

Why Voters Should Reject the New Property Tax in November

Please consider the repercussions of a new state property tax before voting in November. Voters will be asked, "Shall the legislature be authorized to establish, as provided by law, a surcharge on investment real property to be used to support public education?"

This proposed constitutional amendment is a wide-open invitation to expand the state's taxing authority without any mandate to actually increase education funding. It should be rejected.

Let me be clear: I am 100% in favor of increasing funding for education, I graduated from public school, my kids are products of Waialua High School, my wife is a teacher, and so is my sister. I support better pay for teachers and improved facilities, but **this new property tax is not the solution.**

- Nothing will prevent the state from taxing all investment property, including affordable rental housing, small business and commercial properties. Taxes, once created, expand and never go away.
- Renters will pay the tax, not the owners. Forty-two percent of households rent their home, and most cannot afford to pay higher rent to cover additional taxes.
- Counties rely on property taxes to fund emergency services, parks, roads, sewers, etc. A new state property tax would hinder the counties' ability to set tax policy for essential services.
- The combined tax burden and cost of living on residents in Hawaii is already very high. The new property tax would make it worse.
- Existing funding sources could be cut from education and redirected for other purposes. The measure does not mandate any additional funding for education.
- The state budget grew 25% in recent years, yet school funding remained flat. **The problem is lack of priority, not lack of funds.**

Advocates insist they only want to tax multimillion dollar investment homes and they would never support taxing working families in rental property. Unfortunately, this constitutional amendment provides no such assurance and future legislatures will be able to expand the tax as they see fit.

One has only to look at the conveyance tax and the transient accommodation tax to see how well intentioned, targeted taxes expand and morph into cash cows for the state general fund. Special funds are diverted all the time and there is no end to creative justifications for moving funds around to meet ever changing priorities.

I am in favor of mandating a minimum percentage of the state budget to fund education and I will submit legislation to place this mandate into law. In this way, we would guarantee funding for education and elevate it to the priority it deserves.

The proposed constitutional amendment does not guarantee any increase to education funding; it is just a new tax. I will be voting No.

My phone number is 586-7330. My email address is SenRiviere@capitol.hawaii.gov. Follow us on FaceBook or online at SenatorRiviere.com. Please visit us in Room 217 at the Capitol; or let's talk closer to home, maybe the next time we pass in the street. Mahalo.