



Gambling on Tribal Lands. Legislative Constitutional Amendment.

Official Title and Summary Prepared by the Attorney General

GAMBLING ON TRIBAL LANDS. LEGISLATIVE CONSTITUTIONAL AMENDMENT.

- Modifies state Constitution's prohibition against casinos and lotteries, to authorize Governor to negotiate compacts, subject to legislative ratification, for the operation of slot machines, lottery games, and banking and percentage card games by federally recognized Indian tribes on Indian lands in California, in accordance with federal law.
- Authorizes slot machines, lottery games, and banking and percentage card games to be conducted and operated on tribal lands subject to the compacts.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- Uncertain fiscal effect on state and local tax revenues ranging from minor impact to significant annual increases.
- State license fees of tens of millions of dollars each year available for gambling-related costs and other programs.

Final Votes Cast by the Legislature on SCA 11 (Proposition 1A)

Assembly: Ayes 75 Senate: Ayes 35
 Noes 4 Noes 0

Analysis by the Legislative Analyst

BACKGROUND

Gambling in California

The State Constitution and various other state laws limit the types of legal gambling that can occur in California. The State Constitution specifically:

- Authorizes the California State Lottery, but prohibits any other lottery.
- Allows horse racing and wagering on the result of races.
- Allows bingo for charitable purposes (regulated by cities and counties).
- Prohibits Nevada- and New Jersey-type casinos.

Other state laws specifically prohibit the operation of slot machines and other gambling devices (such as roulette). With regard to *card* games, state law prohibits: (1) several specific card games (such as twenty-one), (2) "banked" games (where the house has a stake in the outcome of the game), and (3) "percentage" games (where the house collects a given share of the amount wagered).

State law allows card rooms, which can operate any card game not otherwise prohibited. Typically, card room players pay a fee on a per hand or per hour basis to play the games.

Gambling on Indian Land

Gambling on Indian lands is regulated by the 1988 federal Indian Gaming Regulatory Act (IGRA). The IGRA defines gambling under three classes:

- **Class I** gambling includes social games and traditional/ceremonial games. An Indian tribe can offer Class I games without restriction.
- **Class II** gambling includes bingo and certain card games.

Class II gambling, however, specifically *excludes* all banked card games. An Indian tribe can offer only the Class II games that are permitted elsewhere in the state.

- **Class III** gambling includes all other forms of gambling such as banked card games (including twenty-one and baccarat), virtually all video or electronic games, slot machines, parimutuel horse race wagering, most forms of lotteries, and craps.

An Indian tribe can operate Class III games only if the tribe and the state have agreed to a tribal-state compact that allows such games. The compact can also include items such as regulatory responsibilities, facility operation guidelines, and licensing requirements. After the state and tribe have reached agreement, the federal government must approve the compact before it is valid.

Gambling on Indian Lands in California

According to the federal Bureau of Indian Affairs, there are over 100 Indian rancherias/reservations in California. Currently, there are about 40 Indian gambling operations in California, which offer a variety of gambling activities.

In the past two years there have been several important developments with regard to Indian gambling in California:

- **April 1998.** The Governor concluded negotiations with the Pala Band of Mission Indians to permit a specific type of Class III gambling on tribal land. The compact resulting from these negotiations—the "Pala" Compact—was subsequently signed by 10 other tribes. These 11 compacts were approved in legislation in August 1998.

- **November 1998.** State voters approved the Tribal Government Gaming and Economic Self-Sufficiency Act—Proposition 5. The proposition, which amended state law but not the State Constitution, required the state to enter into a specific compact with Indian tribes to allow certain Class III gambling activities.
- **November 1998.** A referendum on the August 1998 legislation approving the 11 Pala compacts qualified for this ballot (Proposition 29). Once qualified, this legislation was put “on hold” pending the outcome of the vote on Proposition 29.
- **August 1999.** Proposition 5 was ruled unconstitutional by the State Supreme Court on the basis that the measure would permit the operation of Nevada- and New Jersey-type casinos.
- **September 1999.** The Governor negotiated and the Legislature approved compacts with 57 tribes—including the tribes that signed the Pala compacts—authorizing certain Class III games. These take the place of all previously approved compacts, including the Pala compacts. These new compacts, however, will become effective only if (1) this proposition is approved and (2) the federal government approves the compacts.

PROPOSAL

This proposition amends the State Constitution to permit Indian tribes to conduct and operate slot machines, lottery games, and banked and percentage card games on Indian land. These gambling activities could only occur if (1) the Governor and an Indian tribe reach agreement on a compact, (2) the Legislature approves the compact, and (3) the federal government approves the compact. (Although this proposition authorizes lottery games, Indian tribes can currently operate lottery games—subject to a gambling compact. This is because the State Constitution permits the State Lottery, and Indian tribes can operate any games already permitted in the state.)

As discussed above, the Governor and the Legislature have approved virtually identical tribal-state compacts with 57 Indian tribes in California. If this proposition is approved, those compacts would go into effect if approved by the federal government. (See Figure 1 for a brief description of these compacts’ major provisions.)

FISCAL EFFECT

State and Local Revenue Impact

This measure would likely result in an increase in economic activity in California. The magnitude of the increase would depend primarily on (1) the extent to which tribal gambling operations expand and (2) the degree to which new gambling activity in California is from spending diverted from Nevada and other out-of-state sources (as compared to spending diverted from other California activities).

While the measure would likely result in additional economic activity in California, its impact on state and local revenues is less clear. This is because, as sovereign governments, tribal businesses and members are exempt from certain forms of taxation. For example, profits earned by gambling activities on tribal lands would not be subject to state corporate taxes. In addition, gambling on tribal lands is not subject to wagering taxes that are currently levied on other forms of gambling in California (horse race wagers, card rooms, and the Lottery). Finally, wages paid to tribal members employed by the gambling operation and living on Indian land would not be subject to personal income taxes.

Even with these exemptions, tribal operations still generate tax revenues. For example, wages paid to nontribal employees of the operations are subject to income taxation. In addition,

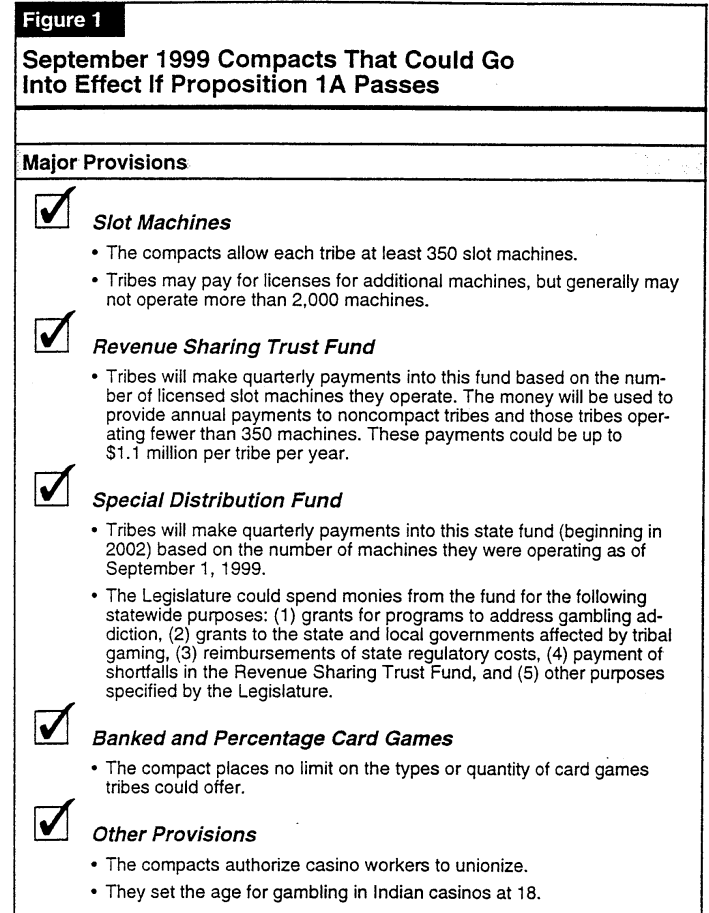
certain nongambling transactions related to the operations are subject to state and local sales and use taxes. However, on average, each dollar spent in tribal operations generates less tax revenue than an equivalent dollar spent in other areas of the California economy.

Given these factors, the *net* impact of this measure on state and local government revenues is uncertain. For example, revenues could increase significantly if the measure were to result in a large expansion in gambling operations *and* a large portion of the new gambling was spending that would have otherwise occurred outside of California (such as in Nevada). On the other hand, if the expansion of gambling were relatively limited or if most of the new gambling represented spending diverted from other areas in the state’s economy that are subject to taxation, the fiscal impact would not be significant.

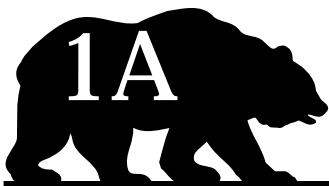
Other Governmental Fiscal Impacts

The measure could result in a number of other state and local fiscal impacts, including: regulatory costs, an increase in law enforcement costs, potential savings in welfare assistance payments, and an increase in local infrastructure costs. We cannot estimate the magnitude of these impacts.

Passage of this proposition would result in the implementation of tribal-state compacts approved in September 1999—assuming these compacts are approved by the federal government. Under these compacts, the tribes would pay license fees to the state totaling tens of millions of dollars annually. The state could spend this money on Indian gambling regulatory costs, other gambling-related costs, and other purposes (as determined by the Legislature).



For text of Proposition 1A see page 90



Gambling on Tribal Lands. Legislative Constitutional Amendment.

Argument in Favor of Proposition 1A

VOTE YES ON PROP 1A AND ENSURE THAT INDIAN SELF-RELIANCE IS PROTECTED ONCE AND FOR ALL

As tribal leaders of California Indian Tribes, we have seen first-hand the transformation that Indian gaming has made in the lives of our people. Indian gaming on tribal lands has replaced welfare with work, despair with hope and dependency with self-reliance.

We are asking you to vote YES on Proposition 1A so we can keep the gaming we have on our reservations. We thank you for your past support and need your help now to protect Indian self-reliance once and for all.

We are joined by a vast majority of California's Indian Tribes that support Prop 1A, including the 59 Tribes who signed gaming compacts with Governor Davis.

For the past several years, a political dispute has threatened to shut down Indian casinos in California. To resolve this dispute, California's Indian Tribes asked voters last year to approve Proposition 5, the Indian Self-Reliance Initiative. With your help, Proposition 5 won overwhelmingly with 63 percent of the vote.

But big Nevada casinos that wanted to kill competition from California's Indian Tribes filed a lawsuit, and Prop 5 was overturned and ruled unconstitutional on a legal technicality.

So Prop 1A has been put on the March ballot to resolve this technicality and establish clearly that Indian gaming on tribal lands is legal in California.

For more than a decade, Indian casinos in California have provided education, housing and healthcare for Indian people, as well as jobs that have taken Indians off welfare. Today Indian gaming on tribal lands benefits all Californians by providing nearly 50,000 jobs for Indians and non-Indians and producing \$120 million annually in state and local taxes. After

generations of poverty, despair and dependency, there is hope. On reservations with casinos, unemployment has dropped nearly 50%; welfare has been cut by 68% and, in some cases, eliminated entirely.

Proposition 1A:

- Is a simple constitutional measure that allows Indian gaming in California. It protects Indian self-reliance by finally providing clear legal authority for Indian Tribes to conduct specified gaming activities on tribal lands.
- Shares Indian gaming revenues with non-gaming Tribes for use in education, housing, health care and other vitally needed services.
- Provides revenues for local communities near Indian casinos, for programs for gambling addiction and for state regulatory costs.
- Provides for tribal cooperation with local governments and for tribal environmental compliance.

If Proposition 1A fails, tribal gaming would face being shut down. This would be devastating for California Indian Tribes—and bad for California's taxpayers.

We are asking voters to protect Indian gaming on tribal land, so that we can preserve the only option most Tribes have to get our people off welfare. We are asking you to let us take care of ourselves and pay our own way. We urge you to vote YES on Proposition 1A.

ANTHONY PICO

Tribal Chairman, Viejas Band of Kumeyaay Indians

PAULA LORENZO

Tribal Chairperson, Rumsey Indian Rancheria

MARK MACARRO

Tribal Chairman, Pechanga Band of Luiseño Indians

Rebuttal to Argument in Favor of Proposition 1A

Proposition 1A is *not* about keeping tribal casinos open. It's about slot machines. Up to 100,000 of them.

Federal law says Indian casinos can offer any game that's legal anywhere in their state. Bingo, poker, lotteries, betting on horses . . . all legal here. Defeat of Proposition 1A won't change that. But they want video slot machines, the "crack cocaine" of gambling, which our Constitution prohibits.

More slot machines than the whole Las Vegas Strip. And blackjack. Games that have always been illegal in California.

Some tribes violated state and Federal law and brought in illegal slot machines.

Those illegal machines have made a few small tribes extremely rich . . . and they poured over \$75 million dollars into political campaigns in 1998! Over \$21 million of that came from the three tribes that signed Proposition 1A's argument—with only 630 total members on their reservations!

Proposition 1A would let Indian casinos operate as many as 100,000 slot machines, according to California's independent Legislative Analyst. 107 tribes, *each* entitled to run *two* casinos,

paying no state or Federal taxes on annual profits conservatively estimated between \$3.9 billion and \$8.2 billion—almost all from Californians.

Despite 1A's supporters' claims, Proposition 5 wasn't overturned by Nevada casinos on a "technicality." It was overturned by our *Supreme Court* because it violated California's *CONSTITUTION*. (So now they want to amend our Constitution!).

And Nevada? Nevada gambling companies are already being hired to run huge casinos that Proposition 1A will create.

Preserve our Constitution. **VOTE NO ON PROPOSITION 1A.**

BRUCE THOMPSON

Member, California Assembly

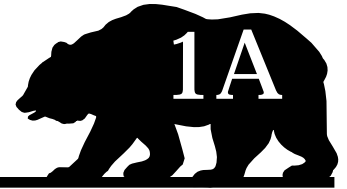
LEO McCARTHY

Former Lieutenant Governor of California

MELANIE MORGAN

Recovering Gambling Addict

Gambling on Tribal Lands. Legislative Constitutional Amendment.



Argument Against Proposition 1A

Proposition 1A and the Governor's compact with gambling tribes will trigger a massive explosion of gambling in California.

Supporters call it a "modest" increase. Let's see just how "modest."

- Allows 214 casinos, TWO for every tribe.
- Slot machines in California could jump to some 50,000–100,000.
- In 2003, tribes can negotiate another increase.
- Slot machines provide 80% of all casino revenues.
- 18-year-olds are not prohibited from casino gambling.
- Legalizes Nevada-style card games not allowed in California.
- Indian casinos will pay no state or federal corporation taxes.
- Felons can be hired to run tribal casinos.
- Local governments and citizens get no input on size or location.

Casinos won't be limited to remote locations. Indian tribes are already buying up prime property for casinos in our towns and cities. And they're bringing in Nevada gambling interests to build and run their casinos.

Now California card clubs and racetracks are demanding the right to expand their gambling to keep pace: telephone and computer betting from home, slot machines, blackjack and more. If 1A passes, they'll be next in line.

This is our last, best chance to avoid the Golden State becoming the casino state. Vote no on Proposition 1A.

BRUCE THOMPSON

Member, California State Assembly

A report funded by Congress reveals there are 5.5 million adult pathological or problem gamblers in this country, with another 15 million "at risk." About 700,000 pathological and problem gamblers live in California, with another 1.8 million

"at risk." That doesn't include a large number of teenage gamblers.

Experts tell us "Pathological gamblers engage in destructive behaviors, commit crimes, run up large debts, damage relationships with family and friends, and they kill themselves."

Proposition 1A would dramatically increase—probably double—this seriously troubled population by legalizing perhaps 50,000 to 100,000 slot machines, including interactive video games, the "crack cocaine" of gambling. These video slot machines very rapidly turn potential problem gamblers into pathological ones, warn treatment professionals.

California taxpayers will pay many millions in law enforcement costs and in health and welfare aid to troubled gamblers and their families.

