



PROS & CONS

STATE BALLOT MEASURES

www.lwvc.org

General Election, November 7, 2006

PROPOSITION

1A

TRANSPORTATION FUNDING PROTECTION Legislative Constitutional Amendment.

THE QUESTION

Should the California Constitution be amended to further protect transportation-related state sales tax revenues from general-purpose use and require that any funds borrowed be repaid to the transportation fund?

THE SITUATION

Until 2002, most of the state sales tax on gasoline was not used for transportation purposes. Instead, these revenues were used for education, health, social services, and corrections.

Proposition 42, approved by voters in 2002, amended the state Constitution to dedicate the revenue from the sales tax on gasoline to transportation uses, except in a fiscal emergency.

Since 2002, the state has suspended the Proposition 42 transfer twice. In 2003-04, the transfer was suspended partially, and in 2004-05, the full amount of the transfer was suspended. Existing law requires that these suspended amounts be repaid with interest.

THE PROPOSAL

This measure amends the state Constitution to further limit the conditions when the Proposition 42 transfer of gasoline sales tax revenues for transportation uses may be suspended.

FISCAL EFFECT

This measure would not increase or decrease overall revenue. By limiting the frequency and the conditions under which Proposition 42 transfers may be suspended over a ten-year period, the measure makes it more difficult to use gasoline sales tax revenues for non-transportation purposes when the state experiences fiscal difficulties. As a result, the measure would increase the stability of funding to state and local transportation infrastructure.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means that the California Constitution will be amended to further limit suspension of the transfer of the state gasoline sales tax from the General Fund to the transportation fund.

A **NO** vote means that the California Constitution

will not be amended to further limit suspension of the transfer of the state gasoline sales tax from the General Fund to the transportation fund.

SUPPORTERS SAY

- Prop 1A closes the loophole in the current law and ensures that the gas taxes you already pay are spent only on transportation projects.
- It means a stronger economy, with emphasis on infrastructure to move people and goods throughout the state.
- It ensures a stable source of long-term funding to improve transportation.

OPPONENTS SAY

- In bad years, the Legislature and the Governor need the flexibility to shift funds temporarily to ensure that education receives at least its minimum guarantee.
- Proposition 1A will put still more of California's budget on "automatic pilot."
- Strong protections for highway and pothole funds are already in Proposition 42.

FOR MORE INFORMATION

PRO 916-448-1401, www.ReadForYourself.org
CON 916-319-2045

Election Day is

Tuesday, November 7, 2006.

Polls are open from 7 a.m. to 8 p.m.

October 23 is the last day to register to vote for the November 7 election.

ABSENTEE BALLOT

The last day that your county elections official can accept an application by mail for an absentee ballot is October 31, but you may apply in person at the office of the county elections official through Election Day. Absentee ballots must be in the hands of the county elections official by 8:00 p.m. on Election Day, November 7, 2006.

NEW CITIZEN?

If you became a citizen in California after the close of registration on October 23, 2006, you may still register to vote by visiting your county elections office on or between the dates of October 24 and November 1. Bring proof of citizenship with you, and be prepared to declare to the county elections official that you have established residency in California.

ELECTION INFORMATION

If you are a registered voter, you will receive a notice of the election that includes the address of your polling place. The notice will also include a sample ballot, an application for an absentee ballot and information about the ballot measures.

HOW TO EVALUATE BALLOT PROPOSITIONS

- Who are the real sponsors and opponents of the measure? Investigate the names of groups with which you are not familiar.
- Does the measure deal with one issue that can be easily decided by a "yes" or "no," or is it a complex issue that should be thoroughly examined in the legislative arena?
- Is it written well? Are there conflicts in the measure that may require court resolution or interpretation? Is it "good government," or will it cause more problems than it will resolve?
- If the measure amends the Constitution, consider whether it really belongs in the Constitution. Amending the Constitution is cumbersome and costly and requires a vote of the people. Would a statute accomplish the same purpose?
- Does the measure create its own revenue source? Does it earmark, restrict, or obligate a specific percentage of General Fund revenues? Consider the effect on the overall flexibility of the budget.
- Examine the measure by its merits. During the campaign, be wary of distortion tactics and commercials that rely on image but tell nothing of substance about the measure.

Courtesy of Margaret Craig, LWV Orange Coast

PROPOSITION**1B****HIGHWAY SAFETY, TRAFFIC REDUCTION, AIR QUALITY, AND PORT SECURITY BOND ACT OF 2006****Legislative Bond Act.****THE QUESTION**

Should the state sell \$19.9 billion in general obligation bonds to fund state and local transportation projects aimed at relieving congestion, improving movement of goods, improving air quality, and enhancing safety and security of the transportation system?

