



CALIFORNIA
CATHOLIC
CONFERENCE



Faithful
Citizenship

State of California
General Election Propositions
November 8, 2018

"We need to participate for the common good. Sometimes we hear: a good Catholic is not interested in politics. This is not true: good Catholics immerse themselves in politics by offering the best of themselves so that the leader can govern."

-Pope Francis

November 8, 2018
General Election Propositions

Proposition 1 – [*Veterans and Affordable Housing Bond Act of 2018*](#)

Proposition 2 – [*No Place Like Home Act of 2018*](#)

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Proposition 1 – Veterans and Affordable Housing Bond Act of 2018

Overview:

The high cost of housing in California has been a significant point of discussion in recent years. Housing in California has long been more expensive than the rest of the country. According to the nonpartisan Legislative Analyst Office (LAO), average California home today costs 2.5 times the national average, while California’s average monthly rent is about 50 percent higher than the rest of the country.

This proposition allows the state to sell \$4 billion in new general obligation bonds for various housing programs. The measure provides \$3 billion for various state housing programs, including affordable multifamily housing programs, infrastructure programs, homeownership programs, and farmworker housing programs. Proceeds from the bond sale would be awarded to program applicants – local governments, nonprofit organizations, and private developers – through a competitive process. The remaining \$1 billion in bond proceeds would go towards home loan assistance to veterans.

The bond funds would provide annual subsidies for up to 30,000 multifamily and 7,500 farmworker households. The funds would also provide down payment assistance to about 15,000 homebuyers and home loans to about 3,000 veterans.

A YES vote on Proposition 1 means the state could sell \$4 billion in general obligation bonds to support veterans and affordable housing.

A NO vote on Proposition 1 means the state could not sell such bonds.

CCC Position:

No position.

Fiscal Impact:

According to the Legislative Analyst Office (LAO), Proposition 1 would result in increased state bond repayment costs averaging about \$170 million annually over the next 35 years. LAO estimates savings to local governments, likely averaging several tens of millions of dollars annually over the next few decades.

Proposition 1 – *Veterans and Affordable Housing Bond Act of 2018*

Reflections on Church Teaching:

“I want to be very clear. There is no social or moral justification, no justification whatsoever, for lack of housing. There are many unjust situations, but we know that God is suffering with us, experiencing them at our side. He does not abandon us. Jesus not only wanted to show solidarity with every person.” – Pope Francis, Visit to St. Patrick’s Parish and meeting with the homeless, 2015

“The political community has a duty to honor the family, to assist it, and to ensure especially...the right to private property, to free enterprise, to obtain work and housing, and the right to emigrate.” Catechism of the Catholic Church, no. 2211.

“There must be made available to all men everything necessary for leading a life truly human, such as food, clothing, and shelter...” Pastoral Constitution on the Church in the Modern World (December 26, 1965).

“The lack of safe, affordable housing requires a renewed commitment to increase the supply of quality housing and to preserve, maintain, and improve existing housing through public/private partnerships, especially with religious groups and community organizations.” USCCB, *Forming Consciences for Faithful Citizenship*, 2011.

“The Church, ‘sharing the joy and hope, the grief and anguish of the people of our time, especially those who are poor or affected in any way,’ feels it has a serious obligation to join with those who are working, without self-interest and with dedication, to find concrete and urgent solutions to the housing problem and to see that the homeless receive the necessary attention and concern on the part of public authorities.” Saint Pope John Paul II, Letter to Pontifical Commission *Justitia et Pax* (December 8, 1987).

“As preachers of the Gospel, we proclaim the message of Jesus Christ who identifies Himself with the needs of the least of the brethren. The second great commandment is to love our neighbor. We cannot deny the crying needs for decent housing experienced by the least of the brethren in our society. Effective love of neighbor involves concern for his or her living conditions.” USCCB, *The Right to a Decent Home: A Pastoral Response to the Crisis in Housing* (November 20, 1975).

Proposition 2 – No Place Like Home Act of 2018

Overview:

In 2004, California voters approved Proposition 63, also known as the Mental Health Services Act (MHSA). The act provides funding for various county mental health services by increasing the income tax paid by those with income above \$1 million. This income tax increase raises \$1.5 billion to \$2.5 billion per year.

In 2016, the Legislature created the No Place Like Home program to build and rehabilitate housing for those with mental illness who are homeless or at-risk of becoming homeless. The Legislature tried to appropriate money from the MHSA two years ago to fund this program, but that effort has been challenged in court. (The legal challenge relates to (1) whether using MHSA funding to pay for the No Place Like Home program is in accord with what the voters intended when they approved the MHSA, and (2) whether voter approval is required for the No Place Like Home bonds.)

