California tax shelter saves children big bucks on inherited property](#) (August 19, 2018)

Will this initiative impact Prop 13?

Proposition 19 strengthens and expands Prop 13 property tax savings by allowing homeowners who are 55 or older, people with severe disabilities, and wildfire or natural disaster victims to transfer their property tax base to a replacement home anywhere in California up to three times regardless of the cost of the home. Natural disasters are not counted against the transfer limit.

How will Proposition 19 benefit local communities?

This initiative generates hundreds of millions of annual funding with long-term revenue of over \$1 billion annually for fire protection, local government and school districts that can be used for vital resident services such as emergency response, county hospitals, health care, homeless services, and local housing programs. The initiative further protects counties by establishing a county offset fund, providing additional revenue protection year in and year out.

Proposition 19 also creates a historic Fire Response Fund providing needed revenue for fire protection and response including tens of millions of dollars in dedicated funding each year for historically underfunded fire districts in rural and urban communities.

Does Proposition 19 protect family transfers?

Yes. Proposition 19 will protect the right of parents and grandparents to pass on their family home to their children and grandchildren for continued use as a primary residence.

The Legislative Analyst's Office recommended to state legislators that eliminating family transfer benefits will generate more than \$1.5 billion in additional property tax revenue annually. Now that state and local governments face unprecedented budget deficits due to COVID-19, the threat of complete elimination of family transfers is imminent.

TALKING POINTS

Proposition 19 Spurs Housing Economic Recovery

Proposition 19 is needed now more than ever because it will help the housing market by stimulating new home sales and transactions, strengthening and expanding Proposition 13, and protecting and preserving family transfers. Specifically:

Proposition 19 Strengthens Proposition 13's Tax Savings: The initiative strengthens and expands portability for Prop 13 tax savings, allowing seniors, people with severe disabilities, and victims of natural disasters/wildfires to transfer their Prop 13 tax base to replacement homes regardless of the price of the replacement home.

- It removes current unfair location and cost restrictions to allow greater flexibility for property base transfers that severely limit property tax base portability.
- Importantly, it eliminates hurdles for homeowners at the most critical time as many seniors are ready to downsize, move closer to family, or medical care as a result of COVID-19.
- At a time when 4.1 million homeowners will be eligible to port their Prop 13 tax base starting in 2021, it will open up tens of thousands of housing opportunities to make homes more readily available for first-time homeowners, families, and Californians throughout the state.

Proposition 19 Protects and Preserves Family Transfers: Under the threat of attacks in the media and worsened by sudden budget deficits and a greater need for schools, state, and local government funding, the elimination of family transfer benefits is imminent.

- These "special rules" as termed in the media, have been targeted by state legislators to generate billions of dollars in annual revenue for schools, state, and local government.
- The state Legislative Analyst's Office has already recommended to legislators that significant reform or removal will generate \$1.5 billion in new revenue per year.
- This initiative protects family transfers as intended under the law, safeguarding family homes against attacks and elimination, preserving this right in the California State Constitution.

REALTORS®: The Opportunity is Now

This initiative will be critical in California's financial recovery from the pandemic with significant long-term benefits for REALTORS®, our clients, and the entire housing market.

Without Prop 19, the housing market would suffer. Failure in November would result in significant negative consequences for the housing market.

Prop 19 Generates Hundreds of Millions of Dollars in Annual Funding for Fire Protection, Local Government and School Districts Without A Tax Rate Increase

This generates much needed revenues for fire protection and local governments while at the same time it protects family home transfers as they were intended in Propositions 58 and 193.

- Generates new revenues for fire protection, local government, and school districts that can be used for vital resident services such as emergency response, housing, homeless, or health care programs.
- Helps cities, counties and school districts balance budgets and provides a boost to our state's economic recovery from the COVID-19 pandemic, with long-term revenue of over \$1 billion annually and a newly established offset fund.
- Creates a historic Fire Response Fund providing revenue of tens of millions of dollars in dedicated funding historically underfunded fire districts in rural and urban communities and ensures supplemental funding to CalFire.

California Voters Overwhelmingly Support Prop 19

- C.A.R. submitted nearly 1.5 million signatures in record time to qualify the initiative for the November 2020 ballot.
- Polling conducted since the COVID-19 pandemic confirms that even though 76% of voters believe the crisis will have a long-term negative impact on California, voters overwhelmingly support the initiative after hearing about the provisions.
- The initiative presently faces little campaign opposition – a significant positive development since Prop 5.

FAQ FOR VOTERS

The following information can be shared with your clients and networks to educate them about Proposition 19. Please feel free to share this content through your newsletters, brochures, social media accounts, emails to clients, and with local organizations in which you are involved.

If your clients have specific questions about how this will impact them, refer to these frequently asked questions or feel free to contact realtorparty@car.org.

What will Proposition 19, Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire and Natural Disasters do to benefit Californians?