THE SITUATION

California spends about \$20 billion a year in combined state, federal, and local funds to maintain, operate, and improve state highways, streets and roads, passenger rail, and transit systems. The money comes from state gas taxes (\$6.3 billion); federal gas taxes (\$4.5 billion); and local sales and property taxes and transit fares (\$9.5 billion). Since 1990, \$5 billion in state transportation bonds have been approved, of which \$355 million remains.

THE PROPOSAL

Proposition 1B bonds would finance a variety of transportation and related projects:

- Congestion reduction, highway and local road improvements—\$11.3 billion to increase capacity on state highways, local roads and public transit
- Public transportation—\$4 billion to improve local transit services and state intercity rail services; purchase buses and rail cars and improve transit safety
- Goods movement and air quality—\$3.2 billion to improve freight movement through ports, on state highway and rail systems and between California and Mexico; improve air quality by reducing emissions related to freight movement, and replace or retrofit school buses
- Safety and security—\$1.5 billion to increase protection against security threats or improve disaster response on transit systems; improve rail crossing safety, seismically retrofit local bridges, ramps and overpasses; improve security and disaster planning in publicly owned ports, harbors and ferry terminals.

FISCAL EFFECT

The Legislative Analyst estimates the total cost of the bonds at \$38.9 billion over 30 years. The state and local governments that construct or improve transportation infrastructure with these bonds will incur unknown additional costs to operate and maintain them. Revenues generated by the improvements, such as transit fares and tolls, would offset a portion of these costs.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means the state could sell \$19.9 billion in general obligation bonds for state and local transportation improvements.

A **NO** vote means the state could not sell \$19.9 billion in general obligation bonds for these purposes.

SUPPORTERS SAY

- Prop 1B jump-starts traffic relief, mass transit and safety improvements throughout the state without raising taxes.
- It builds new roads and transportation improvement projects that enhance mobility and protect our economic future.

PROPOSITION**1C****HOUSING AND EMERGENCY SHELTER TRUST FUND ACT OF 2006****Legislative Bond Act.****THE QUESTION**

Should the state sell \$2.9 billion in general obligation bonds to fund housing for lower-income residents and to assist development in urban areas near public transportation?

THE SITUATION

Most houses and apartments built in California are funded with private dollars. Some units receive subsidies from various government entities. These homes are sold or rented to low income Californians. The state also offers home buyers direct financial assistance. Cities and counties, however, incur the cost of infrastructure-related services to new housing, such as water, sewer, roads, and parks.

In 2002, voters approved Proposition 46, which provided \$2.1 billion in general obligation bonds to fund state housing programs. The Legislative Analyst estimates \$350 million will remain unspent as of November 2006.

California has 21 of the 25 least affordable metropolitan areas in the country, and only 14 percent of families in California can afford the \$561,000 median home price. Traffic and congestion are growing as working families seek affordable housing outside of urban areas in which they work. California has nine out of ten of the counties nationwide that are least affordable for renters.

THE PROPOSAL

Proposition 1C would allocate funds to support a variety of housing and development programs as follows:

- \$1.5 billion for existing programs for home ownership and multifamily housing
 - Homeowner assistance programs—\$625 million
 - Multifamily housing—\$590 million
 - Farmworker housing—\$135 million

- It provides safer roads, reduced congestion and a strong economy.

OPPONENTS SAY

- California cannot afford to continue borrowing its way into a false sense of economic security.
- More borrowing means worsening budget deficits.
- A “No” vote will force the Legislature to focus on paying for our transportation needs with existing funds in a fiscally responsible manner

FOR MORE INFORMATION

PRO 916-448-1401, www.ReadForYourself.org

CON 916-991-9300, www.protecttaxpayers.com

- Pilot programs to develop housing at lower costs—\$100 million
- Homeless shelters—\$50 million

■ \$1.35 billion for development projects in urban areas and near public transportation that would include funding of infrastructure, parks, traffic mitigation, and preservation of open space throughout the state. This is a new program with details to be established by the Legislature.

FISCAL EFFECT

The Legislative Analyst estimates the 30-year cost to be \$6.1 billion.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means the state could sell \$2.9 billion in general obligation bonds to support a variety of housing and urban development programs.

A **NO** vote means the state could not sell \$2.9 billion in general obligation bonds for these purposes.

SUPPORTERS SAY

- It helps working families afford homes and provides accessibility improvements to apartments for disabled Californians.
- It provides shelters for our most vulnerable: the elderly, disabled, homeless families, foster youth, battered women and children.

OPPONENTS SAY

- In a state of 37 million people with more than 12.1 million housing units, what \$2.85 billion can buy will be a drop in the bucket.
- For every dollar borrowed, we and our children will repay that dollar plus a dollar in interest.