Proposition 2 allows the state to carry out the No Place Like Home program in two ways:

- Approves the Use of Mental Health Services Act Funds for No Place Like Home - The measure says that Mental Health Services Act funds can be used for No Place Like Home. No more than \$140 million of Mental Health Services Act funds could be used for No Place Like Home in any year.
- Authorizes \$2 Billion in Borrowing - The measure allows the state to sell up to \$2 billion in bonds to pay for No Place Like Home. The bonds would be repaid over many years with Mental Health Services Act funds.

Before these bonds can be sold, the state must ask the courts to approve the state's plan to pay for the No Place Like Home program.

A YES vote on Proposition 2 means the state could use existing county mental health funds to pay for housing for those with mental illness who are homeless.

A NO vote on Proposition 2 means the state's ability to use existing county mental health funds to pay for housing for those with mental illness who are homeless would depend on future court decisions.

CCC Position:

No position.

Proposition 2 – No Place Like Home Act of 2018

Fiscal Impact:

According to the Legislative Analyst Office (LAO), the fiscal effect of Proposition 2 depends on whether or not the courts would have approved the state's plan to pay for No Place Like Home. (The case is not expected to be resolved prior to the election.) If the courts would have approved the state's plan, the measure would have little effect. This is because the state would have gone forward with No Place Like Home in any case. If the courts would have rejected the state's plan, the state would not have been able to move forward with No Place Like Home. This measure would allow the state to do so.

Reflections on Church Teaching:

Read [*Hope and Healing: A Pastoral Letter from the Bishops of California on Caring for those who Suffer from Mental Illness Addressed to All Catholics and People of Goodwill*](#) and its companion [*Study Guide*](#)

“For many people, mental illness represents an ongoing and lifelong burden. We clearly proclaim that there is no shame in receiving a diagnosis of a psychiatric disorder. We affirm the need for education in our communities to remove the unjust prejudice and stigma often associated with mental illness. Catholics should be the first among all to witness to the truth about the dignity of every human person, so as to live in love and solidarity with our neighbor. We recognize that each of us is a “vessel of clay” (2 Cor 4:7), fragile in body and mind. Yet each of us is still loved by God our Father, always capable of being healed spiritually and filled with God’s sanctifying grace.” *Hope and Healing: A Pastoral Letter from the Bishops of California for those who Suffer from Mental Illness Addressed to All Catholics and People of Goodwill* (May 1, 2018).

“Whoever suffers from mental illness always bears God’s image and likeness in themselves, as does every human being. In addition, they always have the inalienable right not only to be considered as an image of God and therefore as a person, but also to be treated as such.” Saint Pope John Paul II (December 11, 1996).

“Every Christian, according to [their] specific duty and responsibility, is called to make [their] contribution so that the dignity of these brothers and sisters may be recognized, respected, and promoted.” Pope Benedict XVI, *Message of His Holiness Benedict XVI for the 14th World Day of the Sick* (December 8, 2005).

Proposition 3 – \$8.9 Billion in Bonds for Water and Environmental Projects

Overview:

The state mainly uses general obligation bonds and the state General Fund to pay for water and environmental projects. Since 2000, voters have approved approximately \$31 in general obligation bonds in statewide elections to fund different types of water and environmental projects. Of this amount, roughly one-third was still available for new projects as of June 2018. This includes \$4 billion that was approved by voters with the passage of Proposition 68 in June 2018.

This proposition authorizes \$8.9 billion in new general obligation bonds for the various water and environmental projects including: watershed lands (\$2.5 billion), water supply (\$2.1 billion), fish and wildlife habitat (\$1.4 billion), water facility upgrades (\$1.2 billion), groundwater (\$1.1 billion), and flood protection (\$500 million).

Proposition 3 has several requirements to help disadvantaged communities and, for a few spending subcategories, the proposition requires that funding be spent on projects that benefit these communities.

A YES vote on Proposition 3 means the state could sell \$8.9 billion in general obligation bonds to fund various water and environmental projects.

A NO vote on Proposition 3 means the state could not sell such bonds.

CCC Position:

No position.

Fiscal Impact:

According to the Legislative Analyst Office (LAO), Proposition 3 would result in increased state bond repayment costs averaging about \$430 million annually over the next 40 years. LAO estimates savings to local governments, likely averaging a couple hundred million dollars annually over the next few decades.

