



# Special Election Information: May 19<sup>th</sup>, 2009



PROP	Title & Summary	Support	Oppose
Prop 1A	<p><b>State Budget. Changes California Budget Process. Limits State Spending. Increases "Rainy Day" Budget Stabilization Fund.</b></p> <p>This measure would change the way in which the state sets aside money in one of its "rainy day" accounts. Measure would increase the amount of money set aside in the "rainy day" account from 5% to 12.5% of the General Fund, and also restrict the withdrawal of these funds. If this measure passes, several of the tax increases passed as part of the February 2009 budget package would be extended by one to two years. A portion of the annual deposits into that fund would be dedicated to savings for future economic downturns, and the remainder would be available to fund education, infrastructure, and debt repayment, or for use in a declared emergency.</p>	<p>Proposition 1A gets to the heart of doing away with the budget status quo, by requiring the state to save in good years so that we have money in bad years, mandating increased savings, and stabilizing state spending.</p> <p>Had Prop. 1A been in place 10 years ago, the rainy day reserve would have allowed us to avoid \$9 billion in tax increases and deep cuts that were passed as part of this years' budget.</p> <p>Unless Prop. 1A passes; the state will face another huge budget hole, including a loss of \$16.2 billion in revenues between 2010-2013 that will put California back on the brink of insolvency.</p> <p><u>Groups In Favor:</u>  <i>California Teachers Association (CTA)</i>  <i>California Taxpayers Association</i>  <i>California State Sheriffs Association</i>  <i>California Chamber of Commerce</i>  <i>Budget Reform Now</i></p>	<p>Prop 1A proposes a "rainy day" fund, but where will the money come from when it's "raining" now and expected revenue streams are not yielding what was anticipated.</p> <p>Prop 1A turns the "rainy day" fund into a new slush fund for politicians to spend on pet projects.</p> <p>Prop 1A doesn't control overspending or borrowing.</p> <p>Prop 1A gives extraordinary powers to the Governor with no checks and balances.</p> <p>Prop 1A triggers unfair tax increases on the middle class, seniors on fixed incomes and low-income Californians.</p> <p><u>Groups Opposed:</u>  <i>League of Women Voters of California</i>  <i>Consumer Federation of California</i>  <i>California Faculty Association</i>  <i>Health Access California</i>  <i>Howard Jarvis Taxpayers Association</i></p>



# Special Election Information: May 19<sup>th</sup>, 2009



PROP	Title & Summary	Support	Oppose
Prop 1B	<p><b>Education Funding. Payment Plan.</b></p> <p>Requires supplemental payments to local school districts and community colleges to address recent budget cuts. Annual payments begin in 2011–12. Payments are funded from the state’s Budget Stabilization Fund until the total amount has been paid (this would be established if Prop 1A passes; otherwise Prop 1B would not take effect). Payments to local school districts will be allocated in proportion to average daily attendance and may be used for classroom instruction, textbooks and other local educational programs.</p>	<p>Prop 1B will begin paying back some of the devastating cuts that have hurt our schools, when the economy improves.</p> <p>Prop 1A and Prop 1B together start to solve our short-term budget crisis by giving us the money we need to stop more teacher layoffs, more cuts to health care and public safety. Without the funding source Prop 1A would provide, Prop 1B would be useless.</p> <p>Proposition 1B ensures that schools receive \$9.3 billion over time, to compensate for cuts we were forced to make during this unprecedented fiscal crisis are not permanent. The payments to schools will come out of the newly created rainy day fund, but not until 2011-2012 when our fiscal outlook is expected to improve.</p> <p><u>Groups In Favor:</u>  <i>California Teachers Association</i>  <i>California School Employees Association</i>  <i>California State PTA</i>  <i>California State University of Board of Trustees</i>  <i>Association of California School Administrators</i>  <i>California Democratic Party</i>  <i>Budget Reform Now</i></p>	<p>According to the Los Angeles Times, which is against 1B:</p> <p>Proposition 98, passed in 1988, gives public schools and community colleges a minimum of 40% of the state budget. Proposition 1B, instead of resolving the legal ambiguity in Proposition 98, could worsen its effects by increasing that financial obligation no matter how little money is in the state budget.</p> <p>The Times called for a no vote on Proposition 98, not because [it] doesn't favor the highest possible funding for schools but because the decisions about that funding must depend on the revenue available and the current needs of the schools. If public school enrollment were to drop significantly but the number of university-age students swelled, there would be no flexibility to put the money where it is most needed because four-year colleges are not covered by Proposition 98.</p> <p><u>Groups Opposed:</u>  <i>California Nurses Association</i>  <i>American Federation of State, County and Municipal Employees (AFSCME)</i>  <i>Howard Jarvis Taxpayers Association</i></p>



