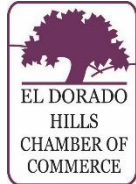
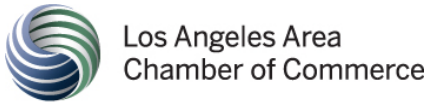


WITHHOLD SUPPORT OF PROPOSITION 15



August 12, 2020

The Honorable Gavin Newsom
Governor, State of California
State Capitol
Sacramento, CA 95814

SUBJECT: WITHHOLD SUPPORT OF PROPOSITION 15

Dear Governor Newsom:

The California Chamber of Commerce and California's regional and local chambers represent nearly 40,000 small businesses, which are the lifeblood of the Golden State's economy. More than 99% of businesses employ fewer than 100 persons, and those businesses employ more than half of working Californians.

While we appreciate your efforts to protect the health and safety of Californians to slow the spread of COVID-19, the related shutdowns have many small businesses hanging by a thread if they have not already permanently closed their doors.

Small businesses, of all economic sectors, have been hardest hit by the Covid-19 pandemic. The most stricken industries – restaurants, hospitality, tourism, entertainment and personal services, and their supply chains – are disproportionately served by small businesses.

We are writing to ask you to withhold your support from Proposition 15, the \$12.5-billion property tax increase on the November ballot. Unless defeated, it will mean higher property taxes and rents for small businesses.

Now is simply not the time to entertain what would be the largest property tax increase ever imposed in California – one that will affect virtually every small business operating in the state.

Proposition 15 will create another competitive disadvantage for employers by eliminating the long-standing Proposition 13 protections for commercial and industrial properties. Proposition 15 will treat most small businesses just the same as large corporations, since most small businesses rent the property on which they operate and have "triple-net" leases. Proposition 15's higher property taxes will be passed through directly to the small business tenants.

California's path back from this economic crisis relies on our small businesses' ability to bounce back. California Chamber of Commerce and hundreds of local and regional chambers of commerce oppose Proposition 15. We urge you to decline to endorse this measure in this time of unprecedented trauma for small employers and their workforce.

Respectfully,

A handwritten signature in black ink, appearing to read "Allan Zaremberg", with a large, stylized flourish at the end.

Allan Zaremberg
President & CEO
California Chamber of Commerce

Brawley Chamber of Commerce
Brea Chamber of Commerce
Camarillo Chamber of Commerce
Carmel Chamber of Commerce
Chino Valley Chamber of Commerce
El Centro Chamber of Commerce
El Dorado County Chamber of Commerce
El Dorado Hills Chamber of Commerce
Elk Grove Chamber of Commerce
Folsom Chamber of Commerce
Gilroy Chamber of Commerce
Greater Coachella Valley Chamber of Commerce
Greater Conejo Valley Chamber of Commerce
Greater Irvine Chamber of Commerce
Greater Riverside Chambers of Commerce
Greater San Fernando Valley Chamber of Commerce
Greater Stockton Chamber of Commerce
Half Moon Bay Coastside Chamber of Commerce and Visitors' Bureau
Hayward Chamber of Commerce
Hesperia Chamber of Commerce
Laguna Niguel Chamber of Commerce
Lake County Chamber of Commerce
Livermore Valley Chamber of Commerce
Lodi Chamber of Commerce
Los Angeles Area Chamber of Commerce
Morgan Hill Chamber of Commerce
Murrieta/Wildomar Chamber of Commerce
North Orange County Chamber
Oceanside Chamber of Commerce
Oxnard Chamber of Commerce
Palm Desert Area Chamber of Commerce
Pleasanton Chamber of Commerce
Rancho Cordova Chamber of Commerce
Redding Chamber of Commerce
Roseville Area Chamber of Commerce
Sacramento Metropolitan Chamber of Commerce
San Diego Regional Chamber
San Ramon Chamber of Commerce
Santa Barbara South Coast Chamber of Commerce
Santa Maria Valley Chamber of Commerce
Simi Valley Chamber of Commerce
Tahoe Chamber of Commerce
Temecula Valley Chamber of Commerce
The Silicon Valley Organization
Torrance Area Chamber of Commerce
Victor Valley Chamber of Commerce
Visalia Chamber of Commerce
Whittier Area Chamber of Commerce
Yorba Linda Chamber of Commerce