Proposition 3 – \$8.9 Billion in Bonds for Water and Environmental Projects

Reflections on Church Teaching:

“All people have a right to safe drinking water. This is a basic human right and a central issue in today’s world (cf. *Laudato Si’*, 30; *Caritas in Veritate*, 27). This is a problem that affects everyone and is a source of great suffering in our common home. It also cries out for practical solutions capable of surmounting the selfish concerns that prevent everyone from exercising this fundamental right.” – Pope Francis, Address to Pontifical Academy of Sciences, 2017

"The natural environment is a collective good, the patrimony of all humanity and the responsibility of everyone. If we make something our own, it is only to administer it for the good of all. If we do not, we burden our consciences with the weight of having denied the existence of others." Pope Francis, Encyclical Letter *Laudato Si : On Care for our Common Home* (May 2015).

“The "principle of subsidiarity" must be respected: "A community of a higher order should not interfere with the life of a community of a lower order, taking over its functions." In case of need it should, rather, support the smaller community and help to coordinate its activity with activities in the rest of society for the sake of the common good.” —Pope John Paul II, *Centesimus Annus*, #48 (1989)

“Another instrument of political participation is the referendum, whereby a form of direct access to political decisions is practiced. The institution of representation in fact does not exclude the possibility of asking citizens directly about the decisions of great importance for social life.” *Compendium of the Social Doctrine of the Church* [413]

Proposition 4 – *Bond Funding for Children’s Hospitals*

Overview:

There are currently eight private nonprofit hospitals in California, as well as the children’s program at the five University of California medical centers that are designated as “children’s hospitals.” In addition, other hospitals in California that are not specifically identified as “children’s hospitals” have wings or centers that specialize in treating children.

A majority of funding for children’s hospitals comes from the federal-state Medicaid program, commercial health insurance coverage, other governmental health care programs, and private donations. The California Children’s Services (CCS) Program is a state-local health care coverage program that pays for specialized treatment and other services for children with complex chronic health conditions, including many children treated at children’s hospitals.

Proposition 4 is sponsored by the California Children’s Hospital Association and would authorize the state to sell \$1.5 billion in general obligation bonds for capital improvement projects at the 13 state children’s hospitals and other public or private nonprofit hospitals that treat children under the CCS program. Of this total, \$1.1 billion would be provided to the eight private nonprofit children’s hospitals. Another \$270 million would be provided to the five UC children’s hospitals. The remaining \$150 million would be made available to other public or private nonprofit hospitals that provide services to children through the CCS program.

Bond proceeds would be used for projects including the “construction, expansion, remodeling, renovation, furnishing, equipping, financing or refinancing of eligible hospitals in the state.”

On two previous occasions, California voters have authorized the state to issue general obligation bonds to pay for capital projects at children’s hospitals. In 2004, Proposition 61 provided \$750 million in bond funding. In 2008, Proposition 3 provided \$980 million in bond funding. Only the 13 hospitals specifically identified as children’s hospitals in state law are eligible to receive funds under these previous measures. As of May 2018, most of the funding from the previous two measures had been committed to projects, with the remaining funds expected to be fully committed by the end of summer 2018.

Proposition 4 – Bond Funding for Children’s Hospitals

Fiscal Impact:

According to the Legislative Analyst Office (LAO), Proposition 1 would result in increased state bond repayment costs averaging about \$80 million annually over the next 35 years.

CCC Position:

No position.

Reflections on Church Teaching:

We have to care in a special way for children and for grandparents. Children and young people are the future; they are our strength; they are what keep us moving forward. They are the ones in whom we put our hope. Grandparents are a family’s memory. (9/26/15, Prayer Vigil)

“Life and physical health are precious gifts entrusted to us by God. We must take reasonable care of them, taking into account the needs of others and the common good.”

Catechism of the Catholic Church, no. 2288

“Concern for the health of its citizens requires that society help in the attainment of living conditions that allow them to grow and reach maturity, food and clothing, housing, health care, basic education, employment and social assistance.” *Catechism of the Catholic Church*, no. 2288.

“We must speak of man’s rights. Man has the right to live. He has the right to bodily integrity and to the means necessary for the proper development of life, particularly food, clothing, shelter, medical care, rest, and finally, the necessary social services.” Saint Pope John XXIII, Encyclical Letter *Pacem in terris*, 1963 (11).

Proposition 5 – Property Taxes

Overview:

California local governments raise more than \$60 billion a year from local property taxes. A property owner's annual tax bill is equal to the taxable value of his or her property multiplied by the property tax rate. In the year a property is purchased, the taxable value of the property is the purchase price of the home. Each year after that the property's tax value is adjusted for inflation by up to 2 percent.