FOR MORE INFORMATION

PRO 916-448-1401, www.ReadForYourself.org

CON 916-991-9300, www.NoProp1C.com

PROPOSITION**1D****KINDERGARTEN-UNIVERSITY PUBLIC EDUCATION FACILITIES BOND ACT OF 2006****Legislative Bond Act.****THE QUESTION**

Should the state sell \$10.4 billion in general obligation bonds to repair and upgrade public schools, including K-12, community colleges, and state colleges and universities?

THE SITUATION

For kindergarten through grade 12, the state and school districts share the cost of facilities. Over the past ten years, voters have approved a total of \$28.1 billion in state general obligation bonds for K-12 school facilities. The state estimates that costs for building new schools and repairing older schools will total more than \$11 billion over the next five years.

For public higher education facilities (community colleges, University of California, and California State Universities), voters over the past ten years have approved \$6.5 billion in state general obligation bonds for specific capital improvements. The state has also provided about \$1.6 billion in lease revenue bonds that were authorized by the Legislature.

THE PROPOSAL

Proposition 1D allows the state to sell \$10.4 billion of general obligation bonds for K-12 and higher education facilities.

The K-12 facilities funds of \$7.3 billion are allocated as follows:

- Modernization projects—\$3.3 billion
- New construction projects—\$1.9 billion
- Severely overcrowded schools—\$1 billion
- Charter school facilities—\$500 million
- Career technical facilities—\$500 million
- Environment-friendly projects—\$100 million
- Joint-use projects—\$29 million

The higher education funding of \$3.1 billion allocates \$1.5 billion to the community colleges, \$890 million for the UC system, and \$690 million for the CSU system.

FISCAL EFFECT

The Legislative Analyst estimates the 30-year cost to be \$20.3 billion.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means that the state could issue \$10.4 billion in general obligation bonds for repair and upgrade of public schools, including K-12, community colleges, and state colleges and universities.

A **NO** vote means that the state would not be able to issue these new general obligation bonds for these purposes.

SUPPORTERS SAY

- Proposition 1D will make our schools earthquake safe
- It will reduce overcrowding in our schools
- It will update our schools for the latest technology.

OPPONENTS SAY

- Proposition 1D is too big and includes new, untested programs
- It's another short-term bond proposal that funds only the next two years of need
- More borrowing, more debt.

FOR MORE INFORMATION

PRO: 916-442-2952, ReadForYourself.org

CON: 916-991-9300, www.protecttaxpayers.com

PROPOSITION**1E****DISASTER PREPAREDNESS AND FLOOD PREVENTION BOND ACT OF 2006****Legislative Bond Act.****THE QUESTION**

Should the state sell \$4.1 billion in general obligation bonds to finance disaster preparedness and flood prevention projects at the state and local levels?

THE SITUATION

California assists with flood control projects statewide, and is primarily responsible for Central Valley projects, which provide water to a significant portion of the state's population. Eighty percent of the levee projects are overseen by local agencies with state grants, principally from the General Fund. Since 1996, bond measures totaling \$400 million for water quality and safety projects have been passed. Most of these funds have been spent.

State spending for flood management has varied from \$60 million in 2002-03 to \$270 million in 2001-02, depending on the availability of general and bond funds. Recently, the Legislature voted \$500 million from the General Fund for emergency levee repair and flood management.

The Department of Water Resources (DWR) has estimated that the repair and upgrade of the Central Valley flood control systems and Delta levees would cost between \$7 billion to \$12 billion.

THE PROPOSAL

Proposition 1E would create the Disaster Preparedness and Flood Prevention Bond Fund of 2006, administered by the state DWR. The bond proceeds would be used to obtain federal matching funds and

encourage local matching funds. It would require the DWR to establish priorities, design projects, and prepare an annual plan. The funds would be allocated as follows:

- \$3 billion for Central Valley Flood Control System and Delta levees to repair, improve, and add facilities for flood protection in the urban areas
- \$500 million to local governments for the state's share of federally authorized projects
- \$300 million to local agencies for stormwater management programs
- \$290 million to create, enhance, and protect flood corridors and to create floodplain maps.

FISCAL EFFECT

The Legislative Analyst estimates the 30-year cost to be \$8 billion. State land purchases for projects could reduce local property taxes by several million dollars annually. The operation and maintenance costs of any new properties or projects are unknown.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means that the state could sell \$4.1 billion in general obligation bonds for state and local projects for flood control and other water safety projects.

A **NO** vote means that \$4.1 billion in general obligation bonds could not be sold for these projects.

SUPPORTERS SAY

- It will ensure that clean water is available by pro-

viding funds to rebuild an out-of-date system and it will prevent pollution and safeguard water sources.