Proposition 1A makes us another Nevada, virtually overnight. Do we really want that?

LEO McCARTHY

Former Lieutenant Governor of California

Addiction isn't something we like to talk about. It's a silent disease that devastates your family, ruins friendships and destroys you personally and financially. Like hundreds of thousands of women, I know from bitter experience the dark side of gambling.

I know that the closer the opportunity to gamble is, the easier it is, the more likely you are to fall into its trap. This isn't about chances in a church drawing. It's about losing your house payment, rent money or child's college fund, and lying and cheating to get more so you can try to win it back. It's about bankruptcy, divorce, domestic violence and suicide.

Proposition 1A puts gambling casinos right in everyone's backyard, where they could profit from \$1 billion to \$3 billion per year, much of it from weak and vulnerable gambling addicts.

I know. I was one. Please, vote NO on 1A.

MELANIE MORGAN

Recovering Gambling Addict

Rebuttal to Argument Against Proposition 1A

Opponents to Prop 1A are using the same misleading scare tactics they tried against Prop 5 in 1998. Their arguments are just as false now as they were then.

Prop 1A

- Supports Indian self-reliance by *ALLOWING TRIBES TO RUN REGULATED GAMING ON TRIBAL LAND* and with the same types of games that exist today.
- *PRESERVES MORE THAN \$120 MILLION ANNUALLY IN STATE AND LOCAL TAXES* generated by Indian gaming.
- *SHARES MILLIONS OF DOLLARS* in gaming revenues *WITH TRIBES THAT DON'T HAVE GAMING*, to fund health care, education, care for elders, and other vitally needed programs.
- *PROVIDES REVENUE FOR LOCAL GOVERNMENT AGENCIES AND PROBLEM GAMBLING PROGRAMS.*

"Proposition 1A and federal law strictly limit Indian gaming to tribal land. The claim that casinos could be built anywhere is totally false."

Carl Olson, former federal field investigator, National Indian Gaming Commission

"The majority of Indian Tribes are located on remote reservations and the fact is their markets will only support a limited number of machines."

Bruce Strombom, economist and author of the only comprehensive economic impact study of Indian gaming in California.

California voters, our Governor, the State Legislature and nearly all of California Indian Tribes support Prop 1A. *Vote YES on Prop 1A* to allow California Indian Tribes to continue on the path to self-reliance and for Indian gaming to benefit California taxpayers.

For more information on why claims against Prop 1A are false and misleading, call 1-800-248-2652 or visit our website at Yeson1A.net.

CAROLE GOLDBERG

Professor of Law and American Indian Studies

JEFF SEDIVEC

President, California State Firefighters Association

ANTHONY PICO

Chairman, Californians For Indian Self-Reliance



**Safe Neighborhood Parks, Clean Water,
Clean Air, and Coastal Protection Bond Act of 2000.
(The Villaraigosa-Keeley Act)**

Official Title and Summary Prepared by the Attorney General

**SAFE NEIGHBORHOOD PARKS, CLEAN WATER,
CLEAN AIR, AND COASTAL PROTECTION BOND ACT OF 2000.
(THE VILLARAIGOSA-KEELEY ACT)**

- Provides for a bond issue of two billion one hundred million dollars (\$2,100,000,000) to provide funds to protect land around lakes, rivers, and streams and the coast to improve water quality and ensure clean drinking water; to protect forests and plant trees to improve air quality; to preserve open space and farmland threatened by unplanned development; to protect wildlife habitats; and to repair and improve the safety of state and neighborhood parks.
- Appropriates money from state General Fund to pay off bonds.

**Summary of Legislative Analyst's
Estimate of Net State and Local Government Fiscal Impact:**

- State cost of about \$3.6 billion over 25 years to pay off both the principal (\$2.1 billion) and interest (\$1.5 billion) costs on the bonds. Payments of about \$144 million per year.
- Costs potentially in the tens of millions of dollars annually to state and local governments to operate property bought or improved with these bond funds.

Final Votes Cast by the Legislature on AB 18 (Proposition 12)

Assembly: Ayes 61 Senate: Ayes 31
 Noes 15 Senate: Noes 3



Background

In past years the state has purchased, protected, and improved recreational areas (such as parks and beaches), cultural areas (such as historic buildings and museums), and natural areas (such as wilderness, trails, wildlife habitat, and the coast). The state also has given money to local governments for similar purposes. In the past 25 years voters have approved about \$1.9 billion of general obligation bonds for these purposes. As of June 1999, all but about \$18 million of the bonds authorized by these previous bond acts had been spent or committed to specific projects.

Proposal

This proposition allows the state to sell \$2.1 billion of general obligation bonds to spend on acquisition, development, and protection of recreational, cultural, and natural areas. General obligation bonds are backed by the state, meaning that the state is required to pay the principal and interest costs on these bonds. General Fund revenues would be used to pay these costs. These revenues come primarily from the state personal and corporate income taxes and the sales tax.

The bond money would be used as shown in Figure 1. As shown in the figure, about \$940 million of the bond money would be granted to local agencies for local recreational, cultural, and natural areas. The remaining \$1.16 billion would be used by the state for recreational, cultural, and natural areas of statewide significance.

Fiscal Effect

Bond Costs. For these bonds, the state would make principal and interest payments from the state's General Fund over a period of about 25 years. If the bonds are sold at an interest rate of 5.5 percent (the current rate for this type of bond), the cost would be about \$3.6 billion to pay off both the principal (\$2.1 billion) and interest (\$1.5 billion). The average payment would be about \$144 million per year.

Operational Costs. The state and local governments that buy or improve property with these bond funds will incur additional costs to operate or manage these properties. These costs may be offset partly by revenues from those properties, such as entrance fees. The net additional costs (statewide) could potentially be in the tens of millions of dollars annually.

Figure 1

Use of Bond Funds Under Proposition 12

(In Millions)

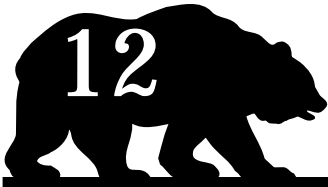
Grants to Local Governments and Nonprofit Groups

To fund recreational areas, with grant amount based on population of the local area (such as a city, county, or park district).	\$ 388.0
For recreational areas primarily in urban areas, as follows:	200.0
• Urban areas—\$138 million.	
• Large urban areas (cities over 300,000 population and county or park districts over 1,000,000 population)—\$28 million.	
• Either urban or rural areas based on need—\$34 million.	
To local agencies for various recreational, cultural, and natural areas.	102.5
For recreational areas, youth centers, and environmental improvement projects benefitting youth in areas of significant poverty.	100.0
For recreational and cultural areas (including zoos and aquariums) in urban areas.	71.5
For farmland protection.	25.0
For soccer and baseball facilities to nonprofit groups that serve disadvantaged youth.	15.0
To San Francisco for improvements at Golden Gate Park.	15.0
For urban forestry programs.	10.0
For playground accessibility improvements using recycled materials.	7.0
To Alameda County for Camp Arroyo.	2.0
For conservation, water recycling, and recreation in Sonoma County.	2.0
For community centers in Galt, Gilroy, and San Benito County.	1.0
For a wild animal rehabilitation center in the San Bernardino Mountains.	1.0
Total, Grants to Local Governments and Nonprofit Groups	\$ 940.0

State Projects

To buy, improve, or renovate recreational areas.	\$ 525.0
To acquire and preserve natural areas.	355.0
To acquire and preserve fish and wildlife habitat.	277.5
To pay the California Conservation Corps for work on projects funded by this proposition.	2.5
Total, State Projects	\$1,160.0
Total, All Bond Funds	\$2,100.0

For text of Proposition 12 see page 90



Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000. (The Villaraigosa-Keeley Act)

Argument in Favor of Proposition 12

Yes on 12 for Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection!

We have a responsibility to preserve our communities' air and water quality, and to make our parks safe for our children and future generations.

YES ON 12 WILL:

- Protect Our Air, Water, Rivers & Beaches from Toxic Pollution
- Provide Kids Safe Places to Play
- Help Keep Kids Off Streets & Out of Gangs
- Protect our Environment & Enhance our Economy

YES ON 12 IS SUPPORTED BY:

- National Audubon Society, National Wildlife Federation
- California Organization of Police and Sheriffs
- National Parks and Conservation Association
- Congress of California Seniors
- League of Women Voters, Sierra Club
- California Chamber of Commerce

STRICT SAFEGUARDS WILL ENSURE ALL FUNDS ARE SPENT AS PROMISED:

- Annual Audits
- Public Hearings
- Citizen Review

YES ON 12 WILL NOT RAISE TAXES because it requires existing tax revenues to be spent efficiently and effectively.

• **ALL CALIFORNIANS BENEFIT:** "Yes on 12 helps California communities make their parks safer for children, families and senior citizens. California's seniors need safe neighborhood parks."

Congress of California Seniors

• **SAFE NEIGHBORHOOD PARKS:** "Yes on 12 will help reduce crime by creating safer recreational areas to keep kids out of gangs, off drugs, and away from violence. Vote Yes on 12 to provide our children safer places to play. Join us in voting Yes on 12."

California Organization of Police and Sheriffs

• **CLEAN WATER:** "We can help keep our water free of pollution and protect our coast, bays, beaches and rivers from toxic waste by

supporting Proposition 12. This measure is vital because it protects the lands that give us clean water."

Clean Water Action

• **CLEAN AIR:** "Yes on 12 will reduce air pollution and improve air quality by planting trees in our communities and by protecting forests, including redwood forests, that purify our air. We will all breathe easier by voting Yes on 12."

Coalition for Clean Air

• **GOOD FOR THE ECONOMY & JOBS:** "California's environment is crucial to our economy. Tourists visit our parks and natural areas bringing millions of dollars to state and local businesses. Our farm economy relies on healthy rivers and streams. By conserving these resources, Yes on 12 helps keep our economy strong and protects businesses and jobs."

California Chamber of Commerce

• **A POSITIVE LEGACY FOR OUR KIDS:** "We need to leave future generations parks, natural lands, clean beaches and a better quality of life! We strongly urge a Yes on Proposition 12!"

League of Women Voters of California

• **WE ALL AGREE—YES ON 12:** Yes on 12 is supported by business, children's groups, environmentalists, labor, religious groups, law enforcement, and senior citizens. Republicans, Democrats, independents, reformers and taxpayer advocates recommend Yes on 12 (See our website at www.parks2000.org).

• **YES ON 12—Protect our air and water from pollution, preserve our coast, rivers and beaches, and provide our children with safe places to play while providing annual public audits and strict fiscal safeguards.**

ROBERT STEPHENS

Chair, National Audubon Society-California

ASSEMBLY SPEAKER ANTONIO VILLARAIGOSA

Chair, Californians for Safe Parks

ALLAN ZAREMBERG

President, California Chamber of Commerce

Rebuttal to Argument in Favor of Proposition 12

THIS INITIATIVE SHOULD HAVE BEEN CALLED THE "SPECIAL-INTEREST-HIDDEN-AGENDA BOND MEASURE," BECAUSE THE BACKERS DON'T WANT YOU TO KNOW WHERE THE MONEY IS REALLY GOING!

They say it's for "Safe Neighborhood Parks," but only a small portion is specifically dedicated to local park facilities—and less than 1% will go toward soccer and baseball fields! What about more "Clean Air"? Less than 1% of the money is dedicated to the Clean Air Improvement Program.

THE TRUTH IS, THE GOVERNMENT WILL USE THE VAST MAJORITY OF THIS MONEY FOR PORK-BARREL SPENDING PROJECTS AND TO BUY MORE LAND FOR INSECTS, RATS AND WEEDS THAT YOUR FAMILY WILL NEVER GET TO SEE OR USE.

Why have so many environmentalist special-interest groups endorsed this bond? Not because it will help your family (it won't), but because this bond will transfer your tax dollars to them to pay their exorbitant salaries and spend on their pet projects!

Speaking of special interests, this bond gives \$15,000,000 to the City of San Francisco and \$30,000,000 to the San Francisco Bay Area Conservancy Program to spend on their local projects. Why should the rest of us be forced to pay for that?

YOUR FAMILY WILL NEVER GET TO SEE OR ENJOY THE PROCEEDS OF THESE BOND FUNDS. BUT YOU WILL HAVE TO PAY FOR THEM—about \$3,738,000,000 over the next 20 years, including fees for lawyers and bankers and the effect of compounded interest. It's just not worth it. Just say NO to Proposition 12!

RAY HAYNES

California Senator

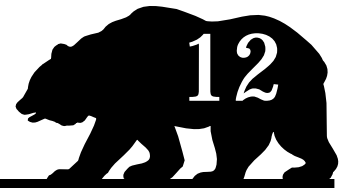
BRETT GRANLUND

California Assemblyman

CARL MCGILL

Chairman, Black Chamber of Commerce of Los Angeles County

Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000. (The Villaraigosa-Keeley Act)



Argument Against Proposition 12

THE NAME OF THIS BOND IS A HUGE DECEPTION— ONLY A SMALL PORTION OF THE \$2,100,000,000 WILL BE SPENT ON NEIGHBORHOOD PARKS AND PLAYGROUNDS!

The sponsors of this proposition would like you to believe that the bond proceeds will be used to fund neighborhood parks and playgrounds, to enhance your community and your family's quality of life. But in fact, only a small fraction of the money has been specifically allocated for local city and county parks and playgrounds, and less than one-percent will be spent on soccer and baseball fields! So where will the rest of the money go?

The government will use the vast majority of the money to buy more land for insects, rats and weeds. In short, this bond will not benefit your family. Your children will never get to set foot on the land that this bond will purchase, even though they will have to work throughout their adult lives to pay off the bond's debt.

What's wrong with the government using this money to buy more land?

First, there is no shortage of "park" space in California, since more than half of all the land in this state is already owned by the state and federal governments. Most of that land is in remote areas, where you and your family can't enjoy it.

Second, once government buys new land with bond funds, it will have to spend additional taxpayer dollars to manage its new property. Expect to see your taxes go up if this bond passes.

Third, do you remember the raging forest fires that blanketed California with smoke last Fall? Most of the smoke came from fires on government-owned land, where dead and diseased trees were left to rot. If this bond passes, even more land will be owned and neglected by the

government, and left to provide kindling for the next round of forest fire infernos.

Fourth, bond measures are among the most expensive and wasteful financing schemes ever devised. According to the Secretary of State, taxpayers must pay back \$1.78 for every \$1 of bond proceeds, because of fees paid to lawyers and bankers and the effect of compounded interest. THIS MEANS THAT CALIFORNIA'S TAXPAYERS WILL ULTIMATELY HAVE TO SPEND \$3,738,000,000 TO REPAY THIS \$2,100,000,000 BOND!

Fifth, Californians are already on the hook for \$36,900,000,000 for bonds previously approved for other projects. California is now so far in debt that Standard & Poor's has assigned our state the third worst credit rating of any state in the country!

Sixth, the State Legislature determined that these projects were NOT sufficiently important to fund, NOT EVEN WITH THE \$12,000,000,000 IN SURPLUS FUNDS THE STATE HAS REALIZED OVER THE PAST FIVE YEARS.

No schools, no roads, nothing for you and me—just more dirt for insects, rats and weeds. This money is literally being flushed down a rat hole.

Vote NO on Proposition 12!

RAY HAYNES

California Senator

BRETT GRANLUND

California Assemblyman

LEWIS K. UHLER

President, The National Tax-Limitation Committee

Rebuttal to Argument Against Proposition 12

The opponents are factually wrong.

- **FACT #1: SAFE NEIGHBORHOOD PARKS**—Proposition 12's largest allocation directs funds to every city and county to make neighborhood parks safer for children and families, and provide youth with positive recreational alternatives to gangs, drugs and violence. Projects will be decided by local community leaders—not by far-away politicians. *That's why California Organization of Police and Sheriffs Supports Proposition 12.*
- **FACT #2: CLEAN AIR & WATER**—Specific programs will plant trees that help purify our air, and conserve lands around our rivers and lakes to help protect our water from pollution. Everyone's health benefits from clean air and water. *That's why Coalitions for Clean Air and Water Support Proposition 12.*
- **FACT #3: PROTECT REDWOOD FORESTS & THE COAST**—Specific programs will preserve ancient redwood forests and threatened coastal lands for future generations to enjoy. It's shameful for opponents to suggest that our redwood trees are "weeds" and our magnificent coast is a "rathole."