Because the market value of most homes grows faster than 2 percent, the taxable value of most homes is less than their market value. However, when a homeowner moves and buys a different home, the purchase price of their new home often exceeds the taxable value of the new home, resulting in a higher tax bill.

In some cases, special rules allow a homeowner to move to a different home without paying higher property taxes. These special rules apply to homeowners (1) who are over age 55, (2) are severely disabled, or (3) whose property has been impacted by a natural disaster or contamination. When moving within the same county, these special rules allow these homeowners to transfer the (lower) taxable value of their existing home to a different home. In addition, ten counties allow eligible homeowners to transfer their taxable values from homes in different counties. Except in limited circumstances, homeowners can transfer their taxable value only once in their lifetime.

Proposition 5 would expand these special rules to apply to more individuals and more circumstances by:

- Allowing eligible homeowners to transfer the taxable value of their existing home to another home anywhere in the state.
- Allowing eligible homeowners to transfer the taxable value of their existing home to a more expensive home.
- Reducing taxes for less expensive homes by adjusting the taxable value downward when an eligible homeowner moves to a less expensive home.
- Removing the limit on how many times a homeowner can transfer their taxable value.

A YES vote on Proposition 5 means all homeowners who are over age 55 (or meet other qualifications) would be eligible for property tax savings when they move to a different home.

(continued on next page)

Proposition 5 – Property Taxes

A NO vote on Proposition 5 means only eligible homeowners who meet the qualifications of current law would be eligible for property tax savings under the current conditions placed on these special rules.

Fiscal Impact:

According to the Legislative Analyst Office (LAO), schools and other local governments each probably would lose over \$100 million in annual property taxes early on, growing to about \$1 billion per year. There would be a similar increase in state costs to backfill school property tax losses.

CCC Position:

No position.

Reflections on Church Teaching:

"It is the duty of citizens to contribute along with the civil authorities to the good of society in a spirit of truth, justice, solidarity, and freedom. The love and service of one's country follow from the duty of gratitude and belong to the order of charity. Submission to legitimate authorities and service of the common good require citizens to fulfill their roles in the life of the political community. Submission to authority and co-responsibility for the common good make it morally obligatory to pay taxes, to exercise the right to vote, and to defend one's country." *Catechism of the Catholic Church*, nos. 2239-2240.

"There were many 'discarded' by society. Today we have invented other ways to care for, to feed, to teach the poor, and some of the seeds of the Bible have blossomed into more effective institutions than those of the past. The rationale for taxes also lies in this solidarity, which is negated by tax avoidance and evasion which, over and above being illegal acts, are acts which deny the basic law of life: mutual care." – Pope Francis, Address to Participants in the Meeting of the Economy of Communion, 2017

"In a system of taxation based on justice and equity it is fundamental that the burdens be proportioned to the capacity of the people contributing. "Saint Pope John XXIII, *Mater et Magistra*, *Encyclical of Pope John XXIII on Christianity and Social Progress*, May 15, 1961 (132).

Proposition 6 – *Repeal of Fuel Taxes and Vehicle License Fee Increases*

Overview:

In 2017, the State Legislature enacted Senate Bill (SB) 1 to increase annual state funding for transportation through various fuel and vehicle taxes.

Specifically, SB 1 increased the base gasoline excise tax (by 12 cents per gallon) and the diesel sales tax (by 4 percent). It also set fixed rates on a second (add-on) gasoline excise tax and the diesel excise tax, both of which previously could change each year based on fuel prices. Further, SB 1 created the transportation improvement fee (which ranges from \$25 to \$175 per year) and a fee specifically for zero-emission vehicles (set at \$100 per year for model years 2020 and later).

This fiscal year, the state expects the taxes to raise \$4.4 billion from the proceeds of SB 1. Two years from now, when all the taxes are in effect and the inflation adjustments have started, the state expects the taxes to raise \$5.1 billion. SB 1 dedicated about two-thirds of the revenues to highway and road repairs, with the remainder going to other programs (such as for mass transit).

Proposition 6 would eliminate any fuel and vehicle taxes passed by the Legislature after January 1, 2017, thereby eliminating the increased fuel taxes and transportation improvement fees enacted by SB 1. In addition, Proposition 6 would require the Legislature to obtain voter approval for any new or increased fuel taxes, as well as for taxes paid for the privilege of operating a vehicle on public highways.

A YES vote on Proposition 6 means fuel and vehicle taxes recently passed by the Legislature would be eliminated, which would reduce funding for highway and road maintenance and repairs, as well as transit programs. The Legislature would be required to get a majority of voters to approve new or increased state fuel and vehicle taxes in the future.

