



Juvenile Crime. Initiative Statute.

Official Title and Summary Prepared by the Attorney General

JUVENILE CRIME. INITIATIVE STATUTE.

- Increases punishment for gang-related felonies; death penalty for gang-related murder; indeterminate life sentences for home-invasion robbery, carjacking, witness intimidation and drive-by shootings; and creates crime of recruiting for gang activities; and authorizes wiretapping for gang activities.
- Requires adult trial for juveniles 14 or older charged with murder or specified sex offenses.
- Eliminates informal probation for juveniles committing felonies.
- Requires registration for gang related offenses.
- Designates additional crimes as violent and serious felonies, thereby making offenders subject to longer sentences.

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

- State costs: Ongoing annual costs of more than \$330 million. One-time costs of about \$750 million.
- Local costs: Potential ongoing annual costs of tens of millions of dollars to more than \$100 million. Potential one-time costs in the range of \$200 million to \$300 million.



Overview

This measure makes various changes to laws specifically related to the treatment of juvenile offenders. In addition, it changes laws for juveniles and adults who are gang-related offenders, and those who commit violent and serious crimes. Specifically, it:

- Requires more juvenile offenders to be tried in adult court.
- Requires that certain juvenile offenders be held in local or state correctional facilities.
- Changes the types of probation available for juvenile felons.
- Reduces confidentiality protections for juvenile offenders.
- Increases penalties for gang-related crimes and requires convicted gang members to register with local law enforcement agencies.
- Increases criminal penalties for certain serious and violent offenses.

The most significant changes and their fiscal effects are discussed below.

Prosecution of Juveniles in Adult Court

Background. Currently, a minor 14 years of age or older can be tried as an adult for certain offenses. Generally, in order for this to occur, the prosecutor must file a petition with the juvenile court asking the court to transfer the juvenile to adult court for prosecution. The juvenile court then holds a hearing to determine whether the minor should be transferred. However, if an offender is 14 years of age or older, has previously committed a felony, and is accused of committing one of a specified list of violent crimes, then that offender must be prosecuted in adult court.

Proposal. This measure changes the procedures under which juveniles are transferred from juvenile court to adult court. Juveniles 14 years of age or older charged with committing certain types of murder or a serious sex offense generally would no longer be eligible for juvenile court and would have to be tried in adult court. In addition, prosecutors would be allowed to directly file charges against juvenile offenders in adult court under a variety of circumstances without first obtaining permission of the juvenile court.

Fiscal Effect. The fiscal effect of these changes is unknown and would depend primarily on the extent to which prosecutors use their new discretion to increase the number of juveniles transferred from juvenile to adult court. If they elect to transfer only the cases that they currently ask the juvenile court to transfer, then the fiscal impact on counties and the state could likely be some small savings because the courts currently grant most of the requests of the prosecutors. However, if prosecutors use their new discretion to expand the use of adult courts for juvenile offenders, the combined costs to counties and the state could be significant. Specifically,

the annual operating costs to counties to house these offenders before their adult court disposition could be tens of millions of dollars to more than \$100 million annually, with one-time construction costs of \$200 million to \$300 million.

Juvenile Incarceration and Detention

Background. Under existing law, probation departments generally can decide whether a juvenile arrested for a crime can be released or should be detained in juvenile hall pending action by the court. These determinations generally are based on whether there is space in the juvenile hall and the severity of the crime. The main exception concerns offenses involving the personal use or possession of a firearm, in which case the offender must be detained until he or she can be brought before a judge. Most juveniles detained in juvenile halls for a long time are awaiting court action for very serious or violent offenses.

If, after a hearing, a court declares a juvenile offender a delinquent (similar to a conviction in adult court), the court in consultation with the probation department, will decide where to place the juvenile. Generally, those options range from probation within the community to placement in a county juvenile detention facility or placement with the California Youth Authority (CYA).

For juveniles tried as adults, the adult criminal court can generally, depending on the circumstances, commit the juvenile to the jurisdiction of either the CYA or the California Department of Corrections (CDC). In addition, juvenile offenders convicted in adult court who were *not* transferred there by the juvenile court can petition the adult court to be returned to juvenile court for a juvenile court sanction, such as probation or commitment to a local juvenile detention facility.

Because current law prohibits housing juveniles with adult inmates or detainees, any juvenile housed in an adult jail or prison must be kept separate from the adults. As a result, most juveniles—even those who have been tried in adult court or are awaiting action by the court—are housed in a juvenile facility such as the juvenile hall or the CYA until they reach the age of 18.

Proposal. Under this measure probation departments would no longer have the discretion to determine if juveniles arrested for any one of more than 30 specific serious or violent crimes should be released or detained until they can be brought before a judge. Rather, such detention would be required under this measure. In addition, the measure requires the juvenile court to commit certain offenders declared delinquent by the court to a secure facility (such as a juvenile hall, ranch or camp, or CYA). It also requires that any juvenile 16 years of age or older who is convicted in adult court must be sentenced to CDC instead of CYA.

Fiscal Effect. Because this measure requires that certain juvenile offenders be detained in a secure facility,

it would result in unknown, potentially significant, costs to counties.

Requiring juveniles convicted in adult court to be sentenced to CDC would probably result in some net state savings because it is cheaper to house a person in CDC than in CYA.

A number of research studies indicate that juveniles who receive an adult court sanction tend to commit more crimes and return to prison more often than juveniles who are sent to juvenile facilities. Thus, this provision may result in unknown future costs to the state and local criminal justice systems.

Changes in Juvenile Probation

Background. Statewide there are more than 100,000 juvenile offenders annually on probation. Most are on “formal” probation, while the remainder are on “informal” probation. Under formal probation, a juvenile has been found by a court to be a delinquent, while under informal probation there has been no such finding. In most informal probation cases, no court hearing has been held because the probation department can directly impose this type of sanction. If the juvenile successfully completes the informal probation, he or she will have no record of a juvenile crime.

Proposal. This measure generally prohibits the use of informal probation for any juvenile offender who commits a felony. Instead, it requires that these offenders appear in court, but allows the court to impose a newly created sanction called “deferred entry of judgment.” Like informal probation, this sanction would result in the dismissal of charges if an offender successfully completes the term of probation.

Fiscal Effect. On a statewide basis the fiscal effect of these changes is not likely to be significant. In those counties where a large portion of the informal probation caseload is made up of felony offenders, there would be some increased costs for both the state and the county to handle an increased number of court proceedings for these offenders. In addition, county probation departments would face some unknown, but probably minor, costs to enforce the deferred entry of judgment sanction.

Juvenile Record Confidentiality and Criminal History

Background. Current law protects the confidentiality of criminal record information on juvenile offenders. However, such protections are more limited for juvenile felons and those juveniles charged with serious felonies.

Proposal. This measure reduces confidentiality protections for juvenile suspects and offenders by:

- Barring the sealing or destruction of a juvenile offense record for any minor 14 years of age or older who has committed a serious or violent offense, instead of requiring them to wait six years from when the crime was committed as provided under current law.
- Allowing law enforcement agencies the discretion to disclose the name of a juvenile charged with a serious felony at the time of arrest, instead of requiring them to wait until a charge has been filed as under current law.
- Providing law enforcement agencies with the discretion to release the name of a juvenile suspect

alleged to have committed a violent offense whenever release of the information would assist in apprehending the minor and protecting public safety, instead of requiring a court order as under current law.

In addition, this measure requires the California Department of Justice (DOJ) to maintain complete records of the criminal histories for all juvenile felons, not just those who have committed serious or violent felonies.

Fiscal Effect. These provisions would result in some savings to counties for not having to seal the records of certain juvenile offenders. There would also be unknown, but probably minor, costs to state and local governments to report the complete criminal histories for juvenile felons to DOJ, and to the state for DOJ to maintain the new information.

