

NO on Proposition 1A

Restrictions on State Budget Process

A COMPLEX, CONFUSING CONSTITUTIONAL CHANGE THAT WON'T WORK

- Prop. 1A was hastily drafted behind closed doors, in secret budget negotiations, and passed in the dead of night without a single public hearing or any independent analysis of how it will actually work.
- Read the fine print for yourself; it won't actually do what its supporters say. These lasting changes shouldn't be locked into the Constitution when we don't know how Prop. 1A would really work.
- Prop. 1A will tie the hands of the Legislature and Governor as they face changing needs for state and local government services.
- The Constitution should help our elected representatives deal with state problems efficiently and flexibly. It shouldn't contain complex, rigid formulas and convoluted language that will make it hard to hold anyone accountable.

DIVERTS MONEY FROM VALUABLE SERVICES—EVEN IN BAD TIMES

- Prop. 1A would divert our tax dollars—in good times and even in bad times—away from investments like health and human services, higher education, public safety, and other vital services. It dictates a shift of funding priorities that can't be changed, regardless of future needs.
- Prop. 1A would require deposits into a \$12 billion reserve fund (the so-called “rainy day” fund) even during “rainy days.” It limits the conditions under which transfers to the fund can be suspended, even if we haven't yet made it out of our current budget crisis.

HAMPERS RECOVERY FROM BAD TIMES AND PREVENTS INVESTMENT IN CALIFORNIA'S FUTURE

- Prop. 1A is so poorly written that it could require cuts to higher education, public safety, health care, and other services in good times.
- Prop. 1A's formulas do not take into account California's aging population, growth in the actual cost of important services like health care, and other emerging needs of a changing state like dealing with the effects of global warming. The formulas will result in a level of service that does not even meet existing state obligations.
- Proposition 1A would be layered on top of the state's many existing constitutional funding guarantees. This could limit the state's ability to fund programs and services that lack constitutional protection, such as health care, resources, higher education and programs that assist seniors.

GIVES THE GOVERNOR THE POWER TO MAKE UNILATERAL CUTS

- If Prop. 1A passes, governors would have the unilateral authority to cut many types of spending for general state operations or capital outlay by up to seven percent mid-way through a budget year.
- Governors could also reduce cost-of-living adjustments (COLAs) for programs specified in the state budget.
- This new authority would not require approval from the Legislature, thus undermining our democratic system of checks and balances. If mid-year budget adjustments are needed, they should be made by the Legislature and Governor working together.

NOT THE SOLUTION WE NEED—LONG-TERM OR SHORT-TERM

- Prop. 1A will not do what it promises and instead will lead to deep cuts in services.
- But it is also NOT a short-term solution for these difficult economic times. In fact, most of its provisions will not take effect for two years. We should spend that time hammering out REAL reform.
- We need real reform that makes the budget process more accountable and provides the tools to address state priorities and meet California's needs.

VOTE NO ON PROP. 1A