



The Fire Fee Shell Game: You Lose!

By George Runner

Democrats in the California Legislature seem to be facing the reality that the fire tax they passed with the Governor's help in 2011 is unfair. Californians who live in rural areas rely on a range of public services from multiple levels of government to combat fires. These residents already pay taxes to fund essential fire services.

The original fire fee was a scheme Governor Brown came up with after diverting about \$90 million a year in fire prevention funds to help "balance" the state budget. Residents have gained nothing since this shell game passed. Not a dime of fire fee revenues can be used for actual fire suppression — trucks, planes or hoses. The funds can only be used for "prevention" efforts, which seem to be few and far between.

However, instead of simply repealing this onerous fire prevention fee, Democrats now want to replace a really bad policy with an even worse one.

AB 1203, authored by Assemblyman Reggie Jones-Sawyer is currently awaiting consideration by the Legislature. The bill would repeal the fire fee, but replace it with a 3 to 5 percent insurance surcharge on all commercial and residential property statewide. The money collected from this fee would then be used to create a disaster response fund in the State Treasury.

Right now, this proposal is nothing more than a massive tax increase designed to further fund government bureaucracy. The current fire tax brings in about \$80 million a year in revenue to the state coffers. If AB 1203 were to pass, that number could skyrocket to \$500 million or more a year. That's a colossal difference.

At a time when California is collecting record revenues, does Sacramento really need more of your money? For the month of March alone, revenues have come in \$547 million higher than anticipated by the Governor's budget.

Based on a \$1,000 premium, a small business owner could end up paying tens of thousands of dollars more for insurance. And if you're a residential property owner, you'd get hit with an insurance surcharge as well.

Why should Californians have to purchase additional insurance for something their tax dollars should already guarantee? Imagine having to purchase a crime insurance policy to ensure that local and state police respond to your 911 calls—that wouldn't be effective or fair public policy, and neither is AB 1203.

Protecting Californians shouldn't require new taxes or fees; public safety should be first, not last, in line for spending existing public dollars. If the state's emergency readiness lacks adequate funding, California needs to do a better job prioritizing the more than \$100 billion in taxes that taxpayers are currently sending to Sacramento each year.

Jones-Sawyer's legislation requires a two-thirds vote. I hope both Democrats and Republicans will oppose this new tax proposal. It's hard to imagine why the Legislature would replace a bad policy with an even worse one. Sadly, though, stranger things have happened in Sacramento.

The Legislature should repeal California's illegal fire tax not replace it with a massive insurance scheme that will make life even more costly for Californians.

George Runner represents more than nine million Californians as a taxpayer advocate and elected member of the State Board of Equalization. To help inform California taxpayers, Runner has established a website, calfirefee.com, to provide the latest fire tax news and information.