- It will not raise taxes and has strong accountability provisions, including independent audits.

OPPONENTS SAY

- We cannot afford new debt and higher taxes to pay for it; local projects should be funded locally.
- It will not build a single reservoir or water treatment plant.

FOR MORE INFORMATION

PRO 916-448-1401, www.ReadForYourself.org

CON 916-991-9300, www.ProtectTaxpayers.com



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PROPOSITION**83****SEX OFFENDERS. SEXUALLY VIOLENT PREDATORS. PUNISHMENT, RESIDENCE RESTRICTIONS AND MONITORING.****Initiative Statute.****THE QUESTION**

Should existing state laws be amended to increase criminal and civil penalties and provide lifetime Global Position System (GPS) monitoring of convicted sexual predators?

THE SITUATION

Presently, sex offenses are punishable by a year in jail to life in prison, depending on the offense. Upon release, convicted offenders must register with local law enforcement, and their whereabouts are made public. Some are prohibited from residing within one-half mile of a school. GPS currently monitors about 1,000 high-risk parolees. Sexually Violent Predators (SVPs) are committed to mental hospitals.

THE PROPOSAL

Proposition 83 would

- Redefine certain offenses as sexual
- Increase the length of penalties and add monetary fines
- Reduce probation, eliminate early release credits and increase length of parole
- Monitor registered offenders for the rest of their lives
- Charge offenders with a misdemeanor for living within one-half mile of a school or park
- Require less criminal activity for SVP designation and higher standards for release.

FISCAL EFFECT

It is estimated that the proposition would incur one-time costs for construction and ongoing costs of up to two hundred million dollars annually due to an increase in state prison expenses, increased GPS monitoring, and SVP program costs.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means that the state would increase the penalties and fines for sexual offenses and provide GPS monitoring for every resident convicted of a sexual offense.

A **NO** vote means that the state would continue to use present laws regarding monitoring and punishment of sex offenders.

SUPPORTERS SAY

- It will create mandatory minimum sentences of 15 to 25 years to life.
- It will ensure that sex offenders serve their full sentence.
- It will electronically monitor sex offenders for life.

OPPONENTS SAY

- It will cost an estimated \$500 million and would not increase our children's safety.

- It will impose lifetime restrictions and monitoring on people who have lived law-abiding lives for decades.
- It has not been proven to be a deterrent in other states.

FOR MORE INFORMATION

PRO 916-443-2024, www.83yes.com

CON 916-448-8868, www.cacj.org

PROPOSITION 84 WATER QUALITY, SAFETY AND SUPPLY. FLOOD CONTROL. NATURAL RESOURCE PROTECTION. PARK IMPROVEMENTS.**Bonds. Initiative Statute.****THE QUESTION**

Should the state issue \$5.4 billion in general obligation bonds for a wide variety of projects related to water safety, rivers, beaches, levees, watersheds, and parks and forests?

THE SITUATION

The state operates a variety of programs to conserve water resources, protect the environment, control flooding, and offer recreation opportunities. Funding comes from three main sources: the state General Fund, federal funds, and \$11 billion in voter-approved general obligation bonds since 1996.

THE PROPOSAL

This initiative proposes the sale of \$5.4 billion in bonds for a variety of programs, including:

- \$1.53 billion for water quality programs
- \$928 million for protection of rivers, lakes and streams
- \$800 million for flood control
- \$580 million for sustainable communities
- \$540 million for protection of coastal waters and beaches
- \$500 million for parks and nature education facilities
- \$450 million for forest and wildlife conservation
- \$65 million for statewide water planning

FISCAL EFFECT

The Legislative Analyst estimates that the cost of the bonds to the state over a 30-year period would be \$10.5 million. It could cost state and local gov-

ernments tens of millions in new program management costs. Property tax revenues could be reduced by several million dollars a year if land is taken off the tax rolls for public purposes.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means that \$5.4 billion of bonds could be sold to fund water management and environmental protection projects.

A **NO** vote means that \$5.4 billion of bonds could not be sold for these purposes

SUPPORTERS SAY

Proposition 84 will ensure all Californians have:

- Access to safe drinking water
- Better protection from floods
- Opportunities to enjoy parks, natural landscapes and our rivers, lakes, beaches, bays and coastline.

OPPONENTS SAY

- This is a special interest measure, with benefits going to the groups that sponsor it.
- The Legislature put a similar measure (Prop 1E) on the ballot; we don't need this one.
- It has no funds for new water capacity and even diverts drinking water to other purposes.

FOR MORE INFORMATION

PRO 818-784-1222, www.yeson84.com

CON 916-991-9300, www.protecttaxpayers.com

In order to vote in the November 7, 2006 election, you must:

- ☞ Be a United States citizen and a resident of California
- ☞ Be at least 18 years old by the date of the election
- ☞ Be registered to vote
- ☞ Not be in prison or on parole for a felony conviction
- ☞ Not have been judged mentally incompetent to vote by a court

When do you need to reregister to vote?