- Limits property tax increases on primary residences for homeowners over 55 years old, people with severe disabilities, and victims of natural disasters or wildfires by removing unfair location restrictions for people who may need to move closer to family or medical care, downsize, or find a home that better fits their needs.
- Limits property tax increases for victims of wildfires to replace a damaged home and limit damage from wildfires on homes through dedicated funding for fire protection and emergency response.
- Limits property tax increases on family homes used as a primary residence by protecting the right of parents and grandparents to pass on their family home to their children and grandchildren for continued use as a primary residence.
- Opens up tens of thousands of housing opportunities by making homes more readily available for first-time homeowners, families, and Californians throughout the state.

[CA AG File No. 19-0003, Section 2, Page 1-2; 19-0003, Section 3, Page 2; 19-0003, Section 6, Pages 5-14]

How does Proposition 19 increase housing affordability?

The initiative will allow homeowners who are 55 and older, people with severe disabilities, wildfire or natural disaster victims to transfer their current property tax base to a replacement home anywhere in California. By making it more affordable for seniors to move to a home that better fits their needs, it will open housing inventory to make more homes available for new families and first-time homeowners.

How does Proposition 19 benefit families?

The initiative would protect the right for a grandparent or parent to pass their family home onto their children and grandchildren so families can affordably move into the home as their primary residence, safeguarding family transfers which are currently under threat of removal or elimination. It will also open up housing opportunities by making homes more readily available.

How will Proposition 19 benefit local communities?

This initiative generates hundreds of millions of annual funding with long-term revenue of over \$1 billion annually for fire protection, local government and school districts that can be used for vital resident services such as emergency response, county hospitals, health care, homeless services, and local housing programs. The initiative further protects counties by establishing a county offset fund, providing additional revenue protection year in and year out.

What is the fiscal impact to cities and counties?

This initiative will help cities, counties and school districts balance budgets and provide a boost to our state's economic recovery from the COVID-19 pandemic, with long-term revenue of over \$1 billion annually. It also provides local revenue for counties, cities, and special districts, and establishes a county offset fund, providing additional revenue protection year in and year out.

[LAO Fiscal Report, October 2017; LAO Fiscal Impact 8/22/19]

How does Proposition 19 generate new revenue for fire protection, schools, cities and counties?

The initiative will stop tax schemes and deceptive practices that cost local governments and schools up to \$1.5 billion every year. Specifically, it eliminates unfair tax loopholes used by East Coast investors, celebrities, wealthy non-California residents, and trust fund heirs to avoid paying a fair share of property taxes on vacation homes, income properties, and beachfront rentals they own in California. It will continue to preserve the intent of Proposition 58 and Proposition 193 that kept families home affordable when parents and grandparents passed down the family home to children and grandchildren who use it as their primary residence.

[Los Angeles Times, 8/17/18, 8/24/18; San Diego Union Tribune, 8/17/18; LAO Fiscal Report, October 2017, LAO Fiscal Impact, 8/22/19; CA A.G. File No. 19-0003, Sections 2-3]

How will Proposition 19 improve fire protection?

The initiative will provide dedicated funding for fire response across the state, protecting millions of homes and lives. Specifically, it will create a historic Fire Response Fund providing needed revenue for fire protection and response including tens of millions of dollars in dedicated funding each year for historically underfunded fire districts in rural and urban communities. It will also provide supplemental funding to CalFire in support of California's wildfire response to protect millions of residents throughout the state.

Will this initiative raise my taxes?

No. The initiative will limit property tax increases for seniors, people with severe disabilities, wildfire or natural disaster victims, and family farms. It will also limit property tax increases on the family home used as a primary residence keeping family homes affordable.

How does Proposition 19 support California's family farms?

The measure provides added tax relief for California's family owned farms and ranches. The additional tax savings for a farmer or rancher will help protect generational farming and continue to support operations.

Who supports Proposition 19?

Proposition 19 has support from labor, business, Democrats, Republicans, wildfire victims, local government, education, agriculture, and community organizations.

FACT SHEET FOR VOTERS

The following information can be shared with your clients and networks to educate them about Proposition 19. Please feel free to share this content through your newsletters, brochures, social media accounts, emails to clients, and with local organizations in which you are involved.

If your clients have specific questions about how this will impact them, refer to these frequently asked questions or feel free to contact realtorparty@car.org.

FACT: This Initiative Limits Property Tax Increases on Primary Residences for Seniors, People with Severe Disabilities, Families, and Wildfire and Natural Disaster Victims.

- Limits property tax increases on primary residences for homeowners over 55 years old, people with severe disabilities, and victims of natural disasters or wildfires by removing unfair location restrictions for people who may need to move closer to family or medical care, downsize, or find a home that better fits their needs.
 - Limits property tax increases for victims of wildfires to replace a damaged home and limit damage from wildfires on homes through dedicated funding for fire protection and emergency response.
 - Limits property tax increases on family homes used as a primary residence by protecting the right of parents and grandparents to pass on their family home to their children and grandchildren for continued use as a primary residence.
 - Opens up tens of thousands of housing opportunities to make homes more readily available for first-time homeowners, families, and Californians throughout the state.