Gang Provisions

Background. Current law generally defines “gangs” as any ongoing organization, association, or group of three or more persons, whether formal or informal, having as one of its primary activities the commission of certain crimes. Under current law, anyone convicted of a gang-related crime can receive an extra prison term of one, two, or three years.

Proposal. This measure increases the extra prison terms for gang-related crimes to two, three, or four years, unless they are serious or violent crimes in which case the new extra prison terms would be five and ten years, respectively. In addition, this measure adds gang-related murder to the list of “special circumstances” that make offenders eligible for the death penalty. It also makes it easier to prosecute crimes related to gang recruitment, expands the law on conspiracy to include gang-related activities, allows wider use of “wiretaps” against known or suspected gang members, and requires anyone convicted of a gang-related offense to register with local law enforcement agencies.

Fiscal Effect. The extra prison sentences added by the measure would result in some offenders spending more time in state prison, thus increasing costs to the state for operating and constructing prisons. The CDC estimates the measure would result in ongoing annual costs of about \$30 million and one-time construction costs totaling about \$70 million by 2025 to house these offenders for longer periods.

Local law enforcement agencies would incur unknown annual costs to implement and enforce the gang registration provisions.

Serious and Violent Felony Offenses

Background. Under current law, anyone convicted of a serious or violent offense is subject to a longer prison sentence, restrictive bail and probation rules, and certain prohibitions on plea bargaining. The “Three Strikes and You’re Out” law provides longer prison sentences for new offenses committed by persons previously convicted of a violent or serious offense. In addition, persons convicted of violent offenses must serve at least 85 percent of their sentence before they can be released (most offenders must serve at least 50 percent of their sentence).

Proposal. This measure revises the lists of specific crimes defined as serious or violent offenses, thus making most of them subject to the longer sentence

provisions of existing law related to serious and violent offenses. In addition, these crimes would count as “strikes” under the Three Strikes law.

Fiscal Effect. This measure’s provision adding new serious and violent felonies, combined with placing the new offenses under the Three Strikes law, will result in some offenders spending longer periods of time in state prison, thereby increasing the costs of operating and constructing prisons. The CDC estimates that the measure would result in ongoing annual state costs of about \$300 million and one-time construction costs totaling about \$675 million in the long term. The measure could also result in unknown, but potentially significant, costs to local governments to detain these offenders pending trial, and to prosecute them.

These additional costs may be offset somewhat for the state and local governments by potential savings if these longer sentences result in fewer crimes being committed.

Summary of Fiscal Effects

State. We estimate that this measure would result in ongoing annual costs to the state of more than \$330 million and one-time costs totaling about \$750 million in the long term.

Local. We estimate that this measure could result in ongoing annual costs to local governments of tens of millions of dollars to more than \$100 million, and one-time costs of \$200 million to \$300 million.

A summary of the fiscal effects of the measure is shown in Figure 1.

Figure 1

**Proposition 21
Summary of Fiscal Effects of Major Provisions**

	Fiscal Effect	
	State	Local
Prosecution of Juveniles in Adult Court		
<i>Changes procedures for transferring juveniles to adult court, thereby increasing the number of such transfers.</i>	Unknown court costs for additional cases in adult court.	Unknown, potentially ranges from small savings to annual costs of more than \$100 million and one-time costs of \$200 million to \$300 million.
Juvenile Incarceration and Detention		
<i>Requires secure detention or placement of certain juvenile offenders, as well as commitment to state prison for juveniles 16 years of age and older convicted in adult court.</i>	Unknown, some net savings for less costly commitments.	Unknown, potentially significant costs.
Changes in Probation		
<i>Changes the types of probation available for juvenile felons.</i>	Some court costs to formally handle more juvenile offenders.	Potential costs in some counties, but not significant on a statewide basis.
Juvenile Record Confidentiality and Criminal History		
<i>Reduces confidentiality protections for juvenile offenders and requires the California Department of Justice to maintain criminal history records on all juvenile felons.</i>	Minor costs to report and compile criminal histories.	Minor savings due to elimination of procedural requirements.
Gang Provisions		
<i>Increases penalties for gang-related crimes and requires gang members to register with local law enforcement agencies.</i>	Annual cost of about \$30 million and one-time costs of about \$70 million.	Unknown costs for gang member registry.
Violent and Serious Felony Offenses		
<i>Adds crimes to the serious and violent felony lists, thereby making offenders subject to longer prison sentences.</i>	Annual costs of about \$300 million and one-time costs of about \$675 million.	Unknown, potentially significant costs to detain additional offenders pending trial and to prosecute them.

For text of Proposition 21 see page 119



Juvenile Crime. Initiative Statute.

Argument in Favor of Proposition 21

As a parent, Maggie Elvey refused to believe teenagers were capable of extreme violence, until a 15 year-old and an accomplice bludgeoned her husband to death with a steel pipe. Ross Elvey is gone forever, but his KILLER WILL BE FREE ON HIS 25TH BIRTHDAY, WITHOUT A CRIMINAL RECORD. Her husband's killer will be released in three years, but she will spend the rest of her life in fear that he will make good on his threats to her. Frighteningly, Maggie's tragedy because of the current juvenile justice system could be repeated today.

Proposition 21—the Gang Violence and Juvenile Crime Prevention Act—will toughen the law to safeguard you and your family.

Despite great strides made recently in the war against adult crime, California Department of Justice records indicate *violent juvenile crime arrests—murders, rapes, robberies, attempted murders and aggravated assaults—rose an astounding 60.6% between 1983 and 1998.* The FBI estimates the California juvenile population will increase by more than 33% over the next fifteen years, leading to predictions of a juvenile crime wave.

Although we strongly support preventive mentoring and education, the law must be strengthened to require serious consequences, protecting you from the most violent juvenile criminals and gang offenders.

Proposition 21:

- Prescribes LIFE IMPRISONMENT FOR GANG MEMBERS convicted of HOME-INVASION ROBBERIES, CARJACKINGS OR DRIVE-BY SHOOTINGS.
- Makes ASSAULT WITH A FIREARM AGAINST POLICE, SCHOOL EMPLOYEES OR FIREFIGHTERS a serious felony.
- STRENGTHENS ANTI-GANG LAWS making violent gang-related felonies “strikes” under the Three Strikes law.
- Requires ADULT TRIAL FOR juveniles 14 or older charged with MURDER OR VIOLENT SEX OFFENSES.
- Requires GANG MEMBERS CONVICTED OF GANG FELONIES TO REGISTER WITH LOCAL LAW ENFORCEMENT.

Proposition 21 doesn't incarcerate kids for minor offenses—it protects Californians from violent criminals who have no respect for human life.

Ask yourself, if a violent gang member believes the worst punishment he might receive for a gang-ordered murder is incarceration at the California Youth Authority until age 25, will that stop him from taking a life? Of course not, and THAT'S WHY CALIFORNIA POLICE OFFICERS AND PROSECUTORS OVERWHELMINGLY ENDORSE PROPOSITION 21.

Proposition 21 ends the “slap on the wrist” of current law by imposing real consequences for GANG MEMBERS, RAPISTS AND MURDERERS who cannot be reached through prevention or education.

Californians must send a clear message that violent juvenile criminals will be held accountable for their actions and that the punishment will fit the crime. YOUTH SHOULD NOT BE AN EXCUSE FOR MURDER, RAPE OR ANY VIOLENT ACT—BUT IT IS UNDER CALIFORNIA'S DANGEROUSLY LENIENT EXISTING LAW.

We represent the California District Attorneys Association, California State Sheriffs Association, California Police Chiefs Association, crime victims, business leaders, educators and over 650,000 law-abiding citizens that placed Proposition 21 on the ballot.

Our quality of life depends on making California as safe as possible. Let's give all kids every opportunity to succeed and protect our families against the most dangerous few.

Please vote YES on PROPOSITION 21.

