

Capital Gains Options

1. Pass Senate bill and trailer real estate fix bill

Pros

- Get progressive revenue
- Avoid proactively giving opponents a free path to the ballot

Cons

- Senate bill is not the right messaging bill for raising taxes
- Allies won't like it and don't want to fund a referendum ballot fight in 2021
- Members take CG vote in advance of a, likely, difficult 2022 election in new districts
- Attacked for raising taxes while state is 'awash with money'

2. Send House bill over with emergency clause

Pros

- Get progressive revenue
- It's the right messaging bill with defined need
- Avoid a referendum fight, leaving opponents the tougher initiative & court challenge paths

Cons

- Senate might not pass bill with emergency clause
- Members take CG vote in advance of a, likely, difficult 2022 election in new districts
- Attacked for raising taxes while state is 'awash with money'
- Attacked for declaring 'raising taxes' an emergency

3. Send House bill over with referendum

Pros

- Get progressive revenue
- It's the right messaging bill with defined need
- Legislature controls the ballot title for referendum fight

Cons

- Allies won't like proactively putting the policy on the ballot
- Senate might not pass bill with a referendum, especially if Allies oppose
- Members take CG vote in advance of a, likely, difficult 2022 election in new districts
- Attacked for raising taxes while state is 'awash with money'

4. Send House bill over without referendum or emergency clause

Pros

- Get progressive revenue
- It's the right messaging bill with defined need

Cons

- Senate still might not pass bill, given current revenues
- Allies won't like it and don't want to fund a referendum ballot fight in 2021
- Members take CG vote in advance of a, likely, difficult 2022 election in new districts
- Attacked for raising taxes while state is 'awash with money'

5. Do nothing

Pros

- Members don't take CG vote in advance of a, likely, difficult 2022 election in new districts
- Don't risk angering Allies who don't want to fund a referendum ballot fight in 2021
- Might be able to get the document recording fee or other fees for specific priorities
- Preserve opportunity for future CG passage by not failing at the ballot under current conditions where Allies/Caucuses are not aligned

Cons

- Don't get progressive revenue
- CG policy is delayed until at least 2023, possibly longer if Dem majorities aren't held
- HDC members may be angry over missed opportunity after Senate took the CG vote
- Senate may be angry for "hanging out" members if House won't take CG vote