[CA AG File No. 19-0003, Section 2, Page 1-2; 19-0003, Section 3, Page 2; 19-0003, Section 6, Pages 5-14]

FACT: This Initiative Generates Hundreds of Millions of Annual Funding for Fire Protection, Local Government and School Districts.

- Generates new revenues for fire protection, local government, and school districts that can be used for vital resident services such as emergency response, housing, homeless, or health care programs.
- Helps cities, counties and school districts balance budgets and provides a boost to our state's economic recovery from the COVID-19 pandemic, with long-term revenue of over \$1 billion annually.
- Provides local revenue for counties, cities, and special districts, and establishes a county offset fund, providing additional revenue protection year in and year out.

[LAO Fiscal Report, October 2017; LAO Fiscal Impact 8/22/19]

FACT: This Initiative Supports Life-Saving Fire & Emergency Response.

- Secures dedicated funding for fire response across California, protecting millions of homes and lives.
 - Creates a historic Fire Response Fund providing needed revenue for fire protection and response including tens of millions of dollars in dedicated funding each year for historically underfunded fire districts in rural and urban communities.
 - Ensures supplemental funding to CalFire in support of California's wildfire response to protect millions of residents throughout the state.

FACT: This Initiative Closes Unfair Loopholes that will Generate Hundreds of Millions for Local Governments, School Districts and Fire Protection.

- Eliminates unfair tax loopholes used by East Coast investors, celebrities, wealthy non-California residents, and trust fund heirs to avoid paying a fair share of property taxes on vacation homes, income properties, and beachfront rentals they own in California.
- Stops tax schemes and deceptive practices that cost California's local government and schools up to \$1.5 billion every year.

[Los Angeles Times, 8/17/18, 8/24/18; San Diego Union Tribune, 8/17/18; LAO Fiscal Report, October 2017, LAO Fiscal Impact, 8/22/19; CA A.G. File No. 19-0003, Sections 2-3]

FACT: This Initiative Provides Tax Relief for California's Family Farms

- Provides tax relief for California's family-owned farms and ranches so they can continue to operate affordably and feed much of our nation and world.
- Protects generational farming by limiting property taxes for family farmers when parents pass the family homes to their children and provides tax savings and protections on the family's agricultural land.

SAMPLE LANGUAGE FOR EMAIL CORRESPONDENCE WITH CLIENTS

The following language is an example of an email you could send to your clients and your networks informing them about the facts and benefits of this initiative.

Email Subject Line Examples:

- Statewide Initiative to Help Address the State Housing Crisis
- ICYMI: New Statewide Initiative Prop 19 Benefits Homeowners, Seniors and Families
- Ballot Initiative Could Generate Millions in New Revenue for Schools, Local Communities, and Wildfire Preparation
- Learn More About Prop 19: Win-Win for California

On November 3, you will see a statewide measure on the ballot known as Proposition 19, or Home Protection for Seniors, Severely Disabled, Families and Victims of Wildfire or Natural Disasters, which would provide housing relief and generate hundreds of millions in new revenue for fire protection, schools and local governments.

Proposition 19 provides protections for families, housing relief for homeowners 55 and older, people with disabilities, and natural disaster and wildfire victims. If approved by voters, local governments, fire districts and schools would each gain hundreds of millions of dollars of new revenue each year.

Specifically, Prop 19 would do the following:

Play a Key Role in California's Economic Recovery from the COVID-19 Pandemic

Prop 19 is needed now more than ever and is key to a California's economic recovery. It will provide housing relief for millions of seniors, improve homeownership opportunities throughout the state, and help fill budget deficits and critical funding for schools, public safety, healthcare and homeless services, local housing projects, and more.

Generate Millions of Dollars for Wildfire Protections, Local Governments & Schools

Fire protection, school districts, cities and counties would gain hundreds of millions of dollars in additional revenues annually benefiting public services such as wildfire protection, emergency services, libraries, local housing programs and infrastructure. The measure will also provide critical funds for fire districts that will help the state fight against catastrophic wildfires that will safeguard millions of homes and lives. This added revenue is due, in part, to closing the unintentional loopholes in Proposition 58.

Provide Housing Relief for Families, Seniors, People with Disabilities and Wildfire Victims

The initiative constitutionally protects the right for children and grandchildren to inherit and move into their family home by keeping it affordable. Additionally, it allows homeowners 55 and older and people with severe disabilities to transfer their home's property tax base to a new home anywhere in California.

If you want to learn more or get involved in supporting this initiative, please contact realtorparty@car.org.

You can learn more information about Prop 19 at www.CARHOMECoalition.com and follow Yes on Prop 19 on [Facebook](#), [Twitter](#) and [Instagram](#).

