

# DIANE HARKEY

FOR ORANGE COUNTY SUPERVISOR



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## The Bright Side - Battery Tech - Keeps Going and Going!

In most circles, COVID-19 seems to be subsiding, due to more knowledge, more treatments, vaccines and the “herd immunity” stage of the virus approaching. But things were never in a standstill and a lot has happened which should make us optimistic and happy about the future.

First, since the nation’s focus on electric vehicles is expected to increase with the new administration in DC, with a timeline similar to California, the battery is key. The **rechargeable lithium-ion battery** is coming of age in reliability and affordability. A recent Wall Street Journal article cites that costs have come down so far that within the next 5 years, electric vehicles will become as affordable as their gas-powered counterparts. Not to mention the conversion of solar and wind power storage and supply from gas-fired peaker plants to large battery storage facilities, increasing reliability without price spikes.

Next, on the manufacturing front, since at present nearly 65% of lithium-ion batteries come from China, the minerals and manufacturing processes need to be improved in the US. Research on solid-state batteries, recycling used batteries, increase in **mining for Lithium in Nevada and North Carolina** are new avenues of exploration, for national security as well as practical reasons.

And... we are making **advancements on battery storage**. While more renewable storage capacity would not have saved Texas from the power outages, where everything froze including back-up systems, it will definitely help in the more predictable climates, such as California.

One of the largest battery storage projects in the world opened for “business” on Studebaker Road in Long Beach, near the Orange County border. As reported in the Orange County Register (2-16-21) “BESS is a 45,000 square foot battery project that will produce 400-megawatt hours when fully charged,” using over one-million lithium-ion batteries. This new “peaker” plant will replace the gas-fired generator, that now serve as a back-up for electrical supply in 2023.

While I applaud the innovation and success of the plant, I'm not a fan of eliminating gas-fired back up, especially after what we have witnessed across the nation this year. Every system needs a back-up for reliability in situations that we could not have imagined. While even gas lines, and the water for nuclear energy froze in Texas because the lines were not "winterized" that's not likely to happen here. **Power Reliability is key**; summer is coming and is sure to arrive every year. So, while we have not been subject to rolling blackouts during the winter months if memory serves, we are on alert in the summer months. Let's save people from suffering and blackouts and be prepared.

## Heads Up! It's Getting Harder to Avoid Death without Taxes...

Changes in tax law always bear scrutiny and are seldom in the taxpayer's interest. The recently passed VOTER approved Proposition 19, which sounded so wonderful, is actually a work around Proposition 13 protections.

Last fall the voters in California approved Proposition 19 which was advertised as offering seniors and others a better deal on their property taxes. It sounded good and some of the provisions are. But the Devil is always in the details. The changes which began on February 16, 2021 could negatively impact your home and rental properties, your kid's future property taxes, your family business taxes and Senior 55+ property tax benefits, depending on your situation.

## Let's begin with the simple case - Your Home

Prior to the passage of Prop 19 you could transfer a property (home, rental, business property) to your children upon death or other circumstances, and they would assume your assessed value for property tax purposes.

In the case of a home or homes (you could transfer up to 2 houses), the assessed value thanks to Proposition 13, would be 1 % of the price you paid for the home, not to increase by more than 2% per year for every year you have owned the property. Your children could also choose to live in the properties or not (rent it out). The additional house, rental or vacation/second home would also transfer for property tax purposes at your assessed value at the time of the transfer.

Now, not only must your children live in the property the property tax base would increase if the current "Market Value" of the property that you transferred to them is more than your assessed value plus \$1,000,000.00. And - you may only transfer one property. If you bought your home years ago in Southern California you know how the Market Value - or sales price in the neighborhood, has increased.

**Family business, farm, or other properties** are affected as well. The details are much too long and confusing for this newsletter but Jordan Marks,

the Taxpayer Advocate for the San Diego County Assessor, has put forth a useful U-tube video that may help – see link:

[https://youtu.be/pJ94\\_Nzf90M?t=1130](https://youtu.be/pJ94_Nzf90M?t=1130) He has also provided a side-by-side comparison pdf on the assessor's website:

<https://arcc.sdcounty.ca.gov/Documents/Prop19.pdf>

In addition, please get professional advice on tax law changes. What you don't know can hurt you and your heirs.

## Up and Running - Vaccination Sites

I'm hearing much good news about appointments, supply and service in Orange and other counties with regard to Covid-19 vaccination programs. Soka University, Disneyland and many other locations seem to have resolved earlier issues with appointments and long lines, and I am hearing first-hand experience with short waits and abundant customer service. If you are desiring a vaccine, visit your county's website.

For Orange County: <https://occovid19.ochalthinfo.com/covid-19-vaccination-distribution>;

For San Diego County visit:

[https://www.sandiegocounty.gov/content/sdc/hhsa/programs/phs/community\\_epidemiology/dc/2019-nCoV/vaccines/COVID-19-VaxEvents.html](https://www.sandiegocounty.gov/content/sdc/hhsa/programs/phs/community_epidemiology/dc/2019-nCoV/vaccines/COVID-19-VaxEvents.html)

## About Diane

Diane Harkey served from 2015-19 as an elected Member of the State Board of Equalization from Southern California, from 2008-14 as a member of the California Assembly and from 2006-07 as the Mayor of Dana Point.

In each office, Diane capitalized on her private and public-sector experience. She promoted the rights and interests of Southern California taxpayers, employers and municipalities in dealing with state mandates and taxes. She always puts the people first.

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