MAGGIE ELVEY

Assistant Director, Crime Victims United

GROVER TRASK

President, California District Attorneys Association

CHIEF RICHARD TEFANK

President, California Police Chiefs Association

Rebuttal to Argument in Favor of Proposition 21

Proponents have GROSSLY MISREPRESENTED HOW THE LAW WORKS. The 15 year old in the Elvey case was sentenced in 1993. The next year lawmakers lowered the age for adult court to 14. UNDER CURRENT LAW, MINORS 14 AND OLDER CHARGED WITH MURDER ARE NORMALLY TRIED AS ADULTS. UPON CONVICTION, THESE MINORS RECEIVE THE ADULT SENTENCE UP TO LIFE IMPRISONMENT WITHOUT PAROLE. The proponents should know better, and they probably do. *They are using scare tactics to sell a massive legal overhaul, filled with self-interest items, and loaded with HUNDREDS OF MILLIONS OF DOLLARS IN COSTS that could raise your taxes.*

PRESIDING JUDGE James Milliken (San Diego Juvenile Court) says: “I can already send 14 year olds with violent offenses to adult court. Proposition 21 would let prosecutors move kids like mentally impaired children to adult court where they don't belong, *without judicial review.* These important decisions must be reviewed by an impartial judge.”

Proposition 21 is NOT LIMITED TO VIOLENT CRIME. It turns low-level vandalism into a felony. It requires gang

offenders with misdemeanors (like stealing candy) to serve six months in jail. SHERIFF Mike Hennessey (S.F.) says, “I support tough laws against gangs and crime, but Proposition 21 is the WRONG APPROACH.”

Join the respected professional, citizen and victim organizations AGAINST PROPOSITION 21—including Marc Klaas/KlaasKids Foundation, California Chief Probation Officers, California Council of Churches, League of Women Voters, California Catholic Conference, Children's Defense Fund, California State PTA and California Tax Reform Association. Vote NO on 21.

ALLEN BREED

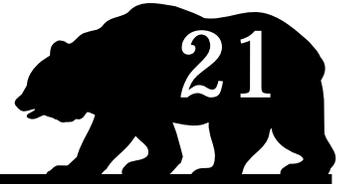
Former Director, California Youth Authority

LARRY PRICE

Chief Probation Officer, Fresno County

FATHER GREGORY BOYLE

Member, California State Commission on Juvenile Justice, Crime and Delinquency Prevention



Juvenile Crime. Initiative Statute.

Argument Against Proposition 21

PROPOSITION 21 CARRIES A HUGE PRICE TAG—YOU WILL PAY FOR IT.

Proposition 21 creates a long list of new crimes and penalties for children and adults. Because of Proposition 21, California will need more jails and prisons. **YOUR TAXES MAY HAVE TO BE RAISED TO PAY FOR PROPOSITION 21.** California's Legislative Analyst reports that Proposition 21 will cost local governments "*tens of millions of dollars*" and state government "*hundreds of millions*" of dollars *each year*. The Department of Corrections estimates that Proposition 21 will require a capital outlay of nearly \$1,000,000,000 (*one billion dollars*) for prison expansion. We already have the nation's biggest prison system. Californians have other needs—like better schools, health care and transportation—that will be sacrificed so that you can pay the huge Proposition 21 price tag.

PROPOSITION 21 WILL PUT KIDS IN STATE PRISONS.

Proposition 21 will send a new wave of 16 and 17 year olds to state prison. In prison, without the treatment and education available in the juvenile system, they will be confined in institutions housing adult criminals. What will these young people learn in state prison—how to be better criminals? Our nation has a tragic record of sexual and physical assault on children who are jailed with adults.

CALIFORNIA ALREADY HAS TOUGH LAWS AGAINST GANGS AND YOUTH CRIME.

California law already allows children and gang members as young as 14 to be tried and sentenced as adults. California already has the nation's highest youth incarceration rate—more than twice the national average! Police, prosecutors and judges have strong tools under current law to prosecute and punish gang members who commit violent crimes.

PROPOSITION 21 WILL HARM CURRENT EFFORTS TO PREVENT GANG AND SCHOOL VIOLENCE.

Proposition 21 does nothing to build safer schools or communities. It will not stop tragedies like the Colorado school shooting, and it will not keep kids from joining gangs. But, Proposition 21 will capture your tax dollars and take them away from current efforts to stop violence before it happens. Last year, the current Governor and the Legislature approved programs to prevent youth violence—like after-school programs that keep kids off the streets. Proposition 21 threatens the survival of these programs.

DON'T RISK HIGHER TAXES FOR A HIGH-PRICED ANTI-YOUTH PACKAGE WE DON'T NEED.

Proposition 21 was drafted over two years ago by former Governor Pete Wilson. It is an extreme measure that will result in more incarceration of children and minority youth. We don't need it. California's tough anti-crime laws are already working to reduce crime and violence. Since 1990, California's felony arrest rate for juveniles has dropped 30% and arrests of juveniles for homicide have plummeted 50%. Proposition 21 asks you to spend billions of future tax dollars for penalties and prisons that are extra baggage. **DON'T THROW AWAY MONEY WE NEED FOR BETTER SCHOOLS, BETTER ROADS AND BETTER HEALTH CARE. DON'T RISK HIGHER TAXES FOR OUT-DATED REFORMS. VOTE NO ON PROPOSITION 21.**

LAVONNE McBROOM

President, California State PTA

GAIL DRYDEN

President, League of Women Voters of California

RAYMOND WINGERD

President, Chief Probation Officers of California

Rebuttal to Argument Against Proposition 21

DON'T BE DECEIVED BY THE ARGUMENTS AGAINST PROPOSITION 21. It doesn't lock up kids for minor offenses, place minors in contact with adult inmates, or raise your taxes! It's not about typical teenagers who make stupid mistakes; these kids can be reached through mentoring, prevention and rehabilitation.

Proposition 21 protects you and your family by holding juveniles and gang members *accountable for violent crime*. It's necessary because violent *juvenile* crime has increased *more than 60% over the last 15 years*. We must be clear: **YOUTH IS NO EXCUSE FOR RAPE AND MURDER.**

While prevention programs are important, by themselves they don't deter hardened gang members from committing rape and murder. Proposition 21 ensures appropriate punishment for juveniles convicted of these vicious offenses.

DON'T BE MISLED: *State law prohibits placing juveniles in contact with adult inmates and offers juveniles educational programs.* Proposition 21 doesn't change this!

DON'T BE DECEIVED: In 1994, the same *special interests* that today oppose Proposition 21 claimed the "Three Strikes"

law would raise your taxes and cost billions, without reducing crime. *Wrong!* According to the California Department of Justice, "Three Strikes" has **SAVED TAXPAYERS BILLIONS** while **DRAMATICALLY REDUCING ADULT CRIME.** *Furthermore, the two largest tax cuts in California history have occurred since "Three Strikes" passed overwhelmingly.*

Law enforcement officials throughout California witness daily the tragic consequences of violent juvenile crime. That's why they agree Proposition 21 is vital to protecting California communities.

Vote to reduce violent juvenile and gang related crime. Please vote yes on 21.

SHERIFF HAL BARKER

President, California Peace Officers Association

ELAINE BUSH

Former Director, California Mentor Initiative

COLLENE CAMPBELL (THOMPSON)

Founder, Memory of Victims Everywhere



Limit on Marriages. Initiative Statute.

Official Title and Summary Prepared by the Attorney General

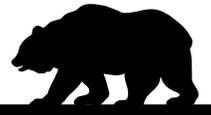
LIMIT ON MARRIAGES. INITIATIVE STATUTE.

- Adds a provision to the Family Code providing that only marriage between a man and a woman is valid or recognized in California.

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

- Probably no fiscal effect on the state or local governments.
-

Analysis by the Legislative Analyst



Background

Under current California law, “marriage” is based on a civil contract between a man and a woman. Current law also provides that a legal marriage that took place outside of California is generally considered valid in California. No state in the nation currently recognizes a civil contract or any other relationship between two people of the same sex as a marriage.