A NO vote on Proposition 6 means the fuel and vehicle taxes enacted by SB 1 would continue to be in effect. The Legislature would not need voter approval for new or increased state fuel and vehicle taxes in the future.

Proposition 6 – Repeal of Fuel Taxes and Vehicle License Fee Increases

Fiscal Impact:

According to the Legislative Analyst Office (LAO), Proposition result in reduced ongoing revenues of \$5.1 billion from state fuel and vehicle taxes passed by the Legislature in 2017 that mainly would have paid for highway and road maintenance and repairs, as well as transit programs. The requirement that voters approve new or increased fuel and vehicle taxes could result in lower revenues from such taxes than otherwise would have been available.

CCC Position:

No position.

Reflections on Church Teaching:

“Another instrument of political participation is the referendum, whereby a form of direct access to political decisions is practiced. The institution of representation in fact does not exclude the possibility of asking citizens directly about the decisions of great importance for social life.” *Compendium of the Social Doctrine of the Church* [413]

"It is the duty of citizens to contribute along with the civil authorities to the good of society in a spirit of truth, justice, solidarity, and freedom. The love and service of one's country follow from the duty of gratitude and belong to the order of charity. Submission to legitimate authorities and service of the common good require citizens to fulfill their roles in the life of the political community. Submission to authority and co-responsibility for the common good make it morally obligatory to pay taxes, to exercise the right to vote, and to defend one's country." *Catechism of the Catholic Church*, nos. 2239-2240.

"In a system of taxation based on justice and equity it is fundamental that the burdens be proportioned to the capacity of the people contributing." *Mater et Magistra*, Encyclical of Pope John XXIII on Christianity and Social Progress, May 15, 1961 (132).

Proposition 7 – *Daylight Saving Time*

Overview:

Federal law requires the standard time of each time zone to advance by one hour from early March to early November – a period known as Daylight Saving Time. During this time, sunrise and sunset occurs one hour later than normal. Currently, federal law does not allow states to adopt year-round Daylight-Saving Time. However, federal law allows states to opt-out of Daylight-Saving Time and remain on standard time all year, as is currently the case in Arizona and Hawaii.

In 1949, California voters approved an initiative measure which established Daylight Saving Time in California (early March to early November).

Proposition 7 allows the Legislature, by a two-thirds vote, to change Daylight Saving Time (such as by remaining on Daylight Saving Time year-round), as long as the change is allowed under federal law.

A YES vote on Proposition 7 means the Legislature, with a two-thirds vote, could change Daylight Saving Time if the change is allowed by the federal government. Absent any legislative changes, California would maintain its current Daylight-Saving Time period.

A NO vote on Proposition 7 means California would maintain its current Daylight-Saving Time period.

Fiscal Impact:

According to the Legislative Analyst Office (LAO), Proposition 7 would have no direct fiscal effect because changes to Daylight Saving Time would depend on future actions by the Legislature and potentially the federal government.

Proposition 7 – Daylight Saving Time

CCC Position:

No position.

Reflections on Church Teaching:

“Then God said: Let there be light, and there was light. God saw that the light was good. God then separated the light from the darkness. God called the light ‘day,’ and the darkness he called ‘night.’” Genesis 1:3-4.

“The ‘principle of subsidiarity’ must be respected: ‘A community of a higher order should not interfere with the life of a community of a lower order, taking over its functions.’ In case of need it should, rather, support the smaller community and help to coordinate its activity with activities in the rest of society for the sake of the common good.” —Pope John Paul II, *Centesimus Annus*, #48 (1989)

“Another instrument of political participation is the referendum, whereby a form of direct access to political decisions is practiced. The institution of representation in fact does not exclude the possibility of asking citizens directly about the decisions of great importance for social life.” *Compendium of the Social Doctrine of the Church* [413]

Proposition 8 – *Kidney Dialysis Clinics*

Overview:

Persons with kidney failure may receive dialysis treatment at hospitals or in their own homes, but most receive treatment at chronic dialysis clinics. According to the Legislative Analyst Office (LAO) as of May 2018 there were 518 licensed clinics in California that provided treatment to approximately 80,000 patients each month. The LAO estimates that these clinics have total revenues of roughly \$3 billion annually from Medicare, Medi-Cal, and group and individual health insurance.

Proposition 8 contains a number of proposals designed to limit the revenue of these clinics via formula. Specifically, beginning in 2019, would require dialysis clinics to calculate the amount by which their revenues exceed a specified cap. This revenue “cap” is equal to 115 percent of specified “direct patient care services costs” and “health care quality improvement costs.” Proposition 8 then requires these clinics to pay rebates to payers (excluding government payers) in the amount that revenues exceed the cap. These rebates would primarily go to health insurance companies.

