COUNTY OF EL DORADO

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March 9, 2021

The Honorable Mike McGuire California State Senate State Capitol, Room 408 Sacramento, CA 95814

Re: Support of SB 219

Dear Senator McGuire:

The County of El Dorado is pleased to support SB 219. This bill seeks to codify the tax collectors' ability to cancel late payment penalties for taxpayers who have experienced pandemic-related financial hardships during a shelter-in-place order. As urgency legislation, SB 219 will provide the needed authority now as well as in future situations.

Property taxes comprise the majority of discretionary revenue available to El Dorado County and are traditionally very predictable in nature. While numerous taxpayers have continued to make property tax payments timely, the onset of this pandemic found other property owners struggling. The situation has been further exacerbated as the pandemic continues much longer than anyone had anticipated. Tax collectors currently do not have statutory authority to cancel tax penalties for late payments due solely to economic hardship. While the Governor's Executive Order N-61-20 has provided temporary and targeted relief, it is set to expire in approximately three months, well before resolution of the pandemic and economic crisis.

El Dorado County, as well as our cities, schools and special districts, relies on property tax payments to fund obligations including vital services, programs, operations and payroll. Any sizable disruption to this cash flow could be catastrophic for the solvent functioning of the County and our local agencies. That is why the proposed relief in SB 219 is the ideal solution.

SB 219 will improve the existing statute in a targeted and surgical way by providing a new tool that can be used should circumstances either continue to persist into the next fiscal year, or, unimaginably, another similar circumstance occurs in the future. SB 219 represents the needed statutory improvement to ensure that our local governments can function in an uninterrupted fashion during a crisis and yet be nimble enough to help individuals in their time of hardship.

On behalf of Board of Supervisors of El Dorado County, we are pleased to write in ardent support of SB 219, and we thank you for your authorship of this urgent legislation.

Sincerely,

John Hidahl

Chair, Board of Supervisors