# Special Election Information: May 19<sup>th</sup>, 2009



PROP	Title & Summary	Support	Oppose
Prop 1C	<p><b>Lottery Modernization Act.</b></p> <p>The measure makes major changes to the 1984 voter initiative that created the California Lottery. These changes could increase lottery ticket sales and allow the state to borrow \$5 billion in the 2009-10 fiscal year from future lottery profits. In addition to borrowing this \$5 billion, the state also could borrow more from lottery profits in future years. Under the measure, lottery profits now dedicated to schools and colleges would be used to pay back the borrowing. The measure would increase state payments to education from the state General Fund to make up for the loss of these lottery payments.</p>	<p>Yes on 1C: modernize our lottery and provide immediate funds to help our budget crisis and avoid more tax hikes.</p> <p>Yes on 1C: a responsible, immediate solution to our fiscal crisis. By modernizing our state lottery, prop. 1C will immediately raise \$5 billion in new revenues without increasing taxes. Our lottery is out of date and underperforming.</p> <p>Yes on 1C: new revenue without higher taxes. Without this new lottery revenue, we will either be forced to cut another \$5 billion from the state budget most likely from law enforcement, schools or health care or California's hard-working residents will have to pay another \$5 billion in taxes.</p> <p><u>Groups In Favor:</u>  <i>Budget Reform Now</i>  <i>California Democratic Party</i>  <i>California Business for Education Excellence</i>  <i>California Secretary of Education</i>  <i>California State Sheriffs' Association</i></p>	<p>Twenty-five years ago Voters knowingly placed restrictions on the operation of the lottery in order to limit its size and scope.</p> <p>Proponents of Proposition 1C claim that all it will take is a few simple changes to bring in much more revenue to the state.</p> <p>What we do know is that we are making grand assumptions about a modernized state lottery, with anticipated revenues we probably won't see.</p> <p>Lottery ticket sales dropped 10 percent during the first four months of the current fiscal year beginning July 1. Lottery officials blamed the economic downturn for the drop in sales. If we are counting on the lottery to bail the state out financially, how is that done when people are gambling less because of a sour economy?</p> <p><u>Groups Opposed:</u>  <i>League of Women Voters of California</i>  <i>State Senator Bob Huff</i>  <i>California Nurses Association</i>  <i>American Federation of State, County and Municipal Employees (AFSCME)</i></p>



# Special Election Information: May 19<sup>th</sup>, 2009



PROP	Title & Summary	Support	Oppose
Prop 1D	<p><b>Protects Children's Services Funding. Helps Balance State Budget.</b></p> <p>This measure would temporarily redirect a significant portion of Proposition 10 (First 5 program) funds to achieve budgetary savings and would make permanent changes to state and local First 5 commission operations. Provides more than \$600 million to protect children's programs in difficult economic times. Redirects existing tobacco tax money to protect health and human services for children, including services for at-risk families, services for children with disabilities, and services for foster children. Ensures counties retain funding for local priorities. Helps balance state budget.</p>	<p>By temporarily redirecting these funds, Proposition 1D will also help immediately address the state's unprecedented budget deficit and help us avoid further tax increases or cuts to education, public safety, healthcare and other services.</p> <p><u>Groups In Favor:</u>  <i>Budget Reform Now</i>  <i>Association of Regional Center Agencies</i>  <i>The California Latino Child Development Association</i></p>	<p>If 1D passes, it will take funds from programs such as FIRST 5 that support health coverage for the state's at-risk children up to age 6.</p> <p>Some feel the ballot language is misleading, appearing to protect and expand services while actually cutting funding.</p> <p>Prop 1D will force deep cuts to child abuse prevention programs, at a time when child abuse is soaring while the economy sours. This alone will cost California taxpayers billions of dollars in the years ahead, since it's more expensive to deal with the consequences of child abuse than it is to prevent it.</p> <p><u>Groups Opposed:</u>  <i>League of Women Voters of California</i>  <i>Health Access California</i>  <i>Prevent Child Abuse California</i>  <i>California Nurses Association</i>  <i>National Association of Social Workers</i>  <i>California Family Resource Association</i>  <i>Junior League of San Jose</i>  <i>American Federation of State, County and Municipal Employees</i>  <i>Peace and Freedom Party</i></p>