Similar legislation sponsored by SEIU California was introduced in 2017, but was not enacted into law.

A YES vote on Proposition 8 means kidney dialysis clinics would have their revenues limited by a formula and could be required to pay rebates to certain parties (primarily health insurance companies) that pay for dialysis treatment.

A NO vote on Proposition 8 means kidney dialysis clinics would not have their revenues limited by formula and would not be required to pay rebates.

Fiscal Impact:

According to the Legislative Analyst Office (LAO), Proposition 8 would have an overall annual effect on state and local governments ranging from net positive impact in the low tens of millions of dollars to net negative impact in the tens of millions of dollars. The impact of the measure on clinics and on state and local government finances is uncertain because the impact would depend on future actions of (1) state regulators and courts in interpreting the measure, and (2) clinics in response to the measure.

Proposition 8 – *Kidney Dialysis Clinics*

CCC Position:

No position.

Reflections on Church Teaching:

The "principle of subsidiarity" must be respected: "A community of a higher order should not interfere with the life of a community of a lower order, taking over its functions." In case of need it should, rather, support the smaller community and help to coordinate its activity with activities in the rest of society for the sake of the common good. —Pope John Paul II, *Centesimus Annus*, #48 (1989)

"Profit and capital are not a good over and above the human person; they are at the service of the common good. When the common good is used only at the service of profit and capital, this has a name: it is called exclusion, and through it the throwaway culture gets stronger and stronger. Throwaway and exclusion." - Pope Francis, 2017

"Life and physical health are precious gifts entrusted to us by God. We must take reasonable care of them, taking into account the needs of others and the common good." *Catechism of the Catholic Church*, no. 2288

"Concern for the health of its citizens requires that society help in the attainment of living conditions that allow them to grow and reach maturity, food and clothing, housing, health care, basic education, employment and social assistance." *Catechism of the Catholic Church*, no. 2288.

"We must speak of man's rights. Man has the right to live. He has the right to bodily integrity and to the means necessary for the proper development of life, particularly food, clothing, shelter, medical care, rest, and finally, the necessary social services." Saint Pope John XXIII, *Pacem in terris*, no. 11 (1963).

Proposition 10 – *Local Rent Control Laws*

Overview:

Several local cities in California have enacted local laws that limit how much landlords can increase rents for housing from one year to the next. These types of local laws are referred to as “rent control.” Overall, about one-fifth of California residents live in cities (including Los Angeles, San Francisco and San Jose) with rent control.

There are several limitations on these rent control laws. First, the courts have ruled that rent control laws must allow landlords to receive a “fair rate of return.” This means that landlords must be allowed to increase rents enough to receive some profits each year.

In addition, a state law called the Costa-Hawkins Rental Housing Act (“Costa-Hawkins”) also limits local rent control laws in three main ways. First, rent control cannot apply to any single-family homes. Second, rent control can never apply to any newly built housing completed after February 1, 1995. Third, rent control laws cannot tell landlords what they can charge a new renter when first moving in.

Proposition 10 repeals these limits on local rent control laws contained in Costa-Hawkins. Cities and counties would be able to regulate rents for any housing – including single family homes and new housing completed after 1995. In addition, the proposition would allow local rent control laws to limit how much a landlord can increase rents when a new renter moves in.

Proposition 10 itself does not make any changes to local rent control laws. With a few exceptions, cities and counties would have to take separate actions to change their local rent control laws.

A YES vote on Proposition 10 means state law would not limit the kinds of rent control laws cities and counties could have.

A NO vote on Proposition 10 means state law would continue to limit the kinds of rent control laws cities and counties could have.

Fiscal Impact:

According to the Legislative Analyst Office (LAO), Proposition 10 would result in a potential net reduction in state and local revenues of tens of millions of dollars per year in the long term. Depending on actions taken by local governments, revenue losses could be less or considerably more.

Proposition 10 – Local Rent Control Laws

CCC Position:

No position.

Reflections on Church Teaching:

“The political community has a duty to honor the family, to assist it, and to ensure especially...the right to private property, to free enterprise, to obtain work and housing, and the right to emigrate.” Catechism of the Catholic Church, no. 2211.

“There must be made available to all men everything necessary for leading a life truly human, such as food, clothing, and shelter...” *Pastoral Constitution on the Church in the Modern World* (December 26, 1965).