- ☞ When you move
- ☞ When you change your name
- ☞ When you change your political party affiliation

PROPOSITION**85****WAITING PERIOD AND PARENTAL NOTIFICATION BEFORE TERMINATION OF MINOR'S PREGNANCY. Initiative Constitutional Amendment.****THE QUESTION**

Should the California Constitution be amended to require notification of a parent or legal guardian of an unemancipated pregnant minor at least 48 hours prior to performing an abortion?

THE SITUATION

Currently minors can receive the same abortion services as adults due to a state law passed in 1953. In 1987 an amendment requiring parental consent was passed. However, it was never enacted due to legal challenges and, in 1997, the California Supreme Court struck it down based on the right to privacy. Unlike the U.S. Constitution, the state Constitution specifically protects the right to privacy.

In November 2005, Proposition 73 was on the ballot. It would have required parental involvement before an abortion could be performed, as does Proposition 85. A difference between the two measures is that Proposition 85 does not suggest a definition for when life begins.

THE PROPOSAL

Proposition 85 would prohibit an abortion for an unemancipated minor until 48 hours after a physician notifies the minor's parent/guardian, except in the case of a medical emergency or with a parental waiver, which is valid for 30 days. The measure includes reporting requirements and authorizes monetary damages against physicians for violation.

FISCAL EFFECT

Actual costs will depend upon how these requirements affect minors' behavior. It is estimated the costs to the state would be several million dollars annually for health and social services programs, court and state agency administration.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means that the California Constitution would be amended to require notification of the parent or legal guardian of an unemancipated pregnant minor at least 48 hours before performing an abortion.

A **NO** vote means that the California Constitution would not be amended to require notification of the parent or legal guardian.

SUPPORTERS SAY

- When parents are involved and minors cannot anticipate unrestricted access to abortion, they will avoid the reckless behavior that leads to pregnancy.
- In California, girls under 18 can't get simple medical care without a parent's permission but they do not have to ask their parents before receiving abortion services.
- More than 30 states have laws like Proposition 85, and often after such laws have passed, there have

been substantial reductions in pregnancies and abortions among minors.

OPPONENTS SAY

- Studies show that 61 percent of pregnant teens tell their parents and 99 percent tell a trusted adult such as minister.

PROPOSITION**86****TAX ON CIGARETTES Initiative Constitutional Amendment and Statute.****THE QUESTION**

Should the state impose an additional tax of \$2.60 per cigarette pack to fund new and expanded health services, health insurance for children, and expanded tobacco use prevention programs?

THE SITUATION

Current state law imposes excise taxes on cigarettes and other tobacco products, which support the Proposition 10 Children and Families Commission, tobacco education, the state General Fund, and research related to breast cancer. These revenues totaled about \$1.1 billion in 2006-07.

California currently offers some insurance to children through Medi-Cal, the Healthy Families program, and local health coverage programs such as the County Health Initiative Matching Fund.

THE PROPOSAL

The measure imposes an additional \$2.60 tax per cigarette pack. The revenues would be spent for various health programs including:

- \$756 million to qualified hospitals for emergency services
- \$367 million for health insurance for children
- \$180 million to backfill Proposition 10 for a loss of funding that would result from the tax increase
- \$134 million for disease prevention programs
- \$116 million for clinics and indigent program
- \$91 million for nursing education
- \$52 million for other health treatment and tobacco prevention programs.

FISCAL EFFECT

The increase in the tobacco excise tax revenues will be about \$2.1 billion annually in 2007-08, declining slightly annually thereafter. Local governments would likely experience an annual increase in sales tax revenues of as much as \$10 million from the increase in excise tax, despite the anticipated decrease in consumption.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means that the state would impose an additional tax of \$2.60 per cigarette pack to fund new

- Some teens live in dangerous homes, where a family member may be the perpetrator, and may not be able to go to their parents.
- The California Supreme Court has found "overwhelming" evidence that similar laws in other states do harm to teenagers.

FOR MORE INFORMATION**PRO** 866-828-8355, www.Yeson85.net**CON** 916-669-4802, www.noon85.com

and expanded health services, health insurance for children, and expanded tobacco use prevention programs.

A **NO** vote means that the state could not impose an additional tax on cigarettes to fund a variety of health services.

SUPPORTERS SAY

- Ninety percent of smokers start as teens; in California 47,900 kids become new daily smokers each year.
- Nearly \$16.5 billion will be saved in health care costs because more than half a million smokers in California would quit smoking.
- Money will go exactly where voters intend because Proposition 86 includes tough financial safeguards.