- **FACT #4: CLEANUP TOXICS ALONG OUR BEACHES, BAYS & COAST**—Directs funds to help make these areas safer for public use.
- **FACT #5: TOUGH FISCAL SAFEGUARDS—NO NEW TAXES**—Annual audits, public hearings and citizen review will ensure funds are spent as promised. Proposition 12 does not raise taxes—existing state revenues will be used instead. *"These strict safeguards will make sure these funds are spent properly and efficiently."* *State Treasurer Philip Angelides*
Join the California Chamber of Commerce, Governor Gray Davis and the Audubon Society by voting Yes on 12.

GAIL DRYDEN

President, League of Women Voters of California

JACQUELINE ANTEE

State President, American Association of Retired Persons (AARP)

LARRY McCARTHY

President, California Taxpayers' Association



Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Act.

Official Title and Summary Prepared by the Attorney General

SAFE DRINKING WATER, CLEAN WATER, WATERSHED PROTECTION, AND FLOOD PROTECTION BOND ACT.

- This act provides for a bond issue of one billion nine hundred seventy million dollars (\$1,970,000,000) to provide funds for a safe drinking water, water quality, flood protection, and water reliability program.
- Appropriates money from the General Fund to pay off bonds.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- State cost of up to \$3.4 billion over 25 years to pay off both the principal (\$1.97 billion) and interest (\$1.4 billion) costs on the bonds. Payments of about \$135 million per year.
- Potential costs of an unknown amount to local governments to operate or maintain projects developed with these bond funds.

Final Votes Cast by the Legislature on AB 1584 (Proposition 13)

Assembly: Ayes 68 Senate: Ayes 30
 Noes 11 Noes 6

Analysis by the Legislative Analyst

Background

The state carries out a number of programs that provide loans and grants to local agencies for various water-related purposes. These purposes include improving the safety of drinking water, flood control, water quality, and the reliability of the water supply.

Safe Drinking Water. In past years, the state has provided funds for loans and grants to public water systems for facility improvements to meet safe drinking water standards. To raise money for these purposes, the state has relied mainly on sales of general obligation bonds. As of June 1999, all but about \$11 million of the \$425 million authorized by previous bond acts since 1976 had been spent or committed to specific projects.

Flood Control. The state also has provided funds to local agencies for *locally sponsored*, federally authorized flood control projects. The costs of these projects are shared among local, state, and federal governments. These projects have primarily been funded from the state General Fund. Due to the state's fiscal condition in the early 1990s, the state was not able to pay its full share of the costs for these projects. In 1996, voters approved Proposition 204 which provided \$60 million in general obligation bonds to pay a portion of these costs. These bond funds have been spent. The Department of Water Resources estimates that the unpaid amount the state owes for its share of costs for local flood control projects will total about \$130 million as of June 30, 2000.

In addition, the state has provided funds for *state-sponsored* flood control projects, mainly located in the Central Valley. The primary source of funding for these projects has been the state General Fund.

Bay-Delta Restoration. The state also has funded the restoration and improvement of fish and wildlife habitat in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (the Bay-Delta) and other areas. The state has done this using various fund sources including general obligation bonds and the state General Fund. The Bay-Delta supplies a substantial

portion of the water used in the state for domestic, industrial, agricultural, and environmental purposes. Over the years, the Bay-Delta's capacity to provide reliable supplies of water and sustain fish and wildlife species has been reduced. This has occurred because of increased demand for water from the Bay-Delta and other factors such as pollution, degradation of fish and wildlife habitat, and deterioration of delta levees.

The CALFED Bay-Delta Program is a joint state and federal effort to develop a long-term approach for better management of water resources in the Bay-Delta. Program costs for the first stage of the CALFED Bay-Delta plan (covering seven years) currently under consideration are projected to total about \$5 billion. These costs could double over the projected 30-year term of the plan. It is anticipated that funding would come from a variety of federal, state, local, and private sources.

Proposition 204 provided \$583 million for ecosystem restoration and other improvements in the Bay-Delta. As of June 1999, about \$415 million of this amount remains available for future projects.

Water Quality and Water Supply. The state also has provided funds for projects that improve water quality and supply. For example, the state has provided loans and grants to local agencies for construction and implementation of wastewater treatment, water recycling, and water conservation projects and facilities. The state has sold general obligation bonds to raise money for these purposes. As of June 1999, all but about \$100 million of the approximately \$1.8 billion authorized by previous bond acts since 1970 had been spent or committed to specific projects.

Watershed Protection. In recent years, the state has modified the way it manages the state's water and other natural resources. Instead of using primarily a project-by-project or site-by-site approach, the state now takes a broader approach by focusing on entire watersheds. Under the "watershed management" approach, programs designed to improve water quality and reliability of supply, restore and

enhance wildlife habitat, and address flood control within a watershed are coordinated, often involving various federal, state, and local agencies. Watershed protection programs may include a variety of activities, such as water conservation, desalination, erosion control, water quality monitoring, groundwater recharge, and wetlands restoration.

In general, under the watershed management approach, the federal and state governments enforce environmental standards, while local agencies develop and implement local watershed management plans to meet the standards set for a watershed.

Funding for watershed protection programs, which have included grants to local agencies to control nonpoint source pollution (such as runoff from farming, logging, and mining operations), has come from various sources, including federal funds, the General Fund, and general obligation bonds.

Proposal

This measure allows the state to sell \$1.97 billion of general obligation bonds to improve the safety, quality, and reliability of water supplies, as well as to improve flood protection. Of this total, \$250 million is dedicated specifically to carrying out the CALFED Bay-Delta plan.

General obligation bonds are backed by the state, meaning that the state is required to pay the principal and interest costs on these bonds. General Fund revenues would be used to pay these costs. These revenues come primarily from the state personal and corporate income taxes and sales tax.

Figure 1 summarizes the purposes for which the bond money would be used. The bond money will be available for expenditure by various state agencies and for loans and grants to local agencies and nonprofit associations. The measure specifies the conditions under which the funds are available for loans, including the terms for interest and repayment of the loans.

The measure also requires that funds remaining in specified accounts under the 1996 Safe, Clean, Reliable Water Supply Bond Act (Proposition 204) be used to provide loans and grants for similar types of projects funded under this measure. Additionally, the measure requires that repayments of loans funded from specified Proposition 204 accounts and under the Clean Water and Water Reclamation Bond Law of 1988 (Proposition 83) be used to provide loans and grants for similar projects funded under this measure.

Fiscal Effect

Bond and Other Costs. For these bonds, the state would make principal and interest payments from the state's General Fund over a period of about 25 years. If the bonds are sold at an interest rate of 5.5 percent (the current rate for this type of bond), the cost would be about \$3.4 billion to pay off both the principal (\$1.97 billion) and interest (\$1.4 billion). The average payment would be about \$135 million per year.

However, total debt repayment costs to the state will be somewhat less. This is because the measure requires that loans made for nonpoint source pollution control, water conservation, and specified water quality/supply projects (up to \$363 million) be repaid to the General Fund. The repayments of these loans could reduce the General Fund costs by about \$470 million over the life of the bonds.

Local governments that develop projects with these bond funds may incur additional costs to operate or maintain the projects. The amount of these potential additional costs is unknown.

Use of Repayments of Past Loans. Proposition 204 authorized \$25 million in loans to local agencies for water conservation projects and groundwater recharge facilities. Currently, repayments of these loans are used to provide additional loans for such projects and facilities. This measure requires, instead, that the repayments be used to fund loans

and grants for projects authorized by this measure. Repayments from the loans made under this measure would be required to be deposited in the state's General Fund. This will result in a General Fund savings potentially of up to \$40 million to pay off the principal and interest of the bonds.

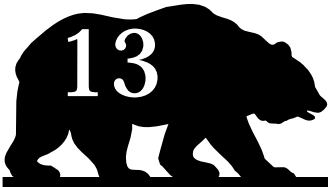
Figure 1

**Safe Drinking Water, Clean Water, Watershed Protection, And Flood Protection Act
Uses of Bond Funds**

(In Millions)

	Amount
Safe Drinking Water Facilities	\$ 70
• Public water system capital improvements	70
Flood Protection	\$ 292
• Flood control and fish and wildlife improvements on Yuba and Feather Rivers	90
• Local flood control projects in specified areas, including 13 counties, the state capitol area, and the Santa Cruz region	72
• Land acquisition and restoration projects	70
• Delta levee rehabilitation	30
• Urban stream restoration	25
• Mapping	5
Watershed Protection	\$ 468
• Protection of the Santa Ana River and the Lake Elsinore and San Jacinto watersheds	250
• River parkway acquisition and riparian habitat restoration	95
• Development and implementation of local watershed management plans	90
• Protection and acquisition of coastal salmon habitat	25
• Water education institute, science center, and science laboratory	8
Clean Water and Water Recycling	\$ 355
• "Nonpoint source" pollution control	190
• Wastewater treatment	100
• Water recycling	40
• Seawater intrusion control	25
Water Conservation	\$ 155
• Water delivery system rehabilitation in economically disadvantaged areas	60
• Agricultural water conservation	35
• Urban water conservation	30
• Groundwater recharge	30
Water Supply Reliability	\$ 630
• Various projects in Bay-Delta to improve water quality, fish migration, and water levels (CALFED projects)	250
• Groundwater storage	200
• Projects to improve water quality and supply in areas receiving delta water	180
Total	\$1,970

For text of Proposition 13 see page 97



Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Act.

Argument in Favor of Proposition 13

THIS WATER BOND IS VITAL TO OUR COMMUNITIES. IT'S THE KEY TO SAFE, RELIABLE, POLLUTION-FREE DRINKING WATER WITHOUT NEW TAXES.

Safe drinking water.

We can't live without it. And we can't take it for granted.

That's why Proposition 13 is so important.

The California Department of Water Resources predicts major shortages of pollution-free water. Its official five-year forecast says existing water management options won't fix the problem.

Clean drinking water.

Proposition 13 makes our drinking water safer. It fights groundwater contamination; repairs corroded water pipes and sewer systems; eliminates pollution sources and protects the watersheds that provide our drinking water.

More water.

Proposition 13 reverses a 20-year trend of decreased water supply and protects us, especially during droughts.

This water bond is necessary.

It produces enough new water to meet the needs of 8 million Californians by increasing underground storage and by promoting better conservation, recycling and water management.

Proposition 13 lays the foundation for a lasting water solution without new taxes.

It is strongly supported by Democrats and Republicans, business and labor, the agricultural and environmental communities and California's water providers.

Proposition 13 is:

SAFE DRINKING WATER—It helps meet safe drinking water standards to protect public health.

POLLUTION CONTROL—It fights pollution in lakes and rivers and along our coast; protects water quality from pesticides and agricultural drainage; improves water treatment plants, cleans up urban streams and controls seawater intrusion into clean water supplies.

VITAL WATER SUPPLY—It provides new water through conservation, recycling, underground storage and better use of reservoirs.

FLOOD PROTECTION—It will protect lives, avert billions of dollars in property damage and prevent massive disruption of clean water supplies for families and businesses throughout California.

FISH AND WILDLIFE—Wetlands and other natural habitats are protected, including the San Francisco Bay/Sacramento-San Joaquin Delta, the source of drinking water for 22 million Californians.

FISCALLY RESPONSIBLE—This is a wise investment for safe drinking water and against water shortages. It is fiscally responsible, does not raise taxes, qualifies California for new federal funds and limits administrative costs. If we don't act NOW, the cost will be far higher in the future.

"Every California community needs clean, reliable water. Without Proposition 13, we all face a very uncertain water future."—Assemblyman Michael J. Machado, Chairman, Assembly Committee on Water, Parks and Wildlife

Join the diverse coalition of Californians supporting this water bond:

Association of California Water Agencies
The Nature Conservancy
California Chamber of Commerce
Agricultural Council of California
Audubon Society
League of Women Voters
California Business Roundtable
National Wildlife Federation
California Manufacturers Association
Planning and Conservation League
California State Association of Counties
California State Council of Laborers
Southern California Water Committee
Northern California Water Association

Please vote to protect our quality of life by supporting Proposition 13, the safe drinking water bond and Proposition 12, the parks bond. These measures work together for our economy, our environment and our families' health. We need your YES vote on Propositions 12 and 13.

GOVERNOR GRAY DAVIS

ALLAN ZAREMBERG

President, California Chamber of Commerce

LESLIE FRIEDMAN JOHNSON

Water Program Director, The Nature Conservancy

Rebuttal to Argument in Favor of Proposition 13

Supporters always say that bonds won't increase taxes. How then will the bonds be paid? Taxpayers must pay the principal and interest on these bonds for 30 years. This money comes from our tax dollars. Taxpayers currently pay over \$3 billion per year on existing bond debt.

Let's not forget Proposition 204. Voters approved \$995 million in bonds in November 1996 for the "Safe, Clean, Reliable Water Supply Act." Where did this money go? We were warned about a water crisis then. If they haven't been able to fix the problem with almost a billion dollars, why give them almost \$2 billion more?

Indeed, is there any evidence that our drinking water is unsafe? Or is it just another in a long series of government-sponsored crises designed to extract more money from taxpayers' wallets?

WATER SUPPLIES—Residential customers use only 15% of California's water, but must subsidize agricultural and commercial customers who use 85%. If big water users had to

pay the real cost of their water, prices would fluctuate according to supply, leading to conservation.

POLLUTION CONTROL—Those who pollute our rivers and lakes should be held fully responsible for the damage they do. Taxpayers shouldn't be put on the hook for damages caused by private businesses and individuals.

Please vote to save \$7 BILLION by opposing Proposition 13 and also Proposition 12, the parks bond. These measures work together to waste our tax dollars on a bunch of "pork-barrel" projects.

GAIL K. LIGHTFOOT

Past Chair, Libertarian Party of California

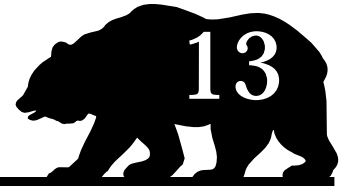
DENNIS SCHLUMPF

Director, Tahoe City Public Utility District

TED BROWN

Insurance Adjuster/Investigator

Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Act.



Argument Against Proposition 13

This is NOT Proposition 13, the legendary 1978 initiative to cut property taxes. This Proposition 13 will cost taxpayers a lot of money.

In an orgy of spending, California legislators passed an \$81 billion budget for Fiscal Year 2000. That's up from \$63 billion just four years ago. There was a \$4 billion budget surplus this year. That money should have been refunded to taxpayers. Each family could have received over \$330 to spend as they chose. But instead, most legislators—Democrat and Republican alike—decided to spend this money on new government programs.

What does this have to do with Proposition 13? If legislators had an extra \$4 billion, why didn't they spend some of it on these projects?

No, they couldn't do that. They had to spend it immediately. Now if voters say "yes" on Proposition 13, these water proposals won't just cost \$1.9 billion. BONDS ALMOST DOUBLE THE COST OF ANY GOVERNMENT PROJECT. Taxpayers will have to pay the interest on these bonds for the next 30 years. At the end, we'll be out about \$3.5 billion.

This proposal would have cost a lot less if it came out of the current budget. But do we need these projects at all?

If you read the fine print, Proposition 13 looks a lot like the "pork barrel" projects the Legislature has passed for years. There's something for just about everyone (everyone who gives a campaign contribution, that is). Here and there a project may be worthwhile, but voters have no way of judging, with so many projects jumbled into the same law.

Of course, some towns benefit from having a powerful legislator. Proposition 13 specifies \$30.5 million for water treatment plants in Manteca, Stockton, Tracy and Orange

Cove, three of which are in the district of Assemblyman Machado, the author of this proposition.

Indeed, since so many local projects are involved, it would seem sensible for people in those communities to decide if they need them, and then determine how to finance them. The lowest cost would be to promote private investment rather than government spending.