Proposal

This measure provides that only marriage between a man and a woman is valid or recognized in California.

Fiscal Effect

This measure would likely have no fiscal effect on the state or local governments.

For text of Proposition 22 see page 132



Limit on Marriages. Initiative Statute.

Argument in Favor of Proposition 22

Dear Fellow Voter:

I'm a 20-year-old woman voting for only the second time on March 7th. I'm proud, excited, and a bit nervous, because I take my civic responsibilities seriously. Not only that, but among millions of people supporting Proposition 22, the *Protection of Marriage Initiative*, I have the honor of writing you to explain why Californians should vote "Yes" on 22.

Proposition 22 is exactly 14 words long: "*Only marriage between a man and a woman is valid or recognized in California.*"

That's it! No legal doubletalk, no hidden agenda. Just common sense: Marriage should be between a man and a woman.

It does not take away anyone's right to inheritance or hospital visitation.

When people ask, "Why is this necessary?" I say that even though California law already says only a man and a woman may marry, it also recognizes marriages from other states. However, judges in some of those states want to define marriage differently than we do. If they succeed, California may have to recognize new kinds of marriages, even though most people believe marriage should be between a man and a woman.

California is not alone in trying to keep marriage between a man and a woman. In 1996, *Democrats and Republicans in Congress overwhelmingly passed a bill* saying that the U.S. government defines marriage as between a man and a woman only, and said each state could do the same.

President Clinton signed the bill the day after he received it. So far, 30 states have passed laws defining marriage as between a man and a woman.

Now it's our turn, and I'm voting "Yes" on 22 to ensure that decisions affecting California are voted on by Californians . . . like us.

It's Our State, it should be Our Choice.

But some people today think marriage doesn't matter anymore. They say I have to accept that marriage can mean whatever anyone says it means, and if I don't agree then I'm out of touch, even an extremist.

My family taught me to respect other people's freedoms. Everyone should. But that's a two way street. If people want me to respect their opinions and lifestyles, then they should grant me the same courtesy by respecting MY beliefs. And I believe that marriage should stay the way it is.

It's tough enough for families to stay together these days. Why make it harder by telling children that marriage is just a word anyone can re-define again and again until it no longer has any meaning?

Marriage is an important part of our lives, our families and our future. Someday I hope to meet a wonderful man, marry and have children of my own. By voting "Yes" on 22, I'm doing *my part today* to keep that dream alive. *Please, for all future generations, vote "Yes" on 22.*

Miriam G. Santacruz

We couldn't have said it better! As representatives of *seniors, teachers and parents*, we're proud to join Californians from all walks of life voting "Yes" on 22.

JEANNE MURRAY

Field Director, 60 Plus Association

GARY BECKNER

Executive Director, Association of American Educators

THOMAS FONG

President, Chinese Family Alliance

Rebuttal to Argument in Favor of Proposition 22

THE HIDDEN AGENDA

The proponents of Proposition 22 want you to think that it is simple. That there is no "hidden agenda".

But if it's so simple, why are they spending millions of dollars to put this measure on the ballot and convince you to vote for something they say is "common sense"? Why are they spending millions of dollars to convince you to vote for something that is already law in California?

PROPOSITION 22 WILL HELP DENY HOSPITAL VISITATION RIGHTS

The proponents of Proposition 22 say that Proposition 22 doesn't deny hospital visitation or inheritance rights for lesbians and gays. But in Florida and Virginia, arch-conservative legal organizations have used similar laws as tools in court to deny lesbians and gays fundamental rights—like the right to visit a sick or injured partner in the hospital, the right to inheritance, or the right to health insurance.

A SOLUTION IN SEARCH OF A PROBLEM

You don't need to support marriage for lesbian and gay couples to oppose Proposition 22. As the proponents of Prop 22 admit, "California law already says only a man and a woman may marry." That won't change if Proposition 22 passes. Proposition 22 is just another needless law that allows government to interfere with our personal lives.

MARRIAGE MATTERS

Of course marriage matters. But so do fairness and tolerance. Proposition 22 will do nothing to strengthen our families, our communities, or to strengthen the commitment of couples involved in marriage. It will only divide California.

GIL GARCETTI

District Attorney, County of Los Angeles

DELAINE EASTIN

California State Superintendent of Public Instruction

THE RIGHT REVEREND WILLIAM E. SWING

Bishop of the Episcopal Diocese of California



Limit on Marriages. Initiative Statute.

Argument Against Proposition 22

The California Interfaith Alliance
The League of Women Voters of California
The California Teachers Association
Senator Dianne Feinstein
Senator Barbara Boxer
Congressman Tom Campbell
Vice President Al Gore
Senator Bill Bradley
The California Republican League

And thousands of husbands, wives, mothers and fathers from across California oppose Proposition 22.

THE PURPOSE OF PROPOSITION 22 IS NOT TO BAN MARRIAGE FOR SAME-SEX COUPLES IN CALIFORNIA. IT IS ALREADY BANNED.

You don't need to support marriage for gay and lesbian couples to oppose Proposition 22, the "Knight Initiative". You just have to believe in a few basic values—keeping government out of our personal lives, respecting each other's privacy, and not singling out one group for discrimination or for special rights.

VOTING NO ON 22 WILL NOT LEGALIZE SAME-SEX MARRIAGE, NO MATTER WHAT THE SUPPORTERS OF PROPOSITION 22 SAY.

The real purpose is to use Proposition 22 as a tool in court to deny basic civil rights to lesbians and gays and their families. Proposition 22 will be used, as similar laws have been in other states, to deny the right of partners to visit their sick or injured companion in hospitals, to deny the right to inheritance, and even to deny the right of a remaining companion to live in their home.

PROPOSITION 22 WILL RESULT IN UNNECESSARY GOVERNMENT INTERFERENCE.

Whether we think homosexuality is right or wrong, we should stay out of other people's private lives and let people make their own decisions about moral values and commitments. Californians treasure our right to be left alone

and to lead our lives the way we wish. Adding more laws about private behavior and personal relationships isn't a solution to anything.

PROPOSITION 22 DIVIDES US. Californians have seen too many efforts in recent years to pick on specific groups of people and single them out for discrimination. Supporters of Proposition 22 are spending millions of dollars to convince you that basic rights should be denied to a group of Californians. They want us to believe that attacking same-gender couples will solve problems instead of causing them. But we've seen what spreading fear and hatred has already done. According to the Attorney General, more than 2,000 Californians were victimized by hate crimes last year alone. California has had enough of the politics of fear and hate. Voting "No" on 22 will send that message.

PROPOSITION 22 IS UNFAIR. Even when gay or lesbian couples have been together for many years, one companion often has no right to visit a sick or injured companion in the hospital. They often can't get basic health insurance for dependents. They have no inheritance rights. That's wrong. And Proposition 22 will make it more difficult to right this wrong—by singling out lesbians and gays for discrimination.

Proposition 22 doesn't solve any problems . . .
It adds more government interference to our lives . . .
It singles out one group for attack . . .
It tears us apart instead of bringing us together.
VOTE NO ON 22.

ANTONIO R. VILLARAIGOSA
Assembly Speaker, California State Legislature

THE RIGHT REVEREND WILLIAM E. SWING
Bishop of the Episcopal Diocese of California

KRYS WULFF
President, American Association of University Women, California

Rebuttal to Argument Against Proposition 22

We are proud to join Focus on the Family and nearly 700,000 California voters who signed petitions in support of Proposition 22. Here's why:

"Only marriage between a man and a woman is valid or recognized in California."

That's all Proposition 22 says, and that's all it does. It's just common sense.

Opponents say anybody supporting traditional marriage is guilty of extremism, bigotry, hatred and discrimination towards gays, lesbians and their families.

That's unfair and divisive nonsense.

