

John C. Fremont Healthcare District Recommends to County Board of Supervisor Modifying County Sales Tax Ballot Measure to Address Possible Change in State Constitution

January 28, 2022 - Mariposa, CA – At the John C. Fremont Healthcare District public board meeting on January 26th, the District board passed a unanimous vote to present to the Mariposa County Board of Supervisors a modified sales tax measure and withdraw the measure brought forward from "Citizens to Save the Hospital Committee" that could become invalidated due to a proposed statewide proposition that contains a retroactive clause. That clause could challenge the laws that are in place today.

Pursuant to California election law, during 2021 the "Citizens to Save the Hospital Committee" circulated an initiative petition throughout Mariposa County seeking to qualify for the ballot a 1% countywide sales tax to fund new and reconstructed hospital and healthcare facilities of John C. Fremont Healthcare District. Additional language was included by The Citizens Committee from voter feedback expressed from Measure N, in 2020, such as:

- Adding a "sunset" to terminate the sales tax after 40 years
- Revising the Expenditure Plan to more clearly describe how the funds can be spent
- Adding an Accountability and Transparency section to require more rigorous accounting

The Committee succeeded in securing enough voter signatures to qualify the measure and the Mariposa County Board of Supervisors has already placed the Committee's sales tax measure on the June 7, 2022, election ballot.

However, after the measure was placed on the ballot, initial paperwork was filed to qualify a new statewide initiative - the "Taxpayer Protection and Government Accountability Act". The Act would amend the State Constitution to add a number of new requirements to pass local taxes, some of which were not included in the tax measure proposed by the Committee. Most notably, the Act purports to apply retroactively to any local tax passed on or after January 1, 2022. Therefore, even if the Act did not pass until 2023 or 2024, it could retroactively invalidate a County sales tax measure that passed on June 7, 2022.

According to Candy O'Donel-Brown, Chair of the John C. Fremont Healthcare District, "We did not change the basic concepts authored by the Citizens Committee in their version of this measure. They did a wonderful job. But the situation has changed since they proposed this measure, so we adjusted the legal language so that it will be in line with state requirements, even if those requirements change due to the unexpected proposed statewide proposition. Those changes are designed to safeguard the rights of the electorate. We still intend to honor the basic requirements originally outlined by the Citizens to Save the Hospital. Although the legal verbiage has been adjusted to conform to the proposed laws, the basic intent is exactly the same."

Due to limitations in California election law, the Citizens Committee could not amend its proposed tax measure after the County placed it on the ballot. Therefore, it was decided that the District would draft a modified version of the sales tax measure to satisfy the requirements of the Act and propose it to County voters as a replacement. On January 26, 2022, the District Board recommended a modified sales tax measure to the County. It will now go to the Mariposa

County Board of Supervisors, who may directly place this sales tax measure on the ballot without a petition. If the County places the modified measure on the ballot, the Committee intends to withdraw its measure and let County voters consider the modified measure at the June 7, 2022, election. However, from the perspective of the voters, the measure will be the same as it was when the Citizens Committee circulated the petitions.

The modified version of the sales tax measure maintains the principles expressed by the Citizens Committee outlined above, includes language to ensure compliance with the Act, and includes other required language that was inadvertently omitted from prior versions of the measure (e.g., bonding authority to finance healthcare improvements).

The Citizens to Save the Hospital Committee will continue to lead the campaign for the passage of the modified sales tax measure, which is expected, as originally planned, to be on the ballot for the June 7, 2022, Countywide Primary Election as Measure O.

"We are grateful for the hard work the Citizens Committee has done and trust that the District's and County Board's actions will ensure that the County's voters get a chance to decide this important issue in June," said Matthew Matthiessen, Chief Executive Officer of the John C. Fremont Healthcare District.

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