“Profit and capital are not a good over and above the human person; they are at the service of the common good. When the common good is used only at the service of profit and capital, this has a name: it is called exclusion, and through it the throwaway culture gets stronger and stronger. Throwaway and exclusion.” - Pope Francis, 2017

“I want to be very clear. There is no social or moral justification, no justification whatsoever, for lack of housing. There are many unjust situations, but we know that God is suffering with us, experiencing them at our side. He does not abandon us. Jesus not only wanted to show solidarity with every person.” – Pope Francis, Visit to St. Patrick’s Parish and meeting with the homeless, 2015

“As preachers of the Gospel, we proclaim the message of Jesus Christ who identifies Himself with the needs of the least of the brethren. The second great commandment is to love our neighbor. We cannot deny the crying needs for decent housing experienced by the least of the brethren in our society. Effective love of neighbor involves concern for his or her living conditions.” USCCB, *The Right to a Decent Home: A Pastoral Response to the Crisis in Housing* (November 20, 1975).

The "principle of subsidiarity" must be respected: "A community of a higher order should not interfere with the life of a community of a lower order, taking over its functions." In case of need it should, rather, support the smaller community and help to coordinate its activity with activities in the rest of society for the sake of the common good. —Pope John Paul II, *Centesimus Annus*, #48 (1989)

Proposition 11 – Private Ambulance Employees and Work Breaks

Overview:

California employers are required to follow various labor laws, including rules about the state minimum wage, overtime, health and safety in the workplace, and meal and rest breaks. State law requires most employers to provide an unpaid 30-minute meal break during each work shift and a paid 10-minute rest break every four hours.

In 2016, the California Supreme Court ruled that "on-call" breaks violate state labor law because employees are not completely relieved of all duty when they are required to remain on-call. Instead, employers must provide breaks that are off-duty and not interruptible, even if an emergency occurs. The decision was *Augustus v. ABM Security Services*. The case involved private security guards whose employer required that they keep their radios on during breaks.

In practice, emergency medical technicians (EMTs) and paramedics who work on ambulances are "on call" for their entire work shift in case they receive an emergency call. This means that employees must remain reachable by radio or other communication technology and, as a result, their breaks are sometimes interrupted by emergency calls.

Before the Augustus decision was issued, EMTs and paramedics had filed several similar lawsuits against private ambulance companies. These lawsuits are still pending. The Augustus decision suggests that the practice of requiring EMTs and paramedics to stay on call during breaks is against the law. Private ambulance companies may now owe penalties for these past violations.

Proposition 11 proposes to change the work break laws that apply to private-sector EMTs and paramedics. It does not apply to individuals who work for public agencies, such as fire departments.

Proposition 11 specifies that EMTs and paramedics must remain "on-call" and reachable by a portable communications device during their shift, including meal and rest periods. If an employee is contacted during a meal or rest period, that period shall not be counted towards their meal and rest period entitlement.

In addition to requiring on-call meal and rest breaks going forward, Proposition 11 states that the past industry practice of on-call meal and rest breaks was lawful. This could eliminate costs that the private ambulance companies may face related to pending or future lawsuits.

Proposition 11 also requires ambulance companies to offer EMTs and paramedics (1) annual natural disaster, active shooter, and violence prevention training; (2) mental health and wellness education; (3) mental health counseling sessions; and (4) access to long-term mental health services.

(continued on next page)

Proposition 11 – *Private Ambulance Employees and Work Breaks*

A YES vote on Proposition 11 means private ambulance companies could continue their current practice of requiring EMTs and paramedics to stay on-call during their meal and rest breaks in order to respond to emergencies.

A NO vote on Proposition 11 means that such companies would be subject to existing laws related to meal and rest breaks and, based on a recent court decision, may be required to provide employees with completely off-duty breaks that cannot be interrupted by an emergency call.

Fiscal Impact:

According to the Legislative Analyst Office (LAO), Proposition 11 would likely result in a fiscal benefit to local governments (in the form of lower costs and higher revenues), potentially in the tens of millions of dollars each year.

CCC Position:

No position.

Reflections on Church Teaching:

“Just as God ‘rested on the seventh day from all his work which he had done,’ human life has a rhythm of work and rest. The institution of the Lord’s Day helps everyone enjoy adequate rest and leisure to cultivate their familial, cultural, social, and religious lives.” Catechism of the Catholic Church, no. 2184.