Proposition 13 claims it will provide Californians with safe drinking water, flood protection, watershed protection, river habitat protection, water conservation, etc. When has the government ever succeeded in doing any of those things? Most often we hear about government policies CAUSING groundwater contamination, DAMAGING wildlife habitats, and other blunders.

The proposition states that lands acquired with Proposition 13 funds "shall be from a willing seller." We hope this is the case. But too often governments force people to sell their land by use of eminent domain and court-ordered condemnation. Will government officials keep their word?

Send a message to legislators. They should be punished for squandering a hefty budget surplus, instead of refunding it to taxpayers, or even spending it directly on these projects. Please vote NO on Proposition 13.

GAIL K. LIGHTFOOT

Past Chair, Libertarian Party of California

THOMAS TRYON

Calaveras County Supervisor

TED BROWN

Insurance Adjuster/Investigator

Rebuttal to Argument Against Proposition 13

They don't understand.

The signers of the opposition arguments don't seem to understand California water needs.

The need to improve water infrastructure.

They seem unaware of the strains population and age have placed on the water infrastructure constructed by Governors Pat Brown and Ronald Reagan.

The need for new water.

They seem unacquainted with the Department of Water Resources' serious warning about statewide shortages of clean, reliable drinking water—or that the bond creates enough new water for 8 million people.

The need for clean water.

They misjudge "local projects" that, in fact, stop sewage discharges now flowing directly into rivers that 20 million Californians use for their water supply.

THE FACTS:

1. Californians need Prop 13's clean drinking water programs.

2. We have always used bonds to fund infrastructure programs like these.

3. This bond is fiscally prudent. Its matching provisions will also significantly increase private sector and federal water revenue coming into our state.

4. Prop 13 has the strictest provisions ever placed in a California bond to slash administrative costs. Governor Davis will also conduct public audits.

5. The California Taxpayers' Association says if we don't act NOW, the cost will be far higher in the future.

"Prop 13 is the responsible way to protect our drinking water. It's vital to our families, economy and public health."—Senator Jim Costa, Chairman, Senate Agriculture and Water Resources Committee.

Please vote for Proposition 13. Without it, we all face a very uncertain water future.

LARRY McCARTHY

President, California Taxpayers' Association

JIM COSTA

Chairman, Senate Agriculture and Water Resources Committee

MICHAEL J. MACHADO

Chairman, Assembly Water, Parks and Wildlife Committee



California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000.

Official Title and Summary Prepared by the Attorney General

CALIFORNIA READING AND LITERACY IMPROVEMENT AND PUBLIC LIBRARY CONSTRUCTION AND RENOVATION BOND ACT OF 2000.

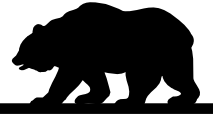
- This act provides for a bond issue of three hundred fifty million dollars (\$350,000,000) to provide funds for the construction and renovation of public library facilities in order to expand access to reading and literacy programs in California's public education system and to expand access to public library services for all residents of California.
- Appropriates money from state General Fund to pay off bonds.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- State cost of about \$600 million over 25 years to pay off both the principal (\$350 million) and interest (\$250 million) costs on the bonds. Payments of about \$24 million per year.
- One-time local costs (statewide) of \$190 million to pay for a share of library facility projects. Potential additional local operating costs (statewide) ranging from several million dollars to over \$10 million each year.

Final Votes Cast by the Legislature on SB 3 (Proposition 14)

Assembly: Ayes 59 Senate: Ayes 34
 Noes 15 Senate: Noes 3



Background

For the most part, cities, counties, and special districts pay the costs of operating and building local libraries. These libraries do receive some money from the state and federal government for library operations. For example, in 1999–00 local libraries throughout the state are receiving a total of \$90 million from the state and federal governments for various operating costs. (This represents about 10 percent of the statewide operating costs for public libraries.)

Also, in 1988 state voters approved Proposition 85—a \$75 million general obligation bond measure for grants to local agencies for library facilities (new, expanded, or renovated buildings). Local agencies were required to pay 35 percent of the cost of any project in order to receive a state grant. This program resulted in 24 local projects receiving state grants ranging from around \$300,000 to \$10 million. A total of about \$3 million of the \$75 million is currently available for additional projects.

Proposal

This proposition allows the state to sell \$350 million of general obligation bonds for local library facilities. The state would use these bond funds to provide grants to local governments to: (1) construct new libraries, (2) expand or renovate existing libraries, and (3) provide related furnishings and equipment. This grant program would be similar to the 1988 program. For example, local agencies would again have to pay 35 percent of the project cost.

Bonds. General obligation bonds are backed by the state, meaning the state is required to pay the principal and interest costs on these bonds. State General Fund revenues would be used to pay these costs. These revenues come primarily from state personal and corporate income taxes and the sales tax.

Grant Program. Under the program, local agencies would apply to the state for grants of between \$50,000 and \$20 million. As noted above, the grants could be used either to add new library space or renovate existing space. These funds could *not* be used for (1) books and other library materials, (2) certain administrative costs of the project, (3) interest costs or other charges for financing the project, or (4) ongoing operating costs of the new or renovated facility.

The proposition provides for a six-member state board to adopt policies for the program and decide which local agencies would receive grants. In reviewing local applications, the board must consider factors such as (1) the relative needs of urban and rural areas, (2) library services available to the local residents, and (3) the financial ability of local agencies to operate library facilities.

The proposition also provides for certain priorities for the grant monies. For instance, in considering applications for a *new* library, the state must give first priority to so called “joint use” libraries. These are libraries that serve both the community and a particular school district (or districts). In addition, for *renovation* projects, the state must give first priority to projects in areas where public schools have inadequate facilities to support access to computers and other educational technology.

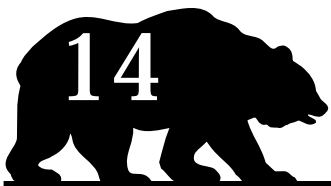
Fiscal Effect

Bond Costs. For these bonds, the state would make principal and interest payments from the state’s General Fund over a period of about 25 years. If the bonds are sold at an interest rate of 5.5 percent (the current rate for this type of bond), the cost would be about \$600 million to pay off both the principal (\$350 million) and interest (\$250 million). The average payment would be about \$24 million per year.

Local Cost to Match State Funds. As mentioned above, in order to receive a state grant a local agency must provide 35 percent of the project cost. Thus, on a statewide basis local agencies would need to spend \$190 million. The cost would vary by local agency depending on the cost of their specific project.

Costs to Operate New Library Facilities. Local agencies that build new or expand existing libraries would incur additional operating costs. This proposition would probably result in a significant expansion of facilities throughout the state. Once these projects are completed, local agencies would incur additional operating costs (statewide) ranging from several million dollars to possibly over \$10 million annually.

For text of Proposition 14 see page 113



California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000.

Argument in Favor of Proposition 14

Proposition 14 is an investment in literacy, learning and libraries.

Our public libraries have always served as centers of lifelong learning and literacy. Libraries provide a safe place for students to study and complete homework assignments, and for adults to gain practical skills through a variety of adult learning programs.

When it comes to literacy, California fourth grade students ranked next to last on the 1998 National Assessment of Educational Progress. Adult illiteracy hurts our economic competitiveness, and family illiteracy is often passed from generation to generation.

Proposition 14 funds can be used to build new libraries, renovate inadequate facilities, provide state-of-the-art equipment, improve study conditions and create a safe, comfortable environment for users.

Proposition 14 can fund new libraries and renovate existing facilities.

As California's population continues to climb, library visits have skyrocketed, causing an already underfunded system to deteriorate rapidly.

Many communities have no local libraries in areas where the population has grown significantly. The lack of access makes it difficult for children and people with limited mobility to take advantage of important services such as children's story hours, student reading programs, and services for seniors and the disabled.

Many of our libraries are either completely antiquated, or in need of significant remodeling. Facilities often lack the basics such as enough tables and chairs and books and materials for study and research for all library users.

Proposition 14 returns money to local communities.

This bond can fund 65% of each approved project. Since this state funding will be available to renovate and remodel existing facilities or build new libraries, available local funds could be freed up to extend library hours, buy more books, expand

reading programs, increase library visits to local schools, or offer more adult learning opportunities.

Proposition 14 is a necessary investment in our future without raising taxes.

A State Library study shows California will need to complete 425 library projects over the next few years to meet current needs. While Proposition 14 will not fund the number of projects identified by that study, the combination of 65% state funding and 35% local participation means Proposition 14 maximizes the effectiveness of these critical resources.

Proposition 14 puts money into vital needs, not administrative overhead.

By law, not one penny of this bond money can be used by local government for administrative costs. Libraries can construct homework centers for students, upgrade electrical and telecommunications systems to accommodate computers and expand literacy centers and facilities for children's reading programs.

Proposition 14 provides funding to school and library partnerships.

By strengthening the partnership between libraries and schools, Proposition 14 is a critical element in achieving California's literacy goals and for strengthening our entire educational system.

Priority funding will go to projects where schools and libraries are working together.

FOR LIBRARIES, LITERACY AND LIFELONG LEARNING, VOTE YES ON PROPOSITION 14!

STATE SENATOR RICHARD K. RAINEY
Chair, Senate Local Government Committee

STATE SENATOR DEIRDRE W. ALPERT
Chair, Senate Education Committee

GAIL DRYDEN
President, League of Women Voters of California

Rebuttal to Argument in Favor of Proposition 14

Before we ask the taxpayers to fork out \$350,000,000 (approximately \$675,000,000 with interest) for new libraries, WE SHOULD INSIST THAT OUR TAX DOLLARS KEEP OUR CURRENT LIBRARIES OPEN A DECENT NUMBER OF HOURS.

The argument in favor of Proposition 14 states, "Libraries provide a safe place for students to study and complete homework assignments, and for adults to gain practical skills through a variety of adult learning programs."

The problem is, our current libraries aren't open long enough for students or working adults to use them.

A random sampling of over 100 county libraries throughout California indicates that libraries are rarely open—averaging ONLY FIVE HOURS A DAY. Few libraries are open on Saturday and Sunday. Their limited weekday hours are in the middle of the day, when children are in school and adults are at work. Therefore, taxpayers who wish to use libraries cannot do so. Yet, those same taxpayers are forced to pay the bill.

Rather than spend borrowed money on library buildings that

won't be used, we need to explore different ways to deliver the same services.

With the Internet, expanded-hour private bookstores, and virtual schools, many opportunities for research and training already exist. And they don't require intensive, large scale construction of government buildings with borrowed money. These government buildings may be obsolete in 10 years, but we will be paying them off for 30 years. Is that a good use of taxpayer dollars?

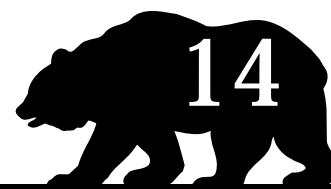
For a listing of library hours and internet links, visit www.rayhaynes.org/bonds.html

RAY HAYNES
California Senator

LEWIS K. UHLER
President, The National Tax-Limitation Committee

CARL MCGILL
Chairman, Black Chamber of Commerce of Los Angeles County

California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000.



Argument Against Proposition 14

Why does our Legislature squander our taxes on bloated, special interest programs, then borrow money to pay for the important things, like libraries?

Last year, the Legislature was faced with a budget surplus of over \$4,300,000,000—more than twelve times the amount of this bond. The Legislature decided to spend the money on “pork” projects and increased welfare programs, including benefits for illegal aliens. State government spending increased by almost 10% in a single year! Now, with state revenues at an all-time high, they want to go into debt and spend your grandchildren’s money on libraries. Only your “NO” vote on Proposition 14 can stop them.

Bonds are the most expensive way to build or renovate libraries. The interest and fees paid to bankers, lawyers and bureaucrats will nearly double the cost of these libraries. In other words, we can afford to build twice as many libraries by spending the tax money that the state has already collected. In desperate economic times, it might be necessary to borrow money for an important state project. But there is no excuse for borrowing money in good times. Taxpayers will be stuck paying for these bonds, and the interest on them, for three decades, even if the economy collapses.

With new computer technology and the growth of the Internet, the library improvements funded by this bond may be obsolete in five years. It does not make sense to spend our grandchildren’s money on the “horse and buggy” technology that this bond would fund. We will still be paying for these bonds decades from now, even if the improvements are obsolete.

Information can be retrieved and exchanged much more conveniently—and at a much lower cost—through the Internet. This bond is actually more expensive than offering FREE Internet service to every school child in California! Is this a wise use of our tax dollars?

Does your city or county have a surplus? Under the terms of this bond, local governments will not receive a penny of the bond money unless they provide 35% matching funds for each project. *Unless you live in a wealthy community with surplus cash to pay for library renovation, you won’t see a penny of this bond money, but you will still have to pay for it.*

We are already on the hook for \$36,900,000,000 for bonds that have been previously approved for other projects. Our state is so far in debt that we have the third worst credit rating in the entire country. With each new bond, we risk lowering our credit rating even further. We have to say “NO” to more borrowing. We have to demand that the Legislature pay for these important projects with the taxes we pay now, not the taxes that our grandchildren will pay later. The only way to do that is to say NO to Proposition 14.

RAY HAYNES
California Senator

LEWIS K. UHLER
President, The National Tax-Limitation Committee

CARL MCGILL
Chairman, Black Chamber of Commerce of Los Angeles County

Rebuttal to Argument Against Proposition 14

The argument against Proposition 14 does nothing to change the facts.

Proposition 14 was placed on the ballot with overwhelming support from Republicans and Democrats in the State Senate and Assembly, because it is an important part of our effort to improve literacy and learning.

Children are introduced to reading, and adults improve reading skills, through the world of books. Despite the explosion of interest in the Internet, library usage continues to grow at extraordinary rates. A State Library study shows California needing 425 library projects over the next few years just to meet current demand.

In addition, Proposition 14 maximizes local tax dollars. Qualified local projects will receive up to 65% of their funding from the state, preserving local money for books, hours and programs.

Examine the facts:

FACT: Proposition 14 is an investment in learning and literacy.

FACT: Proposition 14 does not increase state or local taxes.

FACT: Proposition 14 funds cannot be used by local government for administrative costs.

FACT: Proposition 14 returns money to local communities.

FACT: Proposition 14 provides priority funding to school/library partnerships.

The California Teachers Association says that Proposition 14 is an important part of efforts to improve student performance.

The California Organization of Police and Sheriffs supports Proposition 14, because libraries provide safe environments for students’ after-school study.

Lt. Governor Cruz Bustamante supports Proposition 14, because it encourages schools and libraries to work together.

For Libraries, Literacy and Lifelong Learning, Vote Yes On Proposition 14.

LINDA CROWE
President, California Library Association

DON BROWN
President, California Organization of Police and Sheriffs

LOIS WELLINGTON
President, Congress of California Seniors



The Hertzberg-Polanco Crime Laboratories Construction Bond Act of 1999.

Official Title and Summary Prepared by the Attorney General

THE HERTZBERG-POLANCO CRIME LABORATORIES CONSTRUCTION BOND ACT OF 1999.

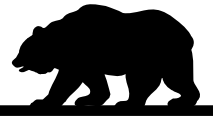
- Provides for a bond issue of two hundred twenty million dollars (\$220,000,000) to provide funds for a program for the construction, renovation, and infrastructure costs associated with the construction of new local forensic laboratories and the remodeling of existing local forensic laboratories.
- Creates Forensic Laboratories Authority to consider and approve applications for construction and renovation of forensic laboratories.
- Appropriates money from General Fund to pay off bonds.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- State costs of about \$377 million over 25 years to pay off both the principal (\$220 million) and interest (\$157 million) costs of the bonds. Payments of about \$15 million per year.
- One-time costs of about \$20 million to local governments to match state funds.
- Unknown annual costs to local governments to support crime laboratories, potentially in the millions of dollars.

Final Votes Cast by the Legislature on AB 1391 (Proposition 15)

Assembly: Ayes 65	Senate: Ayes 35
Noes 12	Noes 3



Background

After a crime has been committed, law enforcement officials usually send the collected evidence (such as fingerprints and blood samples) to laboratories which are responsible for collecting, analyzing, and interpreting this evidence. These laboratories are known as “forensic crime laboratories.” Services provided by these laboratories range from fingerprint examination and drug analyses to more complicated tasks such as DNA testing.

