

IMPARTIAL ANALYSIS OF MEASURE U  
PREPARED BY THE CITY ATTORNEY

Measure U is submitted to the voters by the South Pasadena City Council to continue the current 7.5% rate of the City's Utility Users Tax until otherwise repealed or amended by the voters, in order to generate and stabilize additional municipal revenues.

*Background.*

A utility users' tax (UUT) is a tax levied on each user of a utility (e.g. telephone, electricity, gas, water, wastewater, solid waste disposal, cable or video services) within the City's boundaries. UUT revenues are paid into the City's general fund and used to fund city services and programs, including library and public safety services. The tax is collected by the utility company with its monthly billing and remitted to the City, which uses the revenue to provide services such as public safety, library, parks and recreation, and many programs benefiting school aged children, adults, and seniors.

The City's Utility Users' Tax has been in force since at least 1983. The rate of the UUT has been 7.5% since July 1, 2012. The UUT currently accounts for approximately \$3.4 million, which is about 12% of the City's general fund revenues.

The existing UUT will expire on June 30, 2022, unless renewed by the electorate. Measure U will eliminate any specified termination date, in favor of a majority vote of the electorate, either by a citizen's initiative or City Council ballot, to repeal or amend the UUT rate.

*The Measure.*

Measure U WILL:

- Continue the existing 7.5% UUT tax.
- Eliminate any specific termination date, in favor of a future voter decision to repeal or amend the UUT tax.
- Continue the existing exemption to apply to low-income households.

Measure U WILL NOT:

- Tax access to the internet;
- Tax internet purchases and downloads, such as books, music, ringtones, games or similar digital products.

Measure U requires approval of a majority of voters. A “yes” vote for Measure U will approve the continuation of the existing 7.5% UUT; a “no” vote will allow the UUT to expire on June 30, 2022.



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The above statement is an impartial analysis of Measure U. If you desire a copy of the ordinance or measure, please call the elections official’s office at (626) 403-7230 and a copy will be mailed at no cost to you.