THE TRUTH IS, we respect EVERYONE'S freedom to make lifestyle choices, but draw the line at re-defining marriage for the rest of society.

Opponents say Proposition 22 is unnecessary.

THE TRUTH IS, UNLESS WE PASS PROPOSITION 22, LEGAL LOOPHOLES COULD FORCE CALIFORNIA TO RECOGNIZE "SAME-SEX MARRIAGES" PERFORMED IN OTHER STATES.

That's why 30 other states and the federal government have passed laws to close these loopholes. California deserves the same choice.

Opponents claim 22 will take away hospital visitation and

inheritance rights, *even throw people out of their homes.*

THAT'S ABSOLUTELY FALSE! Do they really expect voters to believe that?

THE TRUTH IS, PROPOSITION 22 DOESN'T TAKE AWAY ANYONE'S RIGHTS.

Whatever you think of "same-sex marriages", we can all agree that our opponents' use of scare tactics and deceit is the wrong way to address important issues.

THE TRUTH IS, "YES" on 22 sends a clear, positive message to children that marriage between a man and a woman is a valuable and respected institution, now and forever.

PLEASE VOTE "YES" ON PROPOSITION 22.

DANA S. KRUCKENBERG
Board Member, California School Board Leadership Council

AMY WILLIAMS
First Vice-President, San Jose-Edison Parent Teacher's Organization

STAR PARKER
President, Coalition for Urban Renewal and Education



“None of the Above” Ballot Option. Initiative Statute.

Official Title and Summary Prepared by the Attorney General

“NONE OF THE ABOVE” BALLOT OPTION. INITIATIVE STATUTE.

- Provides that in general, special, primary and recall elections for President, Vice President, United States House of Representatives and Senate, Governor, Lieutenant Governor, Attorney General, Controller, Secretary of State, Treasurer, Superintendent of Public Instruction, Insurance Commissioner, Board of Equalization, State Assembly and State Senate, voters may vote for “none of the above” rather than a named candidate.
- Votes for “none of the above” shall be tallied and listed in official election results, but will not count for purposes of determining who wins election.

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

- Generally minor costs to state and county governments.
-



Background

Under current law, California voters who cast an election ballot for federal, state, or local offices select from a list of candidates seeking that elective position. In addition, voters may cast a write-in vote for a candidate whose name does not appear on the ballot. However, voters do not have the option of casting a ballot for “none of the above” instead of choosing a candidate.

Proposal

This measure would require that all election ballots for federal and state offices shown in Figure 1 provide voters with the option of voting for “none of the above.” A voter could cast a ballot for “none of the above” in a general, special, primary, or recall election for those offices. Elections for judges and local offices would not include the option of voting for “none of the above.”

Under this measure, only votes cast for candidates whose names appear on the ballot or for write-in candidates would be counted when determining the nomination or election of candidates for those state and federal offices. The number of voters selecting “none of the above” would be reported in official election returns but would not affect the outcome of the election.

Fiscal Effect

This measure would generally result in minor costs for the state and for county governments to modify their vote-counting and election-reporting procedures as a

result of adding the choice of “none of the above” to candidate election ballots.

Figure 1

**Proposition 23
“None of the Above” Option
For the Following Offices**

- President
- Vice President
- U.S. Senator
- Member of the U.S. House of Representatives
- Governor
- Lieutenant Governor
- Attorney General
- Controller
- Secretary of State
- Treasurer
- Superintendent of Public Instruction
- Insurance Commissioner
- Member of the State Board of Equalization
- Member of the Assembly
- State Senator

For text of Proposition 23 see page 132



“None of the Above” Ballot Option. Initiative Statute.

Argument in Favor of Proposition 23

We are three California citizens who usually don't vote. At times, we've wanted to protest the choices given to us, express our discontent over negative campaigning or object to the lack of relevant information about the candidates. Until now, the only way we could be heard was to simply not vote. Unfortunately, not voting doesn't get you heard, it just gets you labeled as apathetic.

If we had the option of voting for “none of the above,” we would have the opportunity to have our protest counted and our voices heard. More people like us would vote if they had a choice—to vote for a worthy candidate, or to vote for “none of the above” in an election where none of the candidates was worthy.

If Proposition 23 passes, the candidate with the most votes would still get the job. But, each vote would be meaningful—not just a decision between the “lesser of two evils.” If candidates knew that Californians could vote for “none of the above,” they might be more likely to run campaigns based on issues and positive messages rather than campaigns that simply attack opponents.

And, you'd find more of us at the polls, voting on *all* the issues and candidates.

We believe that having the option to vote for “none of the above” will accomplish several things:

- More citizens will register to vote.
- More registered voters will vote.
- Better candidates will be nominated.
- Negative campaigning will be reduced.

The ability to vote for “none of the above” is only one method of getting wider participation in the election process, and the cost to do so is negligible. Voter reform doesn't have to be complicated.

We urge a *YES* vote for Proposition 23.

AMANDA GUTWIRTH
Social Worker

DAVID JAMES
Small Business Owner

SUSAN HOWELL
Waitress

Rebuttal to Argument in Favor of Proposition 23

The proponents of this initiative hope that it will boost voter registration, increase voter turnout, improve the quality of candidates and reduce negative campaigning. These are commendable goals, and we support them all.

Unfortunately, in the one state (Nevada) where NOTA is used, it hasn't achieved any of them.

The reason is simple: voters quickly realize that casting a vote for NOTA is a waste, so after a brief flurry of interest in NOTA, voters stop using the option, and candidates continue behaving as before.

NOTA isn't the answer, but the problems this initiative attempts to address are real and serious: inadequate choice at the ballot booth, poor treatment of the issues and negative campaigning.

What can be done? We can promote reforms that give all voters a meaningful way to vote FOR their favorite candidate, which would encourage candidates to campaign on the issues.

Such reforms aren't pipe dreams: voters in Santa Clara County have already passed an initiative to allow the Instant Runoff, and because it saves money and reduces negative campaigning, several California cities are considering it.

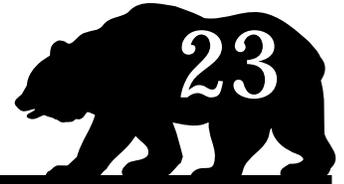
Most established democracies in the world use proportional representation combined with public financing of elections. Proportional representation creates true multi-choice democracy where more people win representation in the legislature. It also fosters positive debate of issues and produces policies that are more representative of the majority's will.

Vote NO on NOTA, and work for reforms that allow you to cast a vote that counts FOR your favorite candidate.

JOHN B. ANDERSON
1980 Independent Presidential Candidate

JULIE PARTANSKY
Mayor of Davis

“None of the Above” Ballot Option. Initiative Statute.



Argument Against Proposition 23

Ever feel like your vote didn't count very much? This initiative would just make things worse. It would give you the option of voting for None-of-the-Above (NOTA), but it's non-binding. What's the point?

Even if it were binding, NOTA is a poor substitute for true democracy. If you want to throw your vote away, DON'T VOTE. But if you do vote, you should be able to cast a meaningful vote for a candidate you like.

Polls show that most Californians are unhappy with the two major parties, and most Californians would like to see a credible third party. Unfortunately, this initiative would just draw votes away from candidates who are trying to provide credible alternatives to the major parties.

History has shown that new ideas and policy innovations—like the abolition of slavery and women's right to vote—often derive from third parties, so discouraging those candidates is a disservice to voters.

With our current winner-take-all voting system, if you are dissatisfied with the two major candidates, you are in a bind. You either settle for the “lesser of two evils,” or you cast a protest vote for the candidate you prefer, knowing your candidate has little chance of winning. NOTA just gives you an even worse option: voting for something that can't win, even if it gets the most votes.

Fortunately, there are a couple of PROVEN SOLUTIONS to this very real problem with our voting system.