California’s cities and counties operate 19 local crime laboratories that provide services to cities and counties representing almost 80 percent of the state’s population. The remaining cities and counties generally receive services from crime laboratories operated by the state Department of Justice.

Cities and counties pay to support their own crime laboratories. Funding is supplemented by fees and fines collected from persons convicted of certain drug and alcohol offenses.

Proposal

This measure allows the state to sell \$220 million in general obligation bonds for local crime laboratories. The money raised from the bond sales would be used for the construction, renovation, and infrastructure costs of these laboratories. General obligation bonds are backed by the state, meaning that the state is required to pay the principal and interest costs on these bonds. General Fund revenues would be used to pay these costs. These revenues come primarily from the state personal and corporate income taxes and sales tax.

A new seven-member Forensic Laboratories Authority created by the measure, would consider applications and award the bond monies to local governments for the construction of new laboratories and the renovation of

existing laboratories. The measure specifies that members of the authority include the Attorney General, the director of the state’s laboratories, and five members appointed by the Governor.

In order to receive bond monies, a local government must provide 10 percent of total project costs (this provision could be modified or waived by the Legislature). The governing body of the local government (such as the city council or the county board of supervisors) must also agree to pay the ongoing operating costs of the laboratory. In addition, the project would have to comply with state or local contract and bidding requirements.

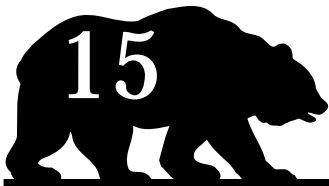
Fiscal Effect

State Bond Costs. For these bonds, the state would make principal and interest payments from the state’s General Fund over a period of about 25 years. If the bonds are sold at an interest rate of 5.5 percent (the current rate for this type of bond), the cost would be about \$377 million to pay off both the principal (\$220 million) and the interest (\$157 million). The average payment would be about \$15 million per year.

Cost to Local Governments. The measure could result in additional costs to local governments that receive bond funds. First, the measure could result in one-time costs to these local governments for the 10 percent share of the costs of a construction or renovation project. These one-time costs would be in the range of about \$20 million on a statewide basis.

Second, to the extent that local governments construct new or expanded crime laboratories as a result of the measure, they could also incur additional ongoing costs to operate the facilities. The magnitude of these additional costs is unknown, but is potentially in the millions of dollars annually on a statewide basis.

For text of Proposition 15 see page 114



The Hertzberg-Polanco Crime Laboratories Construction Bond Act of 1999.

Argument in Favor of Proposition 15

REPAIRING DETERIORATING, OUTDATED CRIME LABS WILL ENSURE THAT MORE CRIMINALS ARE IDENTIFIED, CAUGHT, CONVICTED AND PUNISHED. PROPOSITION 15 IS AN INVESTMENT IN JUSTICE. THESE CRIME-SOLVING FUNDS WILL BE USED TO:

- Improve DNA tests, which identify criminals.
- Speed up the analysis of crime evidence to reduce the number of murderers and rapists who go free.
- Provide improved equipment to identify blood alcohol content and reduce the number of drunk drivers on the street.
- Improve the analysis of evidence so fewer innocent people are charged with crimes.

"Updating crime labs will result in the positive identification of more rapists and murderers who are currently going free."
Crime Victims United of California.

PROPOSITION 15 PROVIDES FOR TAXPAYER SAFEGUARDS:

- Money cannot be used to pay administrators' salaries.
- An independent Forensics Laboratories Authority will be created to ensure money is spent efficiently where it is needed.
- Crimes solved faster will save taxpayers' money spent in lengthy trials.
- This measure will not increase taxes.
- An independent annual audit will ensure funds are spent efficiently.

"Crime labs need updated technology to process evidence rapidly in order to prosecute criminals and exonerate the innocent faster." Tom Torlakson, Member, California State Assembly Information Technology Budget Subcommittee.

MODERN HIGH TECH CRIME LABS ARE ESSENTIAL TO LAW ENFORCEMENT'S ABILITY TO QUICKLY SOLVE CRIMES:

- Updated crime labs will increase the speed with which crimes are solved.
- Proposition 15 will provide high tech equipment to examine and identify DNA, toxicology, blood typing, bodily fluids from sexual assaults, drugs, ballistics, arson and explosives.
- Renovated crime labs will provide independent, unbiased information.
- Proposition 15 will relieve overcrowding and prevent

criminals from going free because of backlogs at crime labs.

UPDATING AND REPAIRING CRIME LABS IS CRUCIAL TO LOCAL SHERIFFS AND POLICE FOR QUICKER APPREHENSION AND PROSECUTION OF CRIMINALS.

- The California State Auditor says: "Without adequate facilities, laboratories may experience a greater risk of evidence contamination, compromised efficiency . . . and health and safety problems . . . the degree of severe overcrowding in the laboratories is of major concern."
- Almost two-thirds of California's crime labs are in disrepair or out-of-date.
- Proposition 15 will give local police and sheriffs modern high tech crime-solving equipment and repair deteriorating crime labs.
- Money from Proposition 15 will be distributed to local law enforcement agencies throughout the state.

CALIFORNIA'S CRIME FIGHTERS, AMONG MANY OTHERS, SUPPORT PROPOSITION 15:

California Police Chiefs Association
Attorney General Bill Lockyer
California Association of Crime Lab Directors
Assembly Member Bob Hertzberg, former chair Assembly Public Safety Committee
California State Sheriffs Association
California Union of Safety Employees
California Peace Officers Association
Senator Richard Polanco, chair

Joint Committee on Prison Construction & Operations

The need to repair and update overcrowded deteriorating crime labs is critical. Vote YES to improve the analysis of evidence to solve crimes faster, prevent criminals from going free and protect those who are innocent. Vote YES for public safety. Join us and Vote YES on Proposition 15.

GRAY DAVIS

Governor of California

WILLIAM J. HEMBY

California Organization of Police & Sheriffs

DANIEL A. TERRY

President, California Professional Firefighters

Rebuttal to Argument in Favor of Proposition 15

Bond supporters always say that the measure will not increase taxes. How then will the bonds be paid? Taxpayers must pay the principal and interest on the bonds for 30 years. This money comes from our tax dollars. Taxpayers are currently paying over \$3 billion per year on existing bond debt.

Of course our police departments should have access to the newest, state-of-the-art facilities to run tests. Too often we see news reports that crime labs take weeks to produce results. But is spending \$395 million of the taxpayers money over 30 years the best way to accomplish this?

We believe that the private sector can better help police departments with these vital services. Even now there are numerous private companies performing the same laboratory tests. Unlike government agencies, private companies have a motive to perform. And if they want more business, they will do their work accurately, quickly and inexpensively.

Proposition 15 is bureaucracy in action. The government has

the tedious steps to put this measure on the ballot, plan several months of campaigning for it and then wait while the bonds are sold and the proceeds slowly work their way into various communities. Instead, legislators could have urged local police departments to hammer out contracts with private firms to immediately start providing high-tech services.

Indeed, Proposition 15 could delay lab analysts from coming up with results our police investigators need, while the wheels of the bond process slowly grind. Please vote NO.

GAIL K. LIGHTFOOT

Past Chair, Libertarian Party of California

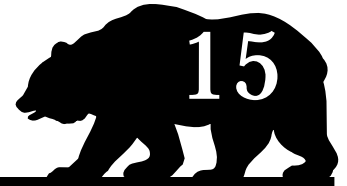
THOMAS TRYON

Calaveras County Supervisor

TED BROWN

Insurance Adjuster/Investigator

The Hertzberg-Polanco Crime Laboratories Construction Bond Act of 1999.



Argument Against Proposition 15

In an orgy of spending, California legislators passed an \$81 billion budget for Fiscal Year 2000. That's up from \$63 billion just four years ago. There was a \$4 billion budget surplus this year. That's money that should have been refunded to taxpayers. In fact, each family could have received over \$330 to spend as they chose. But instead most of our legislators—Democrat and Republican alike—found ways to spend this money on new government programs.

What does this have to do with Proposition 15? Well, if the legislators had an extra \$4 billion to play around with, why didn't they spend a relatively paltry \$220 million of it (about 5.5% of the surplus) on the proposed forensics laboratories—and save us more election costs?

No, they couldn't do that. They had to spend it immediately. Now if voters say "yes" on Proposition 15, the forensic laboratories won't just cost \$220 million. **BONDS ALMOST DOUBLE THE COST OF ANY GOVERNMENT PROJECT.** Taxpayers will have to pay the interest on these bonds for the next 30 years. So, at the end, we'll be out about \$395 million.

So we see that this proposal would have cost a lot less if it was paid for out of the current budget. But let's ask: should California taxpayers be financing new local forensics labs and even remodeling older ones?

Forensics labs help police officers and prosecutors prove their cases with physical evidence. This includes crime scene reconstruction, DNA testing, fingerprinting, handwriting analysis, studying forged documents, and audio and videotape analysis. An internet search shows that there are numerous private companies already performing these same services.

They are used by defense attorneys, or even by the government to assist public employees. For this reason, it would be much more economical to privatize these functions and send out all such work to private labs. Indeed, lab analysts currently employed by local governments would be in great demand at the private firms.

Even if we concede that California taxpayers should pay for forensics labs, it doesn't seem as if such facilities should take up enough room to warrant a separate building. The lab could be part of the local police station—or could even rent space in a privately-owned industrial park or other commercial building.

Whenever the government is involved in a building project, it costs a lot more than a private enterprise project. Governments require an expensive approval process, then require contractors to pay the prevailing union wage for construction, more than what the low bidder would pay. The losers: the taxpayers.

Send a message to legislators. There are alternatives to spending tax money on new forensics labs. There also should be some punishment for squandering a hefty budget surplus, instead of refunding it to taxpayers, or even spending it on this relatively small project. Please vote NO on Proposition 15.

GAIL K. LIGHTFOOT

Past Chair, Libertarian Party of California

THOMAS TRYON

Calaveras County Supervisor

TED BROWN

Insurance Adjuster/Investigator

Rebuttal to Argument Against Proposition 15

We're glad the opponents agree that "forensic labs help police officers and prosecutors prove their cases" By updating and repairing crime labs, we can ensure that more criminals are identified, caught, convicted and punished and that fewer innocent people are charged with crimes.

Law enforcement says the opponents are misleading voters and opponents' arguments are not accurate. There is only a handful of private crime labs in California and these are used to crosscheck and provide second opinions in questionable cases. That's why police, sheriffs, and firefighters say we need to update and repair forensic crime-solving labs. Would you rather trust the opponents or your local law enforcement when it comes to fighting crime?

Proposition 15 will save taxpayers' money in the long run. If we improve the analysis of evidence, we save money by reducing the time it takes to solve crimes and shortening the length of trials.

If it were the opponents' father who was murdered, sister

who was raped, or child killed by a drunken driver, we believe there would be no argument against Proposition 15. How can anyone who cherishes freedom not also believe in pursuing all means to swift and fair justice? *Proposition 15 will give local law enforcement updated technology to increase the speed at which crimes are solved.*

THE NEED TO REPAIR AND UPDATE OVERCROWDED DETERIORATING CRIME LABS IS CRITICAL. WE URGE YOU TO VOTE YES ON PROPOSITION 15.

CHARLES C. PLUMMER

President, California State Sheriffs Association

DANIEL A. TERRY

President, California Professional Firefighters

TOM TORLAKSON

Member, California State Assembly Information Technology Budget Subcommittee



Veterans' Homes Bond Act of 2000.

Official Title and Summary Prepared by the Attorney General

VETERANS' HOMES BOND ACT OF 2000.

- This fifty million dollar (\$50,000,000) bond issue will provide funding to the Department of Veterans Affairs for the purpose of designing and constructing veterans' homes in California and completing a comprehensive renovation of the Veterans' Home at Yountville.
- Funds from this bond shall be allocated to fund the state's matching requirement to construct or renovate those veterans' homes in Military and Veterans Code section 1011 first, and then fund any additional homes established under this Act.
- Appropriates money from General Fund to pay off bonds.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- Net state cost of about \$33 million over 25 years to pay off \$26 million in additional bonds. The average cost would be around \$1 million per year.

Final Votes Cast by the Legislature on SB 630 (Proposition 16)

Assembly: Ayes 76	Senate: Ayes 32
Noes 4	Noes 0



Background

The state Department of Veterans Affairs operates two residential homes for veterans—one at Yountville, Napa County and the other at Barstow, San Bernardino County. The Yountville home has the capacity to house 1,421 veterans, and Barstow can house 400. These facilities provide residential services, nursing, and medical care primarily for elderly or disabled California veterans. The cost to construct new or renovate existing veterans' homes is generally shared between the state (35 percent) and the federal government (65 percent).

Existing law authorizes the use of \$36 million of lease-payment bonds for the state's share of the cost to construct three new homes in Southern California. One of these homes is under construction at Chula Vista, San Diego County. This home, which is planned to open by April 2000, will be able to house 400 veterans. The two other homes are to be constructed at Lancaster, Los Angeles County, and Saticoy, Ventura County.

Proposal

This proposition authorizes the state to sell \$50 million of general obligation bonds to pay the state's share of the cost for construction and renovation of new and existing veterans' homes. General obligation bonds are backed by the state, meaning that the state is required to pay the principal and interest costs on these bonds. General Fund revenues would be used to pay these costs. These revenues come primarily from state personal and corporate income taxes and the sales tax.

Uses of the Bonds. The \$50 million in bonds would be used for two purposes:

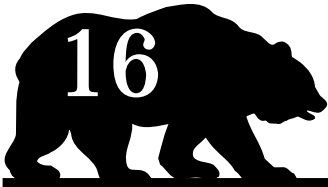
- First, \$24 million would replace lease-payment bonds currently available for veterans' homes. Lease-payment bonds are similar to general obligation bonds in that General Fund revenues are used to pay off the bonds. Lease-payment bonds, however, are more costly because they have higher interest rates and selling costs.
- Second, the remaining \$26 million in general obligation bonds would be available for (1) additional new veterans' homes (that is, beyond the three new homes in Southern California) and/or (2) renovation of existing homes.

Fiscal Effects

Bond Costs. This proposition would affect the state's cost in two ways. Most significantly, it allows \$26 million in additional bonds. The cost of repaying these bonds would be offset by some savings from the replacement of higher-cost lease-payment bonds with general obligation bonds. We estimate that the net impact would be costs of about \$33 million over a 25-year period. The average cost would be around \$1 million per year.

Operating Costs. To the extent that the bond funds are used to add beds at new or existing veterans' homes, state operating costs for these homes would increase to care for additional veterans.

For text of Proposition 16 see page 116



Veterans' Homes Bond Act of 2000.

Argument in Favor of Proposition 16

Not all state problems are measured in the billions. Proposition 16 asks for your support for \$50 million in bonds to pay the state's share of retirement homes for United States military veterans who are California residents.

These veterans fought for our country in World War II, Korea, Vietnam and other hotspots around the globe. They put their lives on the line in defense of this country. It is our obligation to make sure they have a place to live if they can no longer care for themselves.

Proposition 16 will not raise your taxes. The bonds will be paid from taxes already being collected. No new taxes will be raised or collected to fund this bond act.

Proposition 16 will pay the state's share to build two new veterans' retirement homes that have been approved for construction by the state of California.

Proposition 16 will rehabilitate the 100-year old Veterans Home at Yountville.

Proposition 16 will build a special treatment center to treat veterans with dementia problems like Alzheimer's disease.

Proposition 16 is supported by the American Legion, the Veterans of Foreign Wars and other state veterans' organizations, as well as AARP and service and civic groups. It passed overwhelmingly in the state Assembly and Senate.

We believe that Proposition 16 meets the needs of the U.S. military men and women who served this nation with distinction.

Please vote "yes" for our veterans. Vote "yes" on Proposition 16.

We appreciate your consideration.

GRAY DAVIS
Governor, State of California

JOHN McCAIN
U.S. Senator, Arizona

JOE DUNN
State Senator, 34th District

Rebuttal to Argument in Favor of Proposition 16

Bond supporters always say that the measure will not increase taxes. How then will the bonds be paid? Taxpayers must pay the principal and interest on the bonds for 30 years. This money comes from our tax dollars. Taxpayers are currently paying over \$3 billion per year on existing bond debt.