OPPONENTS SAY

- The largest share, almost 40 percent, goes to hospitals, many of which are funding the campaign for the new tax.
- Less than 10 percent of the tax revenue goes toward helping smokers quit or keeping kids from starting to smoke cigarettes.
- Law enforcement groups oppose Proposition 86 because it will increase crime and smuggling.

FOR MORE INFORMATION:**PRO** 916-448-2720, www.yesprop96.com**CON** 916-218-6640, www.86facts.org



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PROPOSITION**87****ALTERNATIVE ENERGY. RESEARCH, PRODUCTION, INCENTIVES. TAX ON CALIFORNIA OIL PRODUCERS. Initiative Constitutional Amendment and Statute.****THE QUESTION**

Should California tax oil producers to fund the establishment of a \$4 billion Clean Alternative Energy Program with the goal of reducing oil and gasoline consumption through incentives for alternative energy, education and training?

THE SITUATION

In 2005, California produced an estimated 230 million barrels of oil, approximately 12 percent of U.S. production, and supplied 37 percent of the state's oil needs. Virtually all oil produced in California is delivered to California refineries. Oil producers pay the state corporate income tax on profits earned in California and they pay a regulatory fee which, in 2006-07, will generate total revenues of \$14 million. Property owners pay local property taxes on the value of oil drilling equipment and on the value of recoverable oil in the ground.

THE PROPOSAL

Oil producers would pay a variable 1.5 percent to 6 percent tax on oil extracted in California to fund research and production incentives for alternative energy, alternative energy vehicles, efficient technologies, education and training. A reorganized California Energy Alternatives Program Authority would administer the program with the goal of reducing petroleum consumption in California by 25 percent over ten years. The proposal prohibits oil producers from passing the tax on to consumers.

FISCAL EFFECT

- The proposed tax could raise \$225 million to \$485 million annually, depending on how the measure is interpreted. Actual revenues will depend on oil prices and oil production in the state.
- Administrative costs are unknown.
- Local property taxes paid on oil reserves would decline to the extent that the tax reduces the value of oil reserves in the ground and related assessed property values.
- Investments in new technologies may spur economic development in California.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means the state would impose a tax on California oil production to support \$4 billion in expenditures to develop and promote alternative energy technologies and reduction of petroleum use.

A **NO** vote means the state would not impose a tax on oil production to fund these activities.

SUPPORTERS SAY

- Oil companies pay billions of dollars in drilling fees in Texas, Louisiana and Alaska but almost nothing in California.
- Oil companies will be prohibited from raising gas

prices to pass the tax on to consumers.

- It will make oil companies pay for cleaner energy, create thousands of jobs, and reduce air pollution.

OPPONENTS SAY

- Prop. 87 will spend \$4 billion to fund a new state

PROPOSITION**88****EDUCATION FUNDING, REAL PROPERTY PARCEL TAX Initiative Constitutional Amendment and Statute.****THE QUESTION**

Should the California Constitution be amended to levy an annual \$50 real property tax on most parcels with the funds allocated to five specified K-12 education programs?

THE SITUATION

Local governments impose a variable property tax based on the assessed value of property. Some local governments also impose a "parcel" tax, where the tax is the same amount for each property parcel. Currently, the state does not impose either of these taxes.

THE PROPOSAL

This initiative would add an annual \$50 tax to each local property tax bill. This dollar amount will not change over time, although the number of assessable parcels could rise. The measure exempts any homeowner who is 65 or older or who is badly disabled.

It would create the Classroom Learning and Accountability Fund with the following annual allocations:

- Class Size Reduction—\$175 million to reduce class size in any grade
- Instructional Materials—\$100 million to purchase state-approved instructional materials.
- School Safety—\$100 million for policing, gang-risk intervention and after school programs.
- Facility-related Grants—\$85 million to school districts or charter schools that have not yet received any state facilities funding.
- Data System—\$10 million for an integrated longitudinal data system.
- It would require an annual independent audit of how the funds were used at each school district.

FISCAL EFFECT

School districts currently receive almost \$3 billion in state funds for the types of programs outlined in the proposal. It is estimated that the proposed statewide parcel tax would raise approximately \$450 million annually. Approximately \$30 million would be transferred to the General Fund to offset a decline in state income tax revenues. Approximately \$1 million would be allocated for county administrative expenses.

WHAT A YES OR NO VOTE MEANS

bureaucracy that is not necessary for producing results.

- It will reduce instate oil production and increase dependence on oil from the Middle East.
- It will reduce General Fund and property tax revenues for education, public safety, health care and transportation.