The first is called the Instant Runoff, and it allows you to rank a first choice, a second choice and a third choice. It solves the “spoiler” problem, because if your first choice candidate is defeated, your vote counts for your second choice. It also saves the cost of runoff elections, because it

produces a majority winner in a single election. As an added bonus, the Instant Runoff promotes coalition building and positive, issue-oriented campaigning.

Because the Instant Runoff saves tax dollars and gives voters more choice, legislation for the Instant Runoff is pending in several California cities, and has been introduced at the state level in Alaska, New Mexico and Vermont.

The second is called Proportional Representation, which is the common sense notion that all Californians deserve representation, not just the biggest group in a town or election district. Proportional representation is like applying the free market to the political marketplace: it would give voters the multiplicity of choices that we demand as consumers. It's also a form of campaign finance reform. Candidates need a lower percentage of votes to win, so they can concentrate on promoting their issues and policies to their likely supporters instead of promising everything to everybody and standing for nothing.

To learn more about these reforms, visit the website of the non-partisan Center for Voting and Democracy: www.fairvote.org.

Unlike NOTA, these reforms will give voters real choices and more power. Vote NO on 23, and join the Green Party in working for real reforms that give all Californians a meaningful vote.

SARA AMIR
Spokesperson, Green Party of California

JOHN STRAWN
Spokesperson, Green Party of California

DONA SPRING
City Councilmember, Berkeley

Rebuttal to Argument Against Proposition 23

The point of Proposition 23 is that it offers a *real option* to California voters. The opportunity to vote for “None of the Above” gives a voter a choice if he or she does not want to vote for any of the candidates that are on the ballot for a particular office. Proposition 23 provides an alternative for voters that will be counted and recorded if none of the candidates are deemed worthy.

It makes no sense to argue against Proposition 23 by trying to confuse voters by talking about alternatives that are not even on the ballot. Proposition 23 is clear and simple—don't make it complicated. Vote “Yes” on Proposition 23.

ALAN F. SHUGART
Businessman

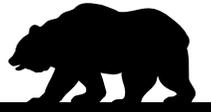


PROPOSITION 24 REMOVED

BY ORDER OF THE

CALIFORNIA SUPREME COURT.





PROPOSITION 24 REMOVED

BY ORDER OF THE

CALIFORNIA SUPREME COURT.



Election Campaigns. Contributions and Spending Limits. Public Financing. Disclosures. Initiative Statute.

Official Title and Summary Prepared by the Attorney General

ELECTION CAMPAIGNS. CONTRIBUTIONS AND SPENDING LIMITS. PUBLIC FINANCING. DISCLOSURES. INITIATIVE STATUTE.

- Expands campaign contribution disclosure requirements, establishes contribution limits from single sources of \$5,000 for statewide candidates, \$3,000 for other candidates, \$25,000 for political parties, and \$50,000 total per election. Bans corporate contributions. Limits fund-raising to period 12 months before primary election and ninety days after election.
- Provides public financing of campaign media advertisements and voter information packets for qualifying candidates and ballot measure committees adopting spending limits ranging from \$300,000 for Assembly primary race to \$10,000,000 for Governor's race.
- Requires ballot pamphlet to list top contributors on ballot measures.

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

- State costs of more than \$55 million annually, potentially offset to an unknown extent.
 - Local government costs of potentially several million dollars annually.
-



BACKGROUND

Political Reform Laws. The Political Reform Act of 1974, approved by California voters in that year, established campaign finance disclosure requirements for candidate and ballot measure election campaigns. Specifically, it required candidates for state and local office, as well as proponents and opponents of ballot measures, to report contributions received and expenditures made on their campaigns. These reports are filed with the Secretary of State's office, local officials, or both. The Fair Political Practices Commission (FPPC) is the state agency primarily responsible for enforcing the law.

In November 1996, California voters approved Proposition 208, an initiative that amended the Political Reform Act to establish limits on campaign contributions to candidates, voluntary limits on campaign spending, and rules on when fund-raising can occur. The measure also required identification of certain donors in campaign advertisements for and against ballot measures.

A lawsuit challenging Proposition 208 resulted in a court order in January 1998 blocking enforcement of its provisions. At the time this analysis was prepared, this lawsuit was still pending and Proposition 208 had not been implemented.

Ballot Pamphlet and Sample Ballot. Each household with a registered California voter is mailed before each statewide election a ballot pamphlet prepared by the Secretary of State. The pamphlet contains information on measures placed on the ballot by the Legislature as well as ballot initiative and referendum measures placed before voters through signature gathering.

State law also directs county elections officials to prepare and mail to each voter a sample ballot listing the candidates and ballot measures.

PROPOSAL

This measure revises state laws on political campaigns for candidates and ballot measures beginning in 2001. Specifically, the measure:

- Limits financial contributions to support candidates for state or local elective office and prescribes when fund-raising for state candidates can occur.
- Establishes voluntary campaign spending limits for state candidates and ballot initiative campaigns.
- Provides public funding for broadcast advertising and voter information packets mailed to voters for certain state candidates and ballot initiative campaigns that have accepted voluntary campaign spending limits.
- Requires establishment of Internet web sites to display information on state political campaigns and some local political campaigns, finances, and advertising authorized by campaigns.

- Establishes new advertising and financial disclosure requirements for state and local campaigns.
- Requires state verification of contributions from major donors.
- Makes it illegal under any circumstances to provide or offer compensation to someone to vote.

Some provisions of this measure are similar to those enacted in 1996 by Proposition 208 which have not gone into effect because of an ongoing lawsuit.

The major provisions of Proposition 25 are described below.

Campaign Contribution Limits

This measure places limits on financial contributions to campaigns for state and local candidates. The major contribution limit provisions are shown in Figure 1. These limits would be adjusted for inflation.

Figure 1 Proposition 25 Campaign Contribution Limits		
Contributor	Candidate for:	
	Legislative and Local Elective Office	Statewide Office
Individual donation to a candidate	\$3,000 per election.	\$5,000 per election.
Donation of personal funds to own campaign	No limits.	No Limits.
Political party	No more than 25 percent of voluntary spending limits established by this measure, per election.	No more than 25 percent of voluntary spending limits established by this measure, per election.
Political action committees	\$3,000 per election.	\$5,000 per election.
For-profit corporations	Prohibited.	Prohibited.
Transfer from another campaign committee	Prohibited.	Prohibited.

Except for contributions to political parties, no person could contribute a combined total of more than \$50,000 per election to state candidates. Other provisions of this measure limit contributions to political parties, political committees not directly controlled by candidates, ballot measure campaigns, and loans to candidates.

Candidates for statewide office generally could not begin to accept contributions for their election campaigns until within 12 months before the primary election. The period would be six months for other state offices. Contributions generally could not be accepted more than 90 days after the election.

This measure further provides that more restrictive campaign contribution limits established under Proposition 208 would override this measure and take effect if the court allows Proposition 208 to go into effect.

Voluntary Spending Limits

This measure establishes a system of voluntary spending limits for state candidates and ballot initiative

campaigns. Specifically, a candidate or ballot initiative committee would be required to file a statement at the beginning of the campaign declaring whether it will accept or reject the limits. The major spending limit provisions are shown in Figure 2. These limits would be adjusted for inflation.

Figure 2

Proposition 25
Voluntary Spending Limits

Election Contest	Election	
	Primary	General
Assembly	\$300,000	\$400,000
Senate or Board of Equalization Member	500,000	800,000
Governor	6,000,000	10,000,000
Other statewide offices	1,500,000	2,000,000
State ballot initiative	\$6,000,000 per election	

The voluntary spending limits applying to a specific elective office or a state ballot initiative campaign would increase by two and a half times the dollar amount of the initial limits if opposing campaigns exceeded certain specified fund-raising or campaign spending levels. Any candidate or ballot initiative campaign which violated a pledge to abide by the voluntary spending limits would be subject to a fine.