As the governor tells it, Proposition 16 is small potatoes. \$50 million gets lost in a state with a budget of \$81 billion. Indeed, there are dozens of appropriations just like this one. That's why we're baffled why the legislators and the governor didn't just pay the \$50 million out of the state budget. Since bond financing almost doubles the cost of any government project, it seems like they are purposely trying to cost taxpayers more than necessary.

We agree that our veterans are deserving of respect. If indeed we seek a place for elderly or infirm veterans to live, it would be a lot less expensive to place them in private retirement homes and hospitals. The government could contract with existing facilities—not build new ones.

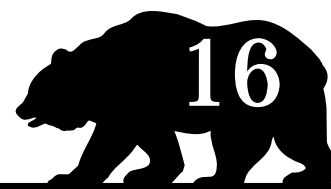
Of course, all of the veterans organizations support this. Of course, almost every legislator voted for it. After all, it's easy to cast a "pro-veteran" vote. But when will our legislators be really courageous—and cast a pro-taxpayer vote?

GAIL K. LIGHTFOOT
Past Chair, Libertarian Party of California

LARRY HINES
U. S. Marine Corps veteran

TED BROWN
Insurance Adjuster/Investigator

Veterans' Homes Bond Act of 2000.



Argument Against Proposition 16

In an orgy of spending, California legislators passed an \$81 billion budget for Fiscal Year 2000. That's up from \$63 billion just four years ago. There was a \$4 billion budget surplus this year. That's money that should have been refunded to taxpayers. In fact, each family could have received over \$330 to spend as they chose. But instead most of our legislators—Democrat and Republican alike—found ways to spend this money on new government programs.

What does this have to do with Proposition 16? Well, if the legislators had an extra \$4 billion to play around with, why didn't they spend a relatively paltry \$50 million of it (about 1.25% of the surplus) on the proposed veterans homes—and save us more election costs?

No, they couldn't do that. They had to spend it immediately. Now if voters say "yes" on Proposition 16, the veterans homes won't just cost \$50 million. BONDS ALMOST DOUBLE THE COST OF ANY GOVERNMENT PROJECT. Taxpayers will have to pay the interest on these bonds for the next 25 years. So, at the end, we'll be out about \$90 million.

So we see that this proposal would have cost a lot less if it was paid for out of the current budget. But let's ask: do we really need to build these veterans homes at all?

The federal government, under the Department of Veterans Affairs, provides generous benefits to our veterans—from medical care, to job training, to college education, to no money down home loans. There's really no need for the State of California to provide any veterans benefits.

There are 1525 veterans currently staying at veterans homes in Yountville and Barstow. This is not a big number. Proposition 16 seeks funds to build even more of these small facilities. It's highly likely that these veterans receive a pension from the federal government, and perhaps from a career subsequent to their military service. Should California taxpayers be providing them with shelter? It seems as if they and their families could arrange this privately.

Even if we concede that California taxpayers should pay to house veterans, the veterans could stay at privately-owned retirement facilities. Whenever the government is involved in a building project, it costs a lot more than a private enterprise project. Governments require an expensive approval process, then require contractors to pay the prevailing union wage for construction, which is more than the low bidder would pay. The losers: the taxpayers.

Send a message to legislators. There are alternatives to spending tax money on veterans homes. There also should be some punishment for squandering a hefty budget surplus, instead of refunding it to taxpayers, or even spending it on this relatively small project. Please vote NO on Proposition 16.

GAIL K. LIGHTFOOT
Past Chair, Libertarian Party of California
TED BROWN
Insurance Adjuster/Investigator
LARRY HINES
U. S. Marine Corps Veteran

Rebuttal to Argument Against Proposition 16

Pearl Harbor, Iwo Jima, Omaha Beach, Utah Beach, Battle of the Bulge, Inch'on, Khe Sanh, Kuwait, Bosnia, Kosovo.

These are some of the battle sites where U.S. military veterans took up arms in defense of Democracy.

Our friends, buddies and relatives fought the enemies of this great country on foreign soil. Hundreds of thousands did not return. Millions were wounded in battle, many seriously.

Those of us who came home alive returned with a heavy heart for comrades in arms who did not return with us. But we also returned with a deep sense of pride and accomplishment.

Proposition 16 is about those who lived, those of us who risked our lives and returned to help build this great state and country. This bond measure is about us—and the more than three million U.S. veterans in this state who we represent.

We do not ask much. But we do ask you, the voter, to think about the freedoms you enjoy because of veterans who did their duty and put their lives in jeopardy so that we could all live free.

We answered the call when our country needed our help. We now ask you to consider supporting this modest measure to build veterans' homes for aging veterans who can no longer care for themselves.

Proposition 16 will not raise your taxes. No new taxes will be raised or collected to fund this measure.

We appreciate your support and consideration. Please vote "yes" on Proposition 16.

WILLY WILKIN
California State Commander of the American Legion
RICHARD EUBANK
California State Commander, Veterans of Foreign Wars
GEORGES ROBIN
California Legislative Officer, Military Order of the Purple Heart



**Lotteries. Charitable Raffles.
Legislative Constitutional Amendment.**

Official Title and Summary Prepared by the Attorney General

**LOTTERIES. CHARITABLE RAFFLES.
LEGISLATIVE CONSTITUTIONAL AMENDMENT.**

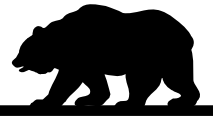
- Modifies current constitutional prohibition against private lotteries to permit legislative authorization of raffles conducted by eligible private nonprofit organizations for the purpose of funding beneficial and charitable works.
- Requires at least 90% of a raffle's gross receipts to go directly to beneficial or charitable purposes in California, but permits this percentage to be later amended by statute passed by two-thirds vote of each house without voter approval.

**Summary of Legislative Analyst's
Estimate of Net State and Local Government Fiscal Impact:**

- Probably no significant fiscal impact on state and local governments.

Final Votes Cast by the Legislature on SCA 4 (Proposition 17)

Assembly: Ayes 62	Senate: Ayes 31
Noes 10	Noes 3



Background

A lottery is a game where a person pays for a chance to win a prize. The State Constitution authorizes the California State Lottery, but prohibits any other lottery. (Under federal law, however, Indian tribes can negotiate with the state to operate lotteries on tribal lands.)

Raffles are often held by charitable groups and usually involve the selling of tickets for a chance to win prizes. (“Door prizes” are a common form of raffle.) Raffles that require payment for a chance to win a prize are a form of lottery and, thus, are illegal under state law.

Charitable Gambling in California. Charitable gambling serves as a fund-raiser for nonprofit organizations. In California, bingo is the only legal gambling activity for charity fund-raising. Organizations operating bingo games must do so in keeping with state and local laws. In general, these laws specify when, where, and at what times bingo games can be operated.

Proposal

This proposition amends the State Constitution to allow private nonprofit groups to conduct raffles under certain conditions. To qualify, at least 90 percent of the gross receipts from the raffle must go directly to charitable purposes in California. (This percentage could be changed with a two-thirds vote of the Legislature and approval by the Governor.) Also, the proposition specifies

that any person who receives compensation in connection with the operation of a raffle must be an employee of the organization conducting the raffle.

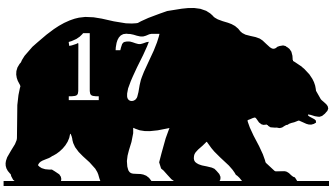
Raffles could not be conducted unless a law is subsequently adopted specifically authorizing these charitable raffles. The law could also (1) define which organizations were eligible to conduct such raffles and (2) provide for “reasonable regulation” of these raffles, including regulatory fees.

Fiscal Effect

This proposition would only have a fiscal impact on the state or local governments if these raffles are subsequently authorized by law. If that occurs, the proposition would have some—mainly indirect—effects on state and local revenues. For instance, if the level of gambling on raffles grew significantly, that might reduce other types of gambling—such as the State Lottery and horse racing. These types of gambling are taxed by the state, so revenues could decline somewhat. At least in the near term, however, we estimate that the proposition would not have a significant state or local impact on governmental revenues.

In addition, the state could require regulation of these raffles. These costs, which would not be significant, could be paid for by regulatory fees.

For text of Proposition 17 see page 117



Lotteries. Charitable Raffles. Legislative Constitutional Amendment.

Argument in Favor of Proposition 17

Most Californians are familiar with raffles. Our children sell tickets to raise money for sports leagues, historical societies raffle items to preserve historically significant sites, churches raffle prizes to support their congregations, parent groups hold raffles to support their children's schools. Many of these harmless activities violate the California Penal Code and State Constitution prohibition on raffles. In fact, any person or organization that conducts a traditional raffle commits a misdemeanor crime, punishable by up to six months in jail. Only the State of California raffle, which is better known as the State Lottery, is exempt from the ban.

When local police or prosecutors have knowledge of a charitable raffle, they are placed in the position of either shutting down a legitimate, albeit illegal fundraiser, or "looking the other way" and not enforcing the criminal law. This is an unworkable and unfair situation, which hurts legitimate charities and invites law enforcement to play favorites. Both of these concerns will be corrected by Proposition 17.

If a majority of the voters approve Proposition 17, the ban on raffles by charitable nonprofit organizations will be removed from the State Constitution. Once that happens, the State Legislature will be able to change the Penal Code so that charitable nonprofit organizations will be able to legally conduct a fundraising raffle. The legislation to remove the charitable raffle ban from the Penal Code and regulate their conduct (Senate Bill 639)

has been introduced and is being held in the State Legislature pending this vote by the People.

Only charitable non-profits will be able to use raffles as a legal fundraiser if Proposition 17 passes. The types of charities that will benefit from this proposition include those that raise money for scholarships, medicine and health, parks and wildlife preserves, libraries, food banks, religious organizations, and art. No commercial raffling would be allowed.

Major non-profit organizations in California, as well as law enforcement leaders and organizations back Proposition 17. Some of those groups include the California Association of Nonprofits, the California Broadcasters Association, the California District Attorneys Association, California Literacy, the California State Sheriffs Association, the John XXIII AIDS Ministry, and the State Humane Association of California.

The time has come to legalize well-meaning charitable raffles for California non-profit organizations. Vote "yes" on Proposition 17.

BRUCE McPHERSON
State Senator, 15th District

DEAN D. FLIPPO
District Attorney, County of Monterey

FLORENCE L. GREEN
Executive Director, California Association of Nonprofits

Rebuttal to Argument in Favor of Proposition 17

We teach our children that there is a RIGHT WAY and a WRONG WAY to do everything. The same is true with ideas for new laws.

Proposition 17 is the WRONG WAY to operate charitable raffles and lotteries. Proposition 17 is a professional gambling operator's dream hiding behind an ill-conceived "law and order" smoke screen.

For more than a decade, special interests have repeatedly attempted to muscle this scheme through the Legislature and onto the ballot. This year the special interests won with the politicians, placing Proposition 17 on the ballot.

DON'T BELIEVE promises of future legislation to regulate raffles. The politicians could have done that a year ago, but DIDN'T. And they WON'T. Protections and controls ARE NOT in Proposition 17.

Proposition 17 allows PHONY charities, scams and swindles to EXPLOIT honest people.

Proposition 17 INVITES crime, corruption and money laundering to our state.

Proposition 17 HURTS legitimate charities and will siphon big money into the pockets of professional gambling operators.

Don't believe claims that charitable raffles are against the law. CALIFORNIA COURTS HAVE RULED EXISTING LEGITIMATE CHARITABLE RAFFLES AND "CASINO NIGHTS" ARE LEGAL.

There is no need to FIX what ISN'T broken. California's laws on raffles and lotteries work as well today as they have for the last 100 years.

DON'T INVITE CRIME TO CALIFORNIA.

DON'T HURT CHARITIES.

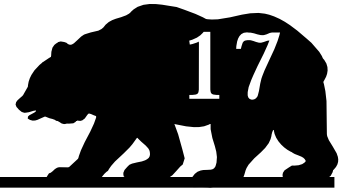
VOTE "NO" on Proposition 17. It is a dangerous scheme that will HURT charities.

SENATOR DICK MOUNTJOY

MELANIE MORGAN
Recovering Compulsive Gambler

ART CRONEY
Executive Director, Committee on Moral Concerns

Lotteries. Charitable Raffles. Legislative Constitutional Amendment.



Argument Against Proposition 17

Proposition 17 would allow professional gambling organizations to run private raffles and lotteries.

Don't fall for the line that charitable raffles are presently illegal. Our Constitution and the courts have spelled out how to conduct legal charitable raffles.

Raffles and casino nights have been legally used by legitimate charities for raising funds for decades. The existing law is over 100 years old. No one has been prosecuted for this beneficial, entertaining method of raising funds to help children, hospitals, libraries, or a multitude of other legitimate charities.

Without limits and regulations, Proposition 17 will create the biggest gambling headache Californians have ever seen. What is now a harmless social activity will be taken over by professional gambling operators.

- Proposition 17 DOES NOT regulate buying or selling tickets by minors.
- Proposition 17 DOES NOT require criminal background checks on professional raffle operators.
- Proposition 17 DOES NOT require audits to ensure that funds actually go to charities.
- Proposition 17 DOES NOT prevent phony charities from selling tickets over the Internet.
- Proposition 17 DOES NOT prevent private lotteries from being big enough to compete with the State Lottery, diminishing funds for education.
- Proposition 17 DOES NOT prevent continuous raffles, without a winner for years.
- Proposition 17 DOES NOT regulate devices or pre-programmed computers to select winners.

- Proposition 17 DOES NOT regulate raffle advertising.
- Proposition 17 DOES NOT ensure that the future holds any promise for meaningful regulation.
- Proposition 17 DOES NOT limit the size or frequency of raffles or lotteries.

Under Proposition 17, unscrupulous persons will move in to create PHONY charities, market tickets statewide for their own personal gain, with only a trickle of money ever reaching legitimate charities.

Remember this. There is NO NEED for Proposition 17. Existing raffles are harmless fund-raisers for legitimate charities. They do not cause crime. The purchase of raffle tickets for local charities does not cause gambling addiction.

If Proposition 17 sponsors really cared about legitimate charities, they wouldn't have cleverly written this measure without regulations to prohibit phony charities and scam artists from lining their pockets with donations.

Proposition 17 creates problems and solves none.

Proposition 17 is a bad bet for California.

DON'T BE FOOLED BY PROFESSIONAL GAMBLING OPERATORS. VOTE "NO" ON PROPOSITION 17.

DICK MOUNTJOY

State Senator

ART CRONEY

Executive Director, Committee on Moral Concerns

Rebuttal to Argument Against Proposition 17

The opposition is making baseless charges to scare voters. These are the facts they do not want you to know: traditional raffles are illegal in California and have been for over 100 years. *There are no exceptions.* No court or prosecuting agency has *ever* claimed traditional raffles are legal for California nonprofit charities.

Proposition 17 has no effect on the State Lottery. It simply legalizes what occurs every day across this state. In fact, Proposition 17 is *supported* by public education leaders.

Proposition 17 prohibits commercial, for profit, raffles. Ninety percent of the funds raised by the raffle must go toward the charity. Any person paid for conducting the charity raffle must be an employee of the nonprofit. Other regulations governing the conduct of charitable raffles are in the companion bill, Senate Bill 639, which is being held in the Legislature pending this vote.

Proposition 17 is *not* being backed by professional gambling interests. It is supported by law enforcement leaders who are tired of having to shut down legitimate, but illegal, charitable raffles. The drive to legalize charitable raffles has received support from countless diverse charitable nonprofit organizations, education leaders, and religious organizations. These nonprofit organizations provide 50 billion dollars in services to this state and employ 750,000 people.

Do not be misled by the "Committee on Moral Concerns." It is time to get rid of this archaic prohibition on charitable raffles. Vote "Yes" on Proposition 17.