FOR MORE INFORMATION

PRO 323-782-1045, www.yeson87.com

CON 650-340-0262, www.noOilTax.com

A **YES** vote means that the California Constitution would be amended to levy an annual \$50 tax on each real property parcel with the proceeds allocated to five specified K-12 education programs.

A **NO** vote means that the state will not levy an annual \$50 tax on each real property parcel to fund K-12 education programs.

SUPPORTERS SAY

- It will provide funding directly to local school districts so they can decide where to spend the funds.
- It is a relatively small assessment that will raise funds for student achievement while protecting property owners against runaway taxes—especially seniors with fixed incomes.
- Funds are subject to oversight and annual independent audits to ensure that every penny goes into classrooms and student learning, where it is needed most.

OPPONENTS SAY

- It will impose the first statewide property tax since 1910, encouraging other special interests to pass more and bigger state property parcel taxes to fund their specific causes.
- It exploits a loophole to avoid the requirements of Proposition 13, which requires two-thirds of the voters to approve any local parcel tax.
- The new parcel tax is permanent, whether or not it results in improvements to our education programs.

FOR MORE INFORMATION

PRO 916-448-3868, www.votefor88.org

CON 916-218-6640, www.noprop88.com

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POLITICAL CAMPAIGNS. PUBLIC FINANCING. CORPORATE TAX INCREASE. CAMPAIGN CONTRIBUTIONS AND EXPENDITURE LIMITS.

Initiative Statute.

THE QUESTION

Should eligible candidates for state elective offices receive public campaign funding that is supported by new taxes on corporations and financial institutions, and should contribution limits be imposed on those candidates who do not receive public campaign funding?

THE SITUATION

Candidates for state office collect private donations from individuals, corporations, unions, political parties, and other organizations. Proposition 34, approved by the voters in November 2000, set campaign contribution restrictions depending on the office and type of contributor. For example, an individual can give a candidate for the Assembly up to \$3,300, but there is no limit on contributions by a political party. Anyone can create a committee separate from a candidate's campaign and spend any amount on TV ads and other media. There are no limits on the amount that can be donated for state ballot measure campaigns.

THE PROPOSAL

Proposition 89 would:

- Provide public funding for candidates for state office who meet certain requirements and agree to contribution limits; these candidates would receive more money to match an opponent who

did not accept public funding and limits

- Lower the allowable contribution amounts for candidates who choose not to receive public funding
- Place limits on corporate and candidate contributions to ballot measure campaigns
- Increase the tax rate on corporations and financial institutions by 0.2 percent to provide the public funds for campaigns.

FISCAL EFFECT

A new tax on corporations and financial institutions would raise over \$200 million each year to provide public funding for political campaigns.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means that candidates for state office could choose to receive public funds to pay for the costs of campaigns. Candidates who do not accept public funds would be subject to lower contribution limits. Taxes on corporations and financial institutions would increase by 0.2 percent to pay for public financing of political campaigns.

A **NO** vote means that candidates for state office would continue to pay for their campaigns with private funds subject to current contribution limits. The tax rate on corporations and financial institutions would not change.

SUPPORTERS SAY

- Prop 89 provides public financing to candidates who stick to strict spending limits and reject private contributions from corporations, other organizations, and individuals.
- It provides funds for public financing by a modest increase in the corporate income tax, raising it from 8.84 percent to 9.04 percent.
- It limits to \$10,000 the amount corporations can spend directly on ballot measure campaigns.

OPPONENTS SAY

- Prop 89 increases taxes to give politicians public money to produce negative TV ads and junk mail.
- It limits the ability of many small businesses to back candidates or have a say about ballot measures.
- It allows unions to make unlimited contributions to ballot measure campaigns while shutting out small businesses.

FOR MORE INFORMATION

PRO 1-877-886-8389, www.89now.org
1-800-440-6877, www.yeson89.org
CON 916-708-7824, www.noprop89.org

Pros & Cons

September 2006

President: Jacqueline Jacobberger

Education Fund Chair: Roberta Davis

About the League

The League of Women Voters, a nonpartisan political organization, encourages the informed and active participation of citizens in government. The League also influences public policy through action and advocacy. The League does not support or oppose candidates or political parties.

The League of Women Voters of California Education Fund publishes the *Pros & Cons* of the state ballot measures, an explanation of the propositions on the state ballot and the main arguments of their proponents and opponents. The League does not judge the merits of the arguments nor guarantee their validity. Arguments come from many sources and are not limited to those found in the state ballot pamphlet.

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THE INITIATIVE PROCESS

The initiative process allows voters to bypass the legislature and propose ballot measures. The two types of initiatives are constitutional amendments and statutes; and as with other ballot measures, they require a majority vote to pass. Proponents circulate petitions to collect the required number of voters' signatures in order to qualify a measure for the ballot.

