

# COUNTY OF EL DORADO

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September 9, 2014

The Honorable Edmund G. Brown  
Governor of the State of California  
State Capitol  
Sacramento, CA 95814

RE: AB 2231 (Gordon) – Request for Signature

Dear Governor Brown,

On behalf of El Dorado County, we urge you in the strongest possible terms to reinstate the Senior Citizens and Disabled Citizens Property Tax Postponement program, as proposed in AB 2231. El Dorado County is seeking its enactment on behalf of the thousands of vulnerable elderly and disabled persons in this State desperate to find a way to stay in their homes and current on their taxes.

This critical program, in place for decades, provided a way for counties to remain whole even when low-income seniors and disabled persons could not pay their property taxes. The Controller administered this program, which provided funding to counties for those taxes, and held a lien on the property so that when the home was sold or transferred, the Controller recovered the cost of the loan along with a modest amount of interest.

In an attempt to balance the budget in February 2009, the decision was made to eliminate the Senior Citizens and Disabled Citizens Property Tax Postponement program. This was a crushing blow to an already-vulnerable group of Californians. In most years, the program **earned revenue** – although modest - through loans that were paid off. Interest accrues against the lien while the State holds it, meaning that in this rare instance, the State can earn a modest sum on a public assistance program. We believe this merits your closer look as you make the difficult decisions on proposed legislation to restore or enhance previously-reduced programs as the State climbs out of this recession.

Without this program, many seniors and disabled persons' homes may become eligible for tax sale in 2014, due to defaults.

Governor, we sincerely appreciate your disciplined approach in dealing with requests for funding to bolster or reestablish many worthy programs that were cut during the Great Recession. There can be no doubt that you have had to deny many requests for the sake of the fiscal health of the State.

We understand that any request for new or reinstated funding that relies on the State's General Fund should fall under harsh scrutiny. AB 2231 offers a revised, greatly improved program for your consideration. Over the course of this year, stakeholders have worked hard to ensure that a new program has more controls, more checks, more efficiencies, reflects many changes in tax collection and electronic record keeping, and closes significant loopholes that existed in the previous program. What is before you will benefit those in need and yet provides enhanced safeguards for the State's interests in these properties. Furthermore, it will provide a modest dividend for the State as liens are repaid going forward. And this measure will prevent many persons from losing their homes to tax sales in 2014 and beyond.

We urge you to reinstate this important program. It will allow seniors and disabled persons to remain in their homes without fear of tax sale due to unpaid taxes. AB 2231 includes tightened restrictions on who is eligible to participate in the program and increases equity requirements in order to address lien security concerns.

For these reasons, El Dorado County is pleased to support this measure. Your approval of this measure will calm many fears and bring a tremendous and tangible relief to California's most vulnerable citizens.

Sincerely,

Norma Santiago, Chair  
Board of Supervisors  
County of El Dorado