JACKIE SPEIER

State Senator, 8th District

CURTIS J. HILL

Sheriff, County of San Benito



**Murder: Special Circumstances.
Legislative Initiative Amendment.**

Official Title and Summary Prepared by the Attorney General

**MURDER: SPECIAL CIRCUMSTANCES.
LEGISLATIVE INITIATIVE AMENDMENT.**

- Amends provisions of Penal Code section 190 defining the special circumstances where first degree murder is punishable by either death or life imprisonment without the possibility of parole. Provides that a special circumstance exists for killings committed “by means of lying in wait” rather than “while lying in wait.” Provides that a special circumstance exists where murder is committed while the defendant was involved in acts of kidnapping or arson, even if it is proved that the defendant had a specific intent to kill, and the kidnapping or arson was committed to facilitate murder.

**Summary of Legislative Analyst’s
Estimate of Net State and Local Government Fiscal Impact:**

- Unknown, probably minor, additional state costs.

Final Votes Cast by the Legislature on SB 1878 (Proposition 18)

Assembly: Ayes 66	Senate: Ayes 28
Noes 2	Noes 6



Background

First degree murder is generally defined as murder that is intentional or deliberate or that takes place during certain other crimes. It is generally punishable by a sentence of 25 years to life imprisonment with the possibility of release from prison on parole. However, a conviction for first degree murder results in a sentence of death or life imprisonment *without* the possibility of parole if the prosecutor charges and the court finds that one or more “special circumstances” specified in state law apply to the crime.

One such special circumstance involves cases in which the murderer intentionally killed the victim “while lying in wait.” The courts have generally interpreted this provision to mean that, in order to qualify as a special circumstance, a murder must have occurred immediately upon a confrontation between the murderer and the victim. The courts have generally interpreted this provision to rule out a finding of a special circumstance if the defendant waited for the victim, captured the victim, transported the victim to another location, and then committed the murder.

A special circumstance can also be charged and found if one of a list of specific felonies, including arson and kidnapping, occurred during the commission of a first degree murder. However, the courts have determined that a special circumstance can be found in such a case only when the criminal’s primary goal was to commit arson or kidnapping and only later a murder was committed to further the arson or kidnapping. The courts determined that a special circumstance could not be found in a case in which the criminal’s primary goal was to kill rather than to commit arson or kidnapping.

Proposal

This measure amends state law so that a case of first degree murder is eligible for a finding of a special circumstance if the murderer intentionally killed the victim “by means of lying in wait.” In so doing, this measure replaces the current language establishing a special circumstance for murders committed “while lying in wait.” This change would permit the finding of a special circumstance not only in a case in which a murder occurred immediately upon a confrontation between the murderer and the victim, but also in a case in which the murderer waited for the victim, captured the victim, transported the victim to another location, and then committed the murder.

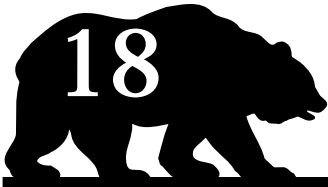
This measure also amends state law so that a case of first degree murder is eligible for a finding of a special circumstance if arson or kidnapping was committed to further the murder scheme.

As a result of these two changes in state law, additional first degree murderers would be subject to punishment by death or by life imprisonment without the possibility of parole, instead of a maximum prison sentence of 25 years to life.

Fiscal Effect

This measure would increase state costs primarily as a result of longer prison terms for the murderers who would receive a life sentence without the possibility of parole. Also, there would be increased state costs for appeals of additional death sentences, which are automatically subject to appeal to the California Supreme Court. The magnitude of these costs is unknown, but is probably minor, because relatively few offenders are likely to be affected by this measure.

For text of Proposition 18 see page 117



Murder: Special Circumstances. Legislative Initiative Amendment.

Argument in Favor of Proposition 18

Proposition 18 corrects two odd decisions by the Rose Bird Supreme Court. In 1980, and again in 1985, that court turned our voter-enacted death penalty law on its head. In the first case, the court ruled that an estranged husband who arranged the kidnapping of his wife in order to kill her was not subject to the death penalty or even life imprisonment without parole because the kidnapping was committed solely to murder her rather than to commit a less serious crime! In the second case, the court mandated that a criminal who kidnapped and killed a witness to prevent him from testifying was not subject to the death penalty or life without parole.

Under these hapless decisions:

- A murderer who deliberately kidnaps his victim to kill him and then takes the victim to a remote location and kills him would *not* be subject to the death penalty or life imprisonment without the possibility of parole (even though it would be applicable if the kidnapping was committed for some lesser purpose).
- A murderer who sets fire to a building with a premeditated plan to kill someone inside would *not* be subject to the death penalty or a sentence of life imprisonment without parole (even though it would be applicable if committed only for arson to destroy property that results in an unintended death).

Proposition 18 provides voters the chance to correct

such unjust, illogical remnants of the Rose Bird court and restore logic, fairness, and justice to our death penalty laws. It grants juries the option of rendering verdicts of death or life imprisonment without parole to those who:

- Kidnap for an express premeditated purpose to murder;
- Lie in wait for their victims, then seize and take them to a more secluded spot to murder them;
- Commit arson for the purpose of killing a person inside the building.

It defies reason to exclude such aggravated murders from our death penalty or life imprisonment law. Proposition 18 eliminates unequal treatment from court-imposed law. It restores equal justice for murder victims' families, for law enforcement officers who each day confront criminals and even murderers and for all Californians. Voting "yes" on Proposition 18 ensures a rational standard for capital punishment and life imprisonment and protects the honesty and integrity of the law in our state.

HON. GEORGE DEUKMEJIAN
Former Governor of California

HON. MICHAEL D. BRADBURY
District Attorney of Ventura County

MRS. QUENTIN L. (MARA) KOPP
Retired Social Worker

Rebuttal to Argument in Favor of Proposition 18

What good does it do us to pass Proposition 18, extend capital punishment? We owe it to ourselves to put aside prejudices, assess facts.

Nobody's been able to demonstrate statistically that capital punishment deters murders or saves lives. States and nations without capital punishment have lower murder rates.

Instead, research demonstrates it costs \$2 million more per case to prosecute a murderer through to the death penalty than if the defendant serves for life without possibility of parole.

Why don't we get smart, save that money, invest in efforts which could reduce the murder rate, especially against persons in law enforcement?

We appreciate our fellow humans who choose careers wherein they put their lives on the line to assure our public safety. And we'd provide them more safety if we devoted the money capital punishment costs to research to prevent future murderers.

Capital punishment gives us no way to learn about the root causes of murderous conduct. As we grow to recognize that violence is learned behavior, it's evident we can learn more about their lives, ferret out the root causes of their murders, if these folks are alive. Hopefully, in due time, through sufficient study, we'll learn enough so future children won't grow up so disturbed within themselves, so dangerous to the rest of us!

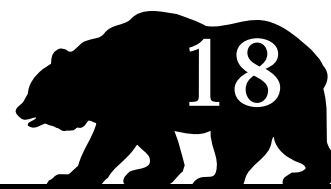
Let's save money, devote it to preventing violence, especially murder. Be smart, join us in voting NO, defeat Proposition 18.

AZIM KHAMISA
Founder, Tariq Khamisa Foundation

WILSON RILES, JR.
*Executive Director, American Friends Service
Committee of Northern California*

SENATOR JOHN VASCONCELLOS
Chair, Senate Public Safety Committee

Murder: Special Circumstances. Legislative Initiative Amendment.



Argument Against Proposition 18

As a taxpayer, you are being asked to enlarge the death penalty. You deserve clear proof that this proposed change would improve public safety and the quality of justice. That proof is lacking.

Public safety would not be improved by this proposition.

Under existing law, the homicide rate in California has fallen steadily and dramatically since 1991. Yet we still have not matched the success of the states that use no death penalty. Massachusetts, for example, is an urban state with no death penalty and a homicide rate one-third of California's. In fact, states that have no death penalty usually suffer fewer murders in proportion to their population than states that expend resources on capital punishment. Enlarging the death penalty would not make our streets more safe.

It costs California taxpayers \$2 million over and above the cost of life imprisonment each time a murderer is sent to Death Row. We should be asking some hard questions. Isn't it better to invest this money in after-school programs for youth? Shouldn't schools be funded to train all of their personnel in conflict resolution programs that have been proven effective, and why are only a small fraction of schools able to train parents in these programs? Enlarging the death penalty would not enable us to spend our public safety tax dollars more wisely.

The *quality of justice* would not be improved by this proposition.

Adjusting the scope of punishment can never compensate for the harm caused by murder. Any murder

is deplorable. The community and family members suffer whenever a life is deliberately cut short, regardless of whether arson, kidnaping, or lying-in-wait is involved. In fact, it trivializes the vast majority of cases to imagine there is any link between the circumstances of a killing, the type of retribution imposed, and the agony of friends and family of the victim. There is no evidence that communities and families of murder victims in California are better able to recover from their loss due to the existence of a death penalty than communities and families in Massachusetts heal in the absence of a death penalty. Enlarging the death penalty would not improve justice for communities and families of victims.

The law already allows capital punishment in more homicide cases than prosecutors pursue as death penalty matters. And in cases where they do urge a death sentence, jurors often refuse to recommend it. As a result, most death-eligible cases are resolved by plea bargains. To the extent this proposition would expand the number of death-eligible cases, lawyers would expend extra taxpayer dollars on the plea-bargain process. Added litigation would be of no real assistance to the families of victims, nor to the community.

This proposition will not improve public safety or the quality of justice. Vote NO.

MOST REVEREND SYLVESTER D. RYAN
President, California Catholic Conference

MIKE FARRELL
President, M J & E Productions, Inc.

SENATOR PATRICK JOHNSTON
Chair, Senate Appropriations Committee

Rebuttal to Argument Against Proposition 18

Opposition arguments center almost entirely on philosophical objections to the death penalty but miss the point of this measure, which was approved for the ballot (since it amends an initiative) by huge nonpartisan votes in the Legislature (Senate 28-6, Assembly 66-2) to correct bizarre Rose Bird court decisions.

Reasons for Proposition 18

Under Rose Bird court decisions:

Criminals who kidnap someone to rob them, then kill them as an afterthought or who set fire to a building to destroy property are subject to the death penalty or life imprisonment without parole, *at a jury's discretion*;

Criminals who, however, kidnap someone to murder them or set fire to a building to murder the occupants and do kill them are *not* subject to a death sentence or life imprisonment without parole. *This simply isn't right.*

Nonpartisan Support

Crime victims and law enforcement strongly support Proposition 18. Introduced for the ballot by former Independent State Senator Quentin Kopp, it has been

publicly endorsed and/or voted for by Crime Victims United of California, Democratic Governor Gray Davis, Attorney General Bill Lockyer, former Republican Governors George Deukmejian and Pete Wilson, Democratic Lt. Governor Cruz Bustamante, Speaker Antonio Villaraigosa and Republican Senator Richard Rainey, among others.

Opposition arguments almost seem to trivialize murder cases. Their statements ring hollow with actual family and friends of murder victims. For example, training school personnel in "conflict resolution," while commendable, doesn't cure injustices in current murder law. Proposition 18 does. Please vote "yes".

HONORABLE GEORGE DEUKMEJIAN
Former Governor of the State of California

HONORABLE MICHAEL D. BRADBURY
District Attorney of Ventura County

MRS. HARRIET SALARNO
Chair, Crime Victims United of California



Murder. BART and CSU Peace Officers. Legislative Initiative Amendment.

Official Title and Summary Prepared by the Attorney General

MURDER. BART AND CSU PEACE OFFICERS. LEGISLATIVE INITIATIVE AMENDMENT.

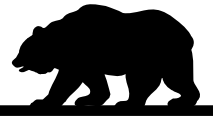
- Existing law provides that the punishment for the murder in the second degree of specified peace officers is life without the possibility of parole if the crime occurs while the officer is on duty and aggravating factors are present. This measure specifies these enhanced sentence provisions would also apply when the victim is a peace officer employed by the Bay Area Rapid Transit District or the California State University System.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- Unknown, probably minor, additional state costs.
-

Final Votes Cast by the Legislature on SB 1690 (Proposition 19)

Assembly: Ayes 70	Senate: Ayes 36
Noes 3	Noes 0



Background

Under California law, there are two “degrees” of murder.

First degree murder is generally defined as murder that is intentional or deliberate, or that takes place during certain other crimes, including arson, rape, or robbery. It is generally punishable by a sentence of 25 years to life imprisonment with the possibility of release from prison on parole.

All other types of murder are second degree murder. Second degree murder is generally punishable by imprisonment for 15 years to life with the possibility of release from prison on parole. An exception is provided in some cases involving the second degree murder of specific peace officers identified in state law, including county sheriffs and city police officers, and various state law enforcement personnel.

Specifically, state law provides that if one of these specified peace officers is killed in the line of duty and the person convicted of the second degree murder knew or should have known that the victim was a peace officer, the crime is punishable by a prison term of 25 years to life with the possibility of release from prison on parole. State law also provides that the second degree murder of a specified peace officer is punishable by a longer term of life in prison without the possibility of parole if it is also

found that the murderer specifically intended to kill or greatly injure the peace officer, or used a firearm or other dangerous weapon in the crime.

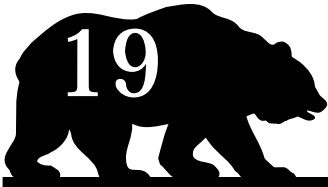
Proposal

This measure requires longer prison sentences for offenders convicted of the second degree murder of law enforcement personnel working for the California State University system and the San Francisco Bay Area Rapid Transit (BART) District, consistent with penalties now provided for cases involving the murder of other specified peace officers in California. It would add peace officers working for these two public employers to the list of peace officers for whom a conviction for their second degree murder would result in a punishment of 25 years to life or, under certain circumstances, life imprisonment without possibility of parole.

Fiscal Effect

This proposition would increase state costs primarily as a result of longer prison terms for the murderers who would receive a life sentence without the possibility of parole. Also, there could be increased state costs for appeals of sentences of life without the possibility of parole. These costs are unknown, but probably minor, because relatively few offenders are likely to be affected by this measure.

For text of Proposition 19 see page 118



Murder. BART and CSU Peace Officers. Legislative Initiative Amendment.

Argument in Favor of Proposition 19

In 1998 the voters of California overwhelmingly approved Proposition 222 which enhanced criminal sentences for persons convicted of murdering police officers under specified circumstances. In approving this proposition, by a vote of 77% in favor to 23% opposed, the citizens of California recognized that police officers face day-to-day hazards in protecting us against harm and enforcing the law that make them vulnerable to serious injury and death. Existing law acknowledges these dangers by providing increased protections against the murder of police officers.

Later in 1998, the state legislature passed Senate Bill 1690 which amends this initiative statute, subject to voter approval, to ensure that these same protections are applied to police officers of the California State University (CSU) and the San Francisco Bay Area Rapid Transit District (BART). The legislature recognized that the officers of these full-service police departments

handle the same types and variety of criminal investigations—from petty theft to murder—as their city, county and state counterparts, and as such, assume the same daily life and death risks. The Senate passed Senate Bill 1690 on a vote of 36–0, the Assembly voted 70–3 in favor of the proposal, and the Governor promptly signed the bill into law.

Proposition 19 asks the voters of California to approve this legislative action which would provide the same protection against the murder of CSU and BART police, as municipal police, county sheriffs and the police of the University of California currently enjoy.

RICHARD RAINEY
State Senator, 7th Senatorial District
THOMAS M. BLALOCK
Vice President, BART Board of Directors

Rebuttal to Argument in Favor of Proposition 19

Wait just a minute! Proposition 19 does a lot more than just cover penalties for murdering police officers. Proponents are saying this just extends Proposition 222 from the last election. But Proposition 19 also covers:

- a. falsely reporting a bomb threat to BART police and university police;
- b. falsely reporting any crime to BART police and university police;
- c. falsely identifying yourself to BART police and university police to evade proper investigation by the officer;
- d. joining a posse to catch criminals, when told to do so by BART police and university police; and
- e. exempting retired BART police and university police officers from prohibitions on carrying concealed weapons.