Publicly Funded Campaign Assistance

A candidate for statewide office or a campaign for or against a state ballot initiative that accepts the voluntary spending limits with specified exceptions could receive public funding in the form of credits for broadcast media advertising. A candidate for Governor or a state ballot initiative campaign could receive credits worth up to \$1 million per election, while candidates for other statewide offices could receive credits worth up to \$300,000 per election. A campaign receiving many small contributions would receive more credits than one with fewer but larger contributions. The credits would be allocated on a first-come, first-served basis until the funds set aside for this purpose are exhausted.

In addition to public funding for broadcast advertising, a candidate for any state office and any state initiative campaign that accepted voluntary spending limits could participate free of charge in a voter information packet program. A campaign refusing to accept the spending limits could choose to participate by sharing in the cost of the packets. The packets would be assembled and mailed by the Secretary of State at four specified times before each election.

A candidate would have to collect a specified number of valid signatures of registered voters to qualify for public assistance during the *primary election*. The level of public assistance provided during the subsequent *general election* would depend upon a candidate's share of the primary election vote.

State candidates and ballot initiative committees that agree to voluntary spending limits would be so designated in the voter information packets as well as in the regular ballot pamphlet prepared by the Secretary of State and the sample ballots prepared by local elections officials.

Campaign Web Site

This measure directs the Secretary of State to establish and maintain a Campaign Web Site on the Internet to provide specified information on state candidates and state ballot measure campaigns. Copies of campaign advertisements, information about the candidates, and financial disclosure reports would be made accessible to the public through the Internet web site within 24 hours of their receipt. Links would also be provided to web sites established by campaign committees.

Campaign information would be similarly disclosed for some local election campaigns beginning in 2002. The Secretary of State would provide this information on the state web site after that date if local elections officials lacked the technological capability to do so.

Campaign Advertising and Financial Disclosures

This measure requires that state candidates and state ballot measure committees provide earlier financial disclosure through reports of contributions of \$1,000 or more and expenditures in excess of certain specified levels. Certain candidates and ballot measure committees would have to disclose in their campaign advertising their top two financial donors, the use of a paid spokesperson, and the amount spent by the campaign to date. Additional disclosure requirements would be established for so-called "slate mailers," campaign mass mailings that contain recommendations on candidates and ballot measures.

Ballot pamphlets mailed to voters would also list the top five contributors over \$25,000 for and against a ballot measure. Petitions for state or local ballot measures would include a statement indicating whether the individual circulating the petition is paid or a volunteer.

Provisions Affecting Major Donors

Under existing law, so-called major donors who make political contributions with a combined total of \$10,000 or more in a year must file reports listing their contributions. Under this measure, only someone contributing a combined total of \$100,000 or more would have to file such reports. However, the Secretary of State would be required to compile the names of all persons who gave \$10,000 or more per year to state candidates or ballot measure committees. Such donors would be sent forms to verify their contributions and could be fined for failure to complete them in a timely manner.

Compensation for Voting Prohibited

State law already makes it illegal to pay someone to vote for or against a specific candidate or ballot measure. This measure would also make it illegal under any circumstances to pay someone to vote in an election. Thus, it would become illegal to pay someone to vote even if the voter was not paid to vote for or against a specific candidate or ballot measure.

FISCAL EFFECT

This measure would result in significant net costs for state and local governments, which are discussed below.

Publicly Funded Campaign Assistance. This measure requires that \$1 for every state income taxpayer be appropriated annually from the state General Fund to pay for broadcast advertising credits. We estimate this would result in an annual state cost of about \$17 million.

The Secretary of State has estimated that the cost for coordinating, producing, and mailing the voter information packets would probably be about \$35 million annually. These costs would be partly offset by an unknown amount of revenue from campaigns which agreed to pay to participate in the voter information packet program.

Additional Secretary of State Implementation Costs. The Secretary of State would likely incur additional costs of several million dollars annually to fulfill the other requirements of this measure. These costs are likely to significantly exceed the initial appropriation of \$1.5 million and ongoing appropriations of \$750,000 to the Secretary of State provided in the measure. The Secretary of State would primarily incur these costs to establish the Campaign Web Site, to track and fine major donors, to certify the campaigns eligible for public assistance, and to reimburse counties for verifying signatures submitted to qualify for public assistance. The process of verifying major donors would

generate revenue through fines thereby offsetting these state costs to an unknown amount.

FPPC Implementation. The FPPC has estimated that it may need as much as \$600,000 annually in additional funding beyond the \$1 million appropriation provided in this measure to establish necessary regulations, to provide technical assistance to the public, and to prosecute violators of the proposed new law. These state costs would be offset by an unknown amount to the extent that enforcement of various provisions of the measure results in the collection of fines from campaigns.

Local Government. City and county governments could incur significant costs, potentially exceeding several millions of dollars annually on a statewide basis, to implement this measure primarily for maintaining local campaign web sites. To the extent that city and county governments lacked the technological capability to implement these provisions, local government costs would be lower but state costs to provide this information would increase.

For text of Proposition 25 see page 135



Election Campaigns. Contributions and Spending Limits. Public Financing. Disclosures. Initiative Statute.

Argument in Favor of Proposition 25

WHY DO WE NEED PROPOSITION 25?

- California is one of only six states with ABSOLUTELY NO LIMITS on the source or size of political contributions. Candidates can receive checks for \$1 MILLION or even more! Our government has been corrupted by BIG MONEY.
- Last election, California gambling casinos and Nevada gambling casinos spent over ONE HUNDRED MILLION DOLLARS (\$100,000,000.00) fighting for control of organized gambling in California—casinos gave millions to Democrats and millions to Republicans. Government should be of the people, by the people, and for the people, NOT OF THE GAMBLING CASINOS, BY THE GAMBLING CASINOS, and FOR THE GAMBLING CASINOS.
- Public figures get huge cash payments to endorse or oppose campaigns. Last election, a consumer advocate opposed the utility rate-cut initiative and got over \$160,000 from utility companies; a former state schools official opposed the tobacco tax initiative and got \$90,000 from tobacco companies. We often don't find out about such payments until after the election.

WHAT WILL PROPOSITION 25 DO?

- Prohibits paying people to vote or not vote.
- Requires immediate Internet disclosure of political contributions of \$1,000 or more.
- Requires immediate Internet disclosure of television, radio, print, or mail advertisements.
- Provides strict contribution limits of \$5000 or less, limits which will survive any legal challenge.
- Bans corporate contributions to candidates, just like federal law has for almost 100 years.
- Provides free television and radio time to statewide campaigns which agree to limit spending.
- Requires individuals in advertisements to disclose whether they are being paid by a campaign or its major donors.
- Requires statewide campaigns which exceed voluntary spending limits to disclose their spending total in all advertisements.
- Prevents endless fundraising by elected officials while

they're voting on important bills—statewide candidates can't begin fundraising until one year before their primary, legislative candidates six months before their primary.

- Restricts "soft money," stopping its unlimited use for electronic media or candidate advertisements.

WHAT WILL PROPOSITION 25 COST?

- The initiative limits public funding to just ONE DOLLAR EACH YEAR PER CALIFORNIA TAXPAYER. It's worth spending a dollar a year to BUY BACK OUR GOVERNMENT from special interests which control it!
- Our politicians should answer to taxpayers not gambling casinos and tobacco companies.
- Political reform will SAVE taxpayers and consumers BILLIONS OF DOLLARS by limiting tax breaks and sweetheart deals for big campaign contributors.

HOW WILL PROPOSITION 25 CLOSE LOOPHOLES AND LEVEL THE PLAYING FIELD?

- Under Section 85309, ALL subsidiaries of a business and ALL locals of a union are treated as one donor for contribution limit purposes; this prevents different subsidiaries and locals from EACH giving maximum contributions.
- Section 89519 forces candidates to liquidate their campaign war chests after every election, meaning all candidates start even after every vote.