An initiative constitutional amendment requires more signatures than a statute, but if it is approved by a majority of the voters, this measure becomes part of the state's constitution and is difficult to change. An amendment may be proposed for voter approval by qualifying another initiative or by a two-thirds vote of the members of each house of the legislature.

An initiative statute is easier to qualify because it requires fewer signatures, but the legislature may amend it with a majority vote and submission to the electorate, unless the initiative specifically permits amendment without voter approval.

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Encouraging the informed participation of citizens in government and influencing public policy since 1920.

Government Acquisition, Regulation of Private Property Initiative Constitutional Amendment.

THE QUESTION

Should the California Constitution be amended to require that government entities pay property owners for substantial economic losses resulting from some new laws and regulations, and limit government authority to take ownership of private property?

THE SITUATION

State and local governments pass laws and rules that may reduce the value of private property, such as those that limit development on real property or require pollution reduction.

To carry out other public policies and/or to promote economic development, governments must sometimes purchase private property. Most of these purchases are negotiated with the owners but, if negotiations fail, the government may acquire the property through eminent domain. Eminent domain is the power of governments to take private property for a public use as long as the owner receives the fair market value of the real property.

THE PROPOSAL

Proposition 90 would:

- require additional compensation to property owners if new laws or rules result in substantial economic losses to the owner, such as limiting the number of homes that can be developed on a parcel, limiting the height of buildings, eliminating road access to the parcel, or requiring endangered

- species protection or historical preservation
- limit the purposes for which a government could take private property for building a government-owned public facility, correcting a public nuisance on a parcel, or responding to a declared state of emergency
- require that the government own and occupy the acquired property
- prohibit governments from using eminent domain for economic development purposes
- require governments to pay more than fair market value if a greater sum were necessary to place the property owner "in the same position monetarily" as if the property had never been taken

FISCAL EFFECT

The provisions regarding economic losses to the property owner could have a major effect on future governmental policymaking and costs, depending on how the courts interpret the measure's provisions and how governments implement them.

State and local governments probably would modify their policymaking practices to try to avoid the costs of compensating property owners for losses. There probably would be many cases, however, where such costs would be incurred and they could be significant on a statewide basis. This could prevent governments from taking actions that otherwise would have increased economic activity and state or local tax revenues, thus creating a negative fiscal effect.

WHAT A YES OR NO VOTE MEANS

A **YES** vote means that the California Constitution should be amended to require governments to pay property owners for substantial economic losses resulting from some new laws and rules, and limit government authority to take ownership of private property.

A **NO** vote means that the California Constitution will not be amended to impose new requirements on governments for payment of property owners for economic losses.

SUPPORTERS SAY

- Prop 90 will limit the power of eminent domain available to governments in California to projects for public use.
- It ensures that, whenever government takes or damages private property for a public use, the owner of any affected property will receive just compensation for the property taken or damaged.

OPPONENTS SAY

- Prop 90 is a trap that will lead to huge new costs for all California taxpayers as unscrupulous property owners exploit these new provisions.
- This is a poorly written proposition loaded with unrelated and far-reaching provisions that will harm, not protect, California property owners.

FOR MORE INFORMATION

PRO 916-443-6703, www.90yes.com

CON 916-443-0872, www.noprop90.com

Local Leagues in California

To learn more about the ballot or request a Pros and Cons speaker, find your local League at www.lwvc.org

Alameda	Humboldt County	San Bernardino
Arcadia MAL Unit	Livermore/Amador Valley	San Diego
Bakersfield	Long Beach Area	San Francisco
Beach Cities	Los Altos/Mountain View Area	San Joaquin County
Benicia	Los Angeles	San Jose/Santa Clara
Berkeley/Albany/Emeryville	Marin County	San Luis Obispo County
Beverly Hills	Marysville/Yuba City	Santa Barbara
Butte County	Mendocino County	Santa Cruz County
Capistrano Bay Area	Merced County	Santa Maria Valley
Central Orange County Area	Monterey Peninsula	Santa Monica
Claremont Area	North Coast San Diego County	Sonoma County
Cupertino/Sunnyvale	North Orange County	South San Mateo County
Davis	North and Central San Mateo County	Southwest Riverside County
Diablo Valley	Northwest Riverside County	Southwest Santa Clara Valley
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Glendale/Burbank	Salinas Valley	

Not a Member of the League of Women Voters? Please Join!

The League of Women Voters of California is strictly nonpartisan; we never support or oppose any political party or candidate. At the same time, we are political, working to influence public policy through education and advocacy. Membership in the League is open to citizens of voting age. Others are invited to join as associate members.

- Yes, I want to join. Enclosed is my check for \$50.00 payable to the League of Women Voters of California.
- Please send me more information about the League and its publications.
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