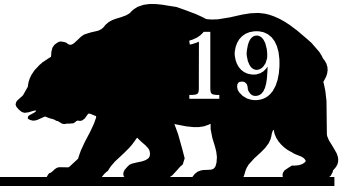
Voters need to decide if they want all these provisions

to be adopted. As a matter of fact, we agree with most of Proposition 19—all except the item labeled (d) above. We should pause at giving more officers the power to FORCE average citizens to join a posse to catch dangerous criminals. We would repeal the law giving any officers this power, rather than expanding it.

Often much of a law sounds good, but there is a “poison pill” that should cause voters to say NO. Three Assemblymen whose records show strong support of law enforcement voted against putting Proposition 19 on the ballot. We agree with them and urge you to vote NO.

GAIL K. LIGHTFOOT
Past Chair, Libertarian Party of California
LARRY HINES
Legal Secretary
TED BROWN
Insurance Adjuster/Investigator

Murder. BART and CSU Peace Officers. Legislative Initiative Amendment.



Argument Against Proposition 19

California, 1885: The Sheriff says, “OK, men, let’s get the posse together and ride out of town. There are two gunslingers hiding out in the desert and we’re going to bring them in.”

California, 2000: The BART train officer says, “OK, train riders, you’re now a posse. If you don’t help me capture the crazed gunman in the next car, I can arrest YOU and have you fined \$1000!”

We thought that posses went out a hundred years ago. But Proposition 19 will expand the power of government so that police on BART trains and at college campuses can force people to help capture criminals—without arms, training or pay. Don’t want to help? Well, you could be fined \$1000!

Most of Proposition 19 is reasonable. Indeed, BART police, University of California police and California State University police should be treated the same as other police officers. But some existing police powers should be ended rather than extended.

There’s nothing wrong with a voluntary posse. An officer can ask for help, and should do so if he needs it. But to force a random citizen to help with possibly dangerous police work is downright crazy.

In the Wild West days, most men carried firearms and knew how to use them. So when the sheriff asked for volunteers, he could be sure the men were able to help.

Now it’s policy for local sheriffs and police chiefs to refuse to issue permits for concealed weapons—except for prominent, politically well-connected individuals. Any citizen who is not a violent felon or a mental patient should be issued a permit. We all have a 2nd Amendment right to keep and bear arms for self-defense.

Proposition 19 also gives off-duty and retired BART and university police the right to carry concealed weapons. This is fine. But why not recognize this right for the rest of us as well? Shouldn’t teachers, grocery clerks, dentists and plumbers have the same right and ability to defend themselves?

Please vote NO on Proposition 19.

GAIL K. LIGHTFOOT
Past Chair, Libertarian Party of California

TED BROWN
Insurance Adjuster/Investigator

LARRY HINES
Legal Secretary

Rebuttal to Argument Against Proposition 19

Those making the argument against Proposition 19 apparently do not understand its provisions. Proposition 19 has absolutely nothing to do with expanding police powers to form a posse or carry concealed weapons when off duty. Police officers throughout the state, including CSU and BART police, already have that authority.

Proposition 19 simply asks the voters of California to approve a portion of a bill, passed by the legislature with bi-partisan support in 1998, that makes the murder of CSU and BART police subject to the same penalties as the murder of other police officers.

The Legislature recognized that CSU police and BART police face the same day-to-day dangers as other police officers, and overwhelmingly approved this amendment. There was no opposition to this proposal as it passed through the legislative process. In fact, even the

opposition argument above supports this proposition; it states, “Indeed, BART police, University of California police and California State University police should be treated the same as other police officers.”

Proposition 19 accomplishes just that purpose. It amends Section 190 of the Penal Code to make enhanced sentences for second degree murder of California police officers throughout the state apply equally for second degree murder of CSU and BART police officers.

Please vote YES on Proposition 19.

RICHARD RAINEY
State Senator, 7th Senatorial District

THOMAS BLALOCK
Vice-President, BART Board of Directors



California State Lottery. Allocation for Instructional Materials. Legislative Initiative Amendment.

Official Title and Summary Prepared by the Attorney General

CALIFORNIA STATE LOTTERY. ALLOCATION FOR INSTRUCTIONAL MATERIALS. LEGISLATIVE INITIATIVE AMENDMENT.

- Amends Government Code section 8880.4 which provides that at least 34% of the total annual state lottery revenues shall be allocated to benefit public education.
- Provides that beginning with 1998–99 fiscal year and each fiscal year thereafter, one-half of the amount of the share allocated to public education that exceeds the amount allocated in fiscal year 1997–98 shall be allocated to school and community college districts for the purchase of instructional materials.
- The funds are distributed on the basis of an equal amount per unit of average daily attendance.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- In the near term, tens of millions of dollars in annual lottery revenues that go to public education would be earmarked for instructional materials. Amounts earmarked in future years would depend on changes in the level of overall lottery revenues.

Final Votes Cast by the Legislature on AB 1453 (Proposition 20)

Assembly: Ayes 59	Senate: Ayes 22
Noes 11	Noes 12



Background

The Lottery. Since 1985, the state has operated the California State Lottery. Revenues from the lottery are allocated as follows:

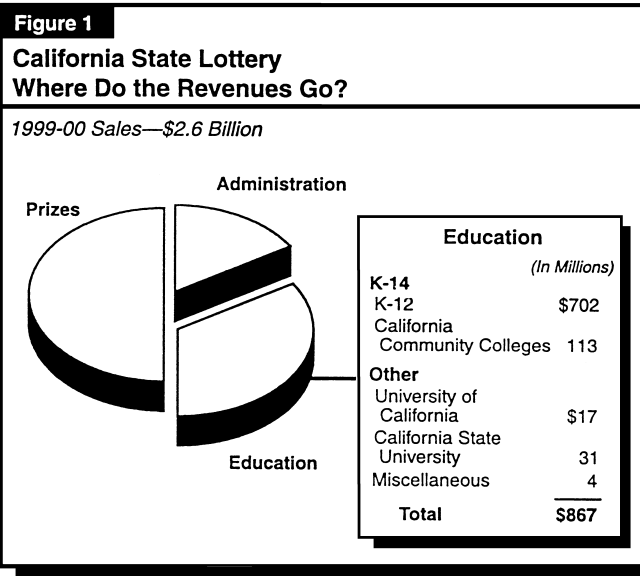
- 50 percent is returned to players as prizes.
- At least 34 percent is allocated to public education.
- A maximum of 16 percent can be used to administer the lottery.

The amount allocated to public education is distributed, based on student enrollment, to K-14 public schools (K-12 school districts and community colleges), the California State University, the University of California, Hastings College of the Law, and specific state departments that provide K-14 education programs. As shown in Figure 1, lottery revenues are currently about \$2.6 billion a year. The figure also shows how funds are allocated to education. Under existing law, these funds can be used for any school expense (except for buying property, constructing facilities, and financing research).

almost \$600 million each year that *must* be spent on instructional materials. (This is about \$100 per student each year.)

Proposal

This proposition changes the way that a *portion* of the annual lottery revenues is distributed to public education. Basically, of the future *growth* in lottery funds, *one-half* must go to K-14 public schools and be spent on instructional materials. (See box for an example of how this would work.) These funds would be allocated to K-14 schools on a per-student basis.



Instructional Materials. Local school districts are responsible for providing necessary services and materials—such as teachers, facilities, and instructional materials—to educate children. (Instructional materials consist primarily of textbooks and other reading materials, but also include other items such as computer software, arts and crafts supplies, and maps.) The state currently provides schools

How the Proposition Would Affect Education Lottery Funds

The proposition uses fiscal year 1997-98 (that is, July 1, 1997 through June 30, 1998) as the “base year.” In that year, the state allocated \$780 million in lottery monies to public education. The proposition’s impact in any year would depend on the growth in lottery funds since 1997-98. For example, it is estimated that the total 1999-00 allocation to public education will be \$867 million. Based on this amount, the formula in the proposition would result in the following:

- **Growth:** \$867 million – \$780 million = \$87 million.
- **Amount Dedicated to Instructional Materials:** \$87 million x 50 percent = \$43.5 million.

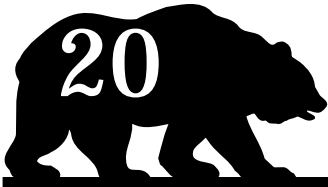
Therefore, under this example, the proposition would result in the allocation of \$43.5 million to K-14 public schools for instructional materials. The allocation of the remaining public education lottery funds (\$867 million – \$43.5 million = \$823.5 million) would not be affected by the proposition.

The proposition would not change the way “base” lottery revenues are allocated to public education. It also would not change the way that the other one-half of growth monies is allocated.

Fiscal Effect

This proposition would *not* affect the total amount of lottery revenues going to public education. As noted above, it would simply earmark a portion of those funds for instructional materials only. In the near term, we estimate this earmarked amount would be in the tens of millions of dollars each year. The annual amount of funds dedicated to instructional materials would depend on changes in the level of overall lottery revenues.

For text of Proposition 20 see page 118



California State Lottery. Allocation for Instructional Materials. Legislative Initiative Amendment.

Argument in Favor of Proposition 20

California has an alarming textbook shortage. A YES vote for PROPOSITION 20 will guarantee that California's students have a consistent source of funding for textbooks, without increasing taxes or expanding the lottery. When it comes to academic achievement, textbooks are second only to competent teachers.

- California is currently ranked at the bottom, 47th out of the 50 states, in per pupil textbook spending.
- 54% of California teachers surveyed say that they do not have enough books for students to take home for homework and test preparation, and nearly 25% of students have to share books in class.
- 40% of teachers say that they waste valuable class time doing activities to compensate for the textbook shortage.
- In most California schools, students are unable to take books home to study; often schools only have one set of textbooks to be used by many students.

Proposition 20, the CARDENAS TEXTBOOK ACT OF 2000, will guarantee that a portion of lottery revenues are used for the purchase of textbooks and other instructional materials.

Currently, 50% of lottery revenues go to prizes; 34% are allocated to the benefit of public education and 16% are used for the payment of administrative expenses and promotions. The education funds can only be spent for instructional purposes.

- When the voters approved the Lottery in 1984, the California Department of Education strongly recommended that districts use lottery funds for one-time costs such as textbooks, computers and field trips.
- The Department discouraged the funding of ongoing costs with fluctuating lottery revenues. However, districts continually spend Lottery funds for ongoing costs.

This Act would create a mechanism to ensure *continuous funding* for textbooks and instructional materials within the current education lottery revenues. Specifically, Proposition 20 would require that half of any increase in education revenue be reserved for the purchase of textbooks and instructional materials. The 1997–1998 fiscal year would serve as the base amount to determine each year's increase.

For example, if there were a \$100 million difference between education revenues in 1997–1998 and 1998–1999 then \$50 million would be dedicated to textbooks and instructional materials. The funds are to be distributed proportionally based on each district's average daily attendance.

Proposition 20 would guarantee additional projected revenues of \$60 million in fiscal year 1998–1999, \$80 million in 1999–2000, and \$90 million in 2000–2001 for textbooks and instructional materials.

A recent statewide survey indicates that the majority of Californians support increased funding for textbooks.

- 72% of Californians believe it is "important" or "very important" that all California public school students have current textbooks.
- 65% of Californians believe that the state, not the local governments, should fund the purchase of new textbooks.
- 60% believe it is more important to provide funds for current textbooks than to fund class size reduction and new classrooms.

A YES vote for PROPOSITION 20 will help ensure that students have the textbooks they need to succeed. We cannot expect students to meet our new high education standards without current materials.

TONY CARDENAS

California State Assemblymember, 39th District

NELL SOTO

California State Assemblymember, 61st District

Rebuttal to Argument in Favor of Proposition 20

All school children need up-to-date textbooks and instructional materials.

But PROP. 20 is NOT the answer.

- *Prop. 20 IS UNNECESSARY.*

The California State budget already provides ongoing funding for textbooks. In addition, a new state program is providing \$1 billion for textbooks over the next four years.

- *Prop. 20 TAKES AWAY LOCAL CONTROL.*

Presently, the use of the lottery dollars that come to local schools is left to the decision-making of local school boards and allocated for local priorities.

Prop. 20 takes away this local control—just one more way for Sacramento politicians and bureaucrats to meddle in local school decision-making. We need less meddling, not more.

- *Prop. 20's MANDATE MAY REDUCE LOCAL SPENDING ON SPÉCIAL LOCAL PROJECTS.*

Because lottery funds fluctuate every year, many local districts dedicate these "unstable" funds to one-time-only expenditures, like science equipment, special training, emergency repairs, reading workshops, computers, and wiring for computers and other learning

technology. Allowing each district to choose what they need most is the best use of lottery funds.

We want the best public education we can provide our children. We want SMALLER CLASS SIZES, BETTER FACILITIES, MORE ACCOUNTABILITY and *higher* TEST SCORES.

BUT WE ALSO BELIEVE IN LOCAL CONTROL AND LOCAL DECISION-MAKING about how to achieve those goals.

No one knows better what our students need than those closest to them . . . the local teachers, principals, and school boards in their own communities.

PROP. 20 TAKES AWAY LOCAL CONTROL.

VOTE NO on PROP. 20.

WAYNE JOHNSON

President, California Teachers Association

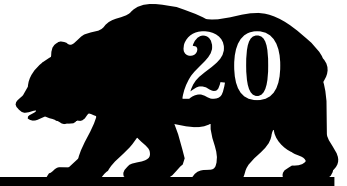
SANDY CLIFTON

President, Association of California School Administrators

LESLIE DeMERSSEMAN

President, California School Boards Association

California State Lottery. Allocation for Instructional Materials. Legislative Initiative Amendment.



Argument Against Proposition 20

- This proposition has no merit. It is about state control as opposed to local control.
 - School management needs some flexibility to best serve our children.
 - School instructional materials are already funded, by several sources, at \$542 million. This would add an estimated \$15 million in the first year, money more critically needed for school security, safety, and other identified needs.
 - Public school funding is already highly restricted as to use, so restricted, in fact, that school management must shuffle and scrape to fund such necessities as:
 - School safety and security
 - Expenses for class size reduction
 - Reading Specialists
 - Student Counselors
 - Outdoor Education
 - Needs locally identified
- Additionally, unnecessary detailed state control creates burdensome record keeping and reporting requirements,

involving extra employees and wasted expenditures.

Who should run our schools, politicians or political appointees in Sacramento, or parents, caring local school boards and school administrators?

Who knows best the needs of our children for:

- Security and safety?
- Protection from drugs while at school?
- Classroom deficiencies and needs?

Proposition 20 handicaps already burdened local administrators, school boards, parents and teachers, adversely affecting our children's safety, health and basic education, and is wasteful of our funds requiring additional employees for burdensome and unnecessary record keeping, planning and reporting.

Support local control. Please vote *NO* on Proposition 20.

ASSEMBLYMAN GEORGE R. HOUSE JR.
Assembly District 25

ASSEMBLYMAN STEVE BALDWIN
Assembly District 77

Rebuttal to Argument Against Proposition 20

A YES vote for Proposition 20 will set aside money for textbooks and instructional materials without reducing the amount of lottery money the schools currently receive. It will only affect any GROWTH in lottery revenues for education.

A YES vote for Proposition 20 will allow schools to continue to fund everything that they fund now and more. They maintain LOCAL CONTROL.

Proposition 20 would only take HALF OF ANY GROWTH in the lottery revenues and RESERVE it for textbooks and instructional materials.

For example, the 1997-1998 fiscal year revenues were about \$822 million. The 1998-1999 fiscal year revenues grew by \$113 million. Proposition 20 would only reserve half of the growth, \$56.5 MILLION, for textbooks and allow the schools to spend the remaining \$878.5 MILLION as they wish.

We agree that school safety and security are important; the majority of the lottery money will continue to be

available for these purposes. But, in educating children, textbooks are ranked second in importance only to teachers. Yet, California's ranking for per pupil textbook spending is at the bottom nationally—47th out of 50 states.

There remains a major shortage of textbooks statewide, and a continuous need to replace them. Setting aside some lottery revenues for textbooks is essential to enable children to meet the new high education standards and to obtain a quality education.

A YES vote on Proposition 20, the Cardenas Textbook Act, will provide LONG-TERM funding without increasing taxes.

MANNY HERNANDEZ
Trustee, Sacramento City Unified School District

JUDITH COCHRANE
Teacher

CAROL S. HORN
Parent