# Special Election Information: May 19<sup>th</sup>, 2009



PROP	Title & Summary	Support	Oppose
Prop 1E	<p><b>Mental Health Services Funding. Temporary Reallocation. Helps Balance State Budget.</b></p> <p>Proposition 63 provides state funding for certain new or expanded mental health programs through a personal income tax surcharge of 1 percent on the portion of a taxpayer's taxable income in excess of \$1 million. This measure allows for the temporary redirection of some Proposition 63 funds—specifically, \$226.7 million in 2009-10, and between \$226.7 million and \$234 million in 2010-11. In effect, these Proposition 63 revenues would be used to offset state costs that would otherwise be borne by the General Fund, thereby achieving savings to help address the state's current budgetary problem.</p>	<p>Proposition 1E will temporarily redirect a portion of funds from the Mental Health Services Act to fund children's health programs that are at risk of elimination due to the budget crisis, including healthcare screening, diagnosis and treatment.</p> <p>By temporarily redirecting a portion of these funds, Proposition 1E will also help immediately address the state's unprecedented budget deficit and help us avoid further tax increases or cuts to education, public safety, healthcare and other services.</p> <p><u>Groups In Favor:</u>  <i>Budget Reform Now</i>  <i>Senate President Pro Tempore Darrell Steinberg</i></p>	<p>Five years ago, California voters made the decision to invest in our public mental health system. Through the Mental Health Services Act, Proposition 63, Californians were clear in their commitment to expand community mental health services. Following forty years of neglecting the mentally ill, in 2004 voters turned a new page and passed Proposition 63 and thereby began to rebuild California's public mental health system. Even in this difficult time, we ought to respect the will of the people.</p> <p>If Prop 1E is passed, people with mental illness will lose the care they so desperately need, and will cost taxpayers more in hospitalizations, homelessness and criminal justice. These Mental Health Services Act programs are saving the state valuable resources by reducing pressure on our overburdened jails and prisons.</p> <p><u>Groups Opposed:</u>  <i>League of Women Voters of California</i>  <i>California Psychiatric Association</i>  <i>California Psychological Association</i>  <i>California Nurses Association</i>  <i>American Federation of State, County and Municipal Employees</i>  <i>Lou Correa, State Senator</i></p>



# Special Election Information: May 19<sup>th</sup>, 2009



PROP	Title & Summary	Support	Oppose
Prop 1F	<p><b>Elected Officials' Salaries. Prevents Pay Increases During Budget Deficit Years.</b></p> <p>Encourages balanced state budgets by preventing elected Members of the Legislature and statewide constitutional officers, including the Governor, from receiving pay raises in years when the state is running a deficit. Directs the Director of Finance to determine whether a given year is a deficit year. Prevents the Citizens Compensation Commission from increasing elected officials' salaries in years when the state Special Fund for Economic Uncertainties is in the negative by an amount equal to or greater than one percent of the General Fund.</p>	<p>During times of deficit it is only fair that Legislators and the Governor should not receive pay increases.</p> <p>Since 2005, Legislators have had their pay increased three separate times.</p> <p>California's legislators are among the highest paid in the nation, some earning more than \$130,000 a year in salary plus tens of thousands more annually in perks and benefits.</p> <p>Year after year, politicians deliver late budgets that harm our schools, healthcare system, police and fire services and more. The perpetual budget problems also hurt taxpayers as we see our taxes raised or services cut because of the legislature's failure to budget responsibly.</p> <p><u>Groups In Favor:</u> <i>California Democratic Party</i> <i>Budget Reform Now</i></p>	<p>The \$116,208 annual salary of a legislator "is solidly middle-class compensation" considering average salaries in most regions of the state.</p> <p>Compared to how much executives at large companies typically earn, the salary paid to state legislators is "a terrific bargain."</p> <p>It is false to believe that legislators are influenced by how much they make, rather than by their underlying political beliefs.</p> <p><u>Groups Opposed:</u> <i>Pete Stahl</i></p>

**Sources:** Secretary of State Voter Guide: <http://www.voterguide.sos.ca.gov/>  
 Legislative Analysts Office: [http://www.lao.ca.gov/laoapp/ballot\\_source/propositions.aspx](http://www.lao.ca.gov/laoapp/ballot_source/propositions.aspx)  
 Budget Reform Now: <http://www.cabudgetreformnow.com>  
 California Democratic Party: <http://www.cadem.org>  
 Ballotpedia: [http://ballotpedia.org/wiki/index.php/California\\_2009\\_ballot\\_measures](http://ballotpedia.org/wiki/index.php/California_2009_ballot_measures)

Compiled by Jennifer Hernandez, Cultivo Consulting. Contact: [jhernandez@cultivoconsulting.com](mailto:jhernandez@cultivoconsulting.com) or 626.698.4798, online at: [www.cultivoconsulting.com](http://www.cultivoconsulting.com)