“Business activity must always include the element of gratuitousness. Fair relationships between managers and workers must be respected and demanded by all parties; but at the same time, an enterprise is a community of work in which everyone deserves fraternal respect and appreciation from their superiors, co-workers and subordinates. Respect for the other as brother or sister must also extend to the local community in which the enterprise is physically located, and in a certain sense, all of the enterprise’s legal and economic relationships must be moderated, enveloped in a climate of respect and fraternity.” - Pope Francis, 2017

“Work is a good thing for man—a good thing for his humanity—because through work man not only transforms nature, adapting it to his own needs, but he also achieves fulfilment as a human being and indeed, in a sense, becomes ‘more a human being.’” Saint Pope John Paul II, Encyclical Letter *Laborem Exercens* (On Human Work), September 14, 1981.

“Another sector regarding benefits is the sector associated with the right to rest. In the first place this involves a regular weekly rest comprising at least Sunday, and also a longer period of rest, namely the holiday or vacation taken once a year or possibly in several shorter periods during the year.” Saint Pope John Paul II, Encyclical Letter *Laborem Exercens* (On Human Work), September 14, 1981.

Proposition 12 – *Confinement of Farm Animals*

Overview:

In 2008, California voters approved Proposition 2, which generally prohibited California farmers from housing pregnant pigs, calves raised for veal, and egg-laying hens in cages that do not allow them to turn around freely, lie down, stand up, and fully extend their limbs. Anyone who violates these provisions is guilty of a misdemeanor.

After Proposition 2 was passed, the Legislature enacted a law that made it illegal for businesses in California to sell eggs that they knew came from hens that were housed in ways that did not meet the requirements of Proposition 2.

Proposition 12 creates new minimum requirements on farmers to provide more space for egg-laying hens, breeding pigs, and calves raised for veal. These requirements, which apply to farm animals raised in California, would be phased in over the next several years. For example, starting in 2020 egg-laying hens would need to be provided with one square foot of floor space. In 2022, this would change to cage-free housing.

Proposition 12 also makes it illegal for businesses in California to knowingly sell eggs or uncooked pork or veal that came from animals housed in ways that do not meet the measure's requirements.

A YES vote on Proposition 12 means there would be new minimum requirements on farmers to provide more space for egg-laying hens, breeding pigs, and calves raised for veal. California businesses would be banned from selling eggs or uncooked pork or veal that came from animals housed in ways that did not meet these requirements.

A NO vote on Proposition 12 means current minimum spacing requirements for confining egg-laying hens, pregnant pigs, and calves raised for veal would continue to apply.

Fiscal Impact:

According to the Legislative Analyst Office (LAO), Proposition 12 would result in a potential decrease in state income tax revenues from farm businesses, likely not more than several million dollars annually. Proposition 12 would result in state costs of up to \$10 million annually to enforce the measure. In addition, the LAO states that Proposition 12 would likely result in an increase in prices for eggs, pork and veal.

Proposition 12 – Confinement of Farm Animals

CCC Position:

No position.

Reflections on Church Teaching:

“Then God said: Let us make human beings in our image, after our likeness. Let them have dominion over the fish of the sea, the birds of the air, the tame animals, all the wild animals, and all creatures that crawl on the earth.” Genesis 1:26.

“So the Lord God formed out of the ground all the wild animals and all the birds of the air, and he brought them to the man to see what he would call them; whatever the man called each living creature was then its name. The man gave names to all the tame animals, all the birds of the air, and all the wild animals; but none proved to be a helper suited to the man.” Genesis 2:19-20.

“Animals are God’s creatures. He surrounds them with his providential care. By their mere existence they bless him and give him glory. Thus men owe them kindness. We should recall the gentleness with which saints like St. Francis of Assisi or St. Phillip Neri treated animals.” *Catechism of the Catholic Church*, no. 2416.

“God entrusted animals to the stewardship of those whom he created in his own image. Hence it is legitimate to use animals for food and clothing. They may be domesticated to help man in his work and leisure...It is contrary to human dignity to cause animals to suffer or die needlessly.” *Catechism of the Catholic Church*, nos. 2417-8.

“Together with our obligation to use the earth’s goods responsibly, we are called to recognize that other living beings have a value of their own in God’s eyes: ‘by their mere existence they bless him and give him glory’ and indeed, ‘the Lord rejoices in all his works’ (Ps 104:31). By virtue of our unique dignity and our gift of intelligence, we are called to respect creation and its inherent laws, for ‘the Lord by wisdom founded the earth’ (Prov 3:19). In our time, the Church does not simply state that other creatures are completely subordinated to the good of human beings, as if they have no worth in themselves and can be treated as we wish.” Pope Francis, Encyclical Letter *Laudato Si: On Care for Our Common Home*, May 2015 (69).