WHO SUPPORTS PROPOSITION 25?

- A coalition of Democrats, Republicans, third party members, and independents who want to stop corruption, including Republican Senator John McCain and California Common Cause.

WHO OPPOSES PROPOSITION 25?

- Special interests who want to keep control of OUR government.

VOTE YES ON 25.

JAMES K. KNOX

Executive Director, California Common Cause

RON UNZ

Chairman, Voters Rights 2000—Yes on 25

TONY MILLER

Former Acting Secretary of State

Rebuttal to Argument in Favor of Proposition 25

Some questions proponents are hoping you *don't* ask . . .

- WHAT ELSE HAS COMMON CAUSE SAID ABOUT PROP. 25?

"The contribution limits would be the highest in the nation . . . Worst of all, there is a huge 'soft money' loophole."—California Common Cause Newsletter, Spring 1999

"The measure would allow unlimited contributions to the state parties."—California Common Cause Press Release, March 25, 1999

- WHY IS THE LEAGUE OF WOMEN VOTERS—one of California's leading campaign finance reform advocates—OPPOSING PROP. 25?

While the League of Women Voters supports public financing for candidates, they oppose Prop. 25's taxpayer financing of initiative campaigns. More importantly, *they want fair and equitable reform that levels the playing field and Prop. 25 does the opposite.* It lets special interests flood our system with unlimited money and influence.

- WHO ELSE OPPOSES PROP. 25?

Taxpayer and consumer organizations, seniors, campaign reform experts, business, labor, Democrats, Republicans, Independents, Taxpayers for Fair Elections and everyday

Californians who want a fair and level playing field.

- WHY DOES THE STATE'S INDEPENDENT LEGISLATIVE ANALYST ESTIMATE PROP. 25 WILL COST TAXPAYERS MORE THAN \$55 MILLION ANNUALLY?

Because it uses public funds to pay for political advertising, Californians would become the first state taxpayers forced to subsidize the cost of initiative campaign advertising.

- WHY IS PROP. 25 A CURE WORSE THAN THE DISEASE?

It gives *wealthy candidates* an even *greater advantage.* It contains an UNFAIR LOOPHOLE that lets special interests circumvent contribution limits. It could force a \$55+ MILLION ANNUAL TAX INCREASE on Californians. VOTE NO!

LARRY McCARTHY

President, California Taxpayers' Association

WAYNE JOHNSON

President, California Teachers Association

ALLAN ZAREMBERG

President, California Chamber of Commerce

Election Campaigns. Contributions and Spending Limits. Public Financing. Disclosures. Initiative Statute.



Argument Against Proposition 25

We need to *clean up* California's political system, *not* add more problems to the mix.

Proposition 25 is a classic example of a CURE THAT'S WORSE THAN THE DISEASE. It includes some positive changes, but unfortunately, this 24-PAGE INITIATIVE contains TOO MANY LOOPHOLES and provisions that will ADD TO THE ABUSES and LEAVE TAXPAYERS FOOTING THE BILL.

California taxpayer organizations, government accountability groups and campaign finance experts have taken a close look at Prop. 25. Here's what they've found:

- A \$55 MILLION ANNUAL TAX INCREASE TO FUND POLITICAL ADS

If you like those political ads you get bombarded with every election, you'll love Prop. 25 because if it passes, *you'll get to PAY for those ads*—even ads with which you disagree. Prop. 25 includes a MANDATORY TAXPAYER SUBSIDY TO FINANCE POLITICAL ADVERTISING. If approved, it would become the first state law in the country to force taxpayers to subsidize political advertising for initiative campaigns.

Read the fiscal impact summary by the state's independent Legislative Analyst. FIFTY-FIVE MILLION TAX DOLLARS WITH AUTOMATIC INCREASES EVERY YEAR. This is not a voluntary check-off on your tax form. The only say you have in the matter is a vote on Prop. 25. If it passes, your tax dollars *will* be used to finance political ads. That means a TAX INCREASE or CUTS TO EDUCATION and other services to pay for it.

- PROP. 25 IS THE MILLIONAIRE CANDIDATE'S BEST FRIEND

Just ask the millionaire candidate who wrote it. It limits the money all but one type of candidate can raise from individuals. MILLIONAIRE CANDIDATES LIKE PROP. 25's SPONSOR ARE EXEMPTED from the initiative's contribution limit so they can spend unlimited amounts of their own money to get

elected. Prop. 25 will make politics even more of a rich man's game and give wealthy people and incumbents a huge advantage against new challengers.

- PROP. 25 LOCKS SPECIAL INTEREST LOOPHOLES DIRECTLY INTO STATE LAW

Prop. 25 will legally protect the ability of special interests to dominate our political system. It was drafted to allow special interests to give an unlimited amount of money—known as “soft money”—to political parties. *If Prop. 25 passes, special interests will not only be able to avoid campaign contribution limits, they'll be able to do so under the protection of state law.* That's why traditional supporters of campaign finance reform initiatives are opposing this one.

- PROP. 25 IS ANOTHER FULL EMPLOYMENT ACT FOR LAWYERS

This 24-page initiative contains provisions that have already been found unconstitutional elsewhere and will undoubtedly lead to more costly lawsuits. Just what we need, another initiative headed straight for the courts.

Prop. 25 has some good things in it, but we don't get to pick and choose which ones we want. Overall, Prop. 25's BAD PROVISIONS and LOOPHOLES make it a cure worse than the disease. Prop. 25 will *not* clean up politics. It will ADD TO THE ABUSES and LEAVE TAXPAYERS FOOTING A \$55 MILLION ANNUAL BILL.

VOTE NO on 25!

DANIEL LOWENSTEIN

Former Chair, California Fair Political Practices Commission

PETER J. KANELOS

President, Responsible Voters for Lower Taxes

LOIS WELLINGTON

President, Congress of California Seniors

Rebuttal to Argument Against Proposition 25

As usual, the special interests are trying to fool you.

Proposition 25 costs us only about \$1 per year, a cheap price to clean up politics in California.

The opponents' arguments are not the REAL reasons why they oppose the initiative.

Our REAL opponents—the big corporations, big unions, and others spending millions to defeat our campaign reform initiative—are the ones who write our elected officials checks for \$100,000 or \$200,000 or even more.

Of course they oppose campaign reform. They always have. They always will.

They own our government and they don't want the people of California to buy it back.

- Proposition 25 LIMITS TOTAL PUBLIC FUNDING FOR CAMPAIGNS TO JUST \$1 PER TAXPAYER PER YEAR. Candidates don't get ANY taxpayer money—they get LIMITED free air time IF they agree to limit their spending.
- Proposition 25 requires immediate Internet disclosure of all contributions of \$1,000 or more.

- Proposition 25 puts severe restrictions on the amount of money that millionaire candidates can spend on their own campaigns, and restricts the amount of money which can be given to political parties or candidates.
- Proposition 25 bans corporate contributions to candidates.
- Proposition 25 forces campaigns to tell the voters in their advertisements how much they're spending.
- Proposition 25 will give California one of the least corrupt election systems in America, and create an important model for national campaign finance reform.

Don't be fooled by the special interests. Take back our government for \$1 per year. Vote YES on Proposition 25!

MARCH FONG EU

Former California Secretary of State

THOMAS K. HOUSTON

Former Chair, California Fair Political Practices Commission

DONALD KENNEDY

Former President, Stanford University



School Facilities. Local Majority Vote. Bonds, Taxes. Initiative Constitutional Amendment and Statute.

Official Title and Summary Prepared by the Attorney General

SCHOOL FACILITIES. LOCAL MAJORITY VOTE. BONDS, TAXES. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

- Authorizes school, community college districts, and county education offices that evaluate safety, class size, information technology needs to issue bonds for construction, reconstruction, rehabilitation or replacement of school facilities if approved by majority of applicable jurisdiction's voters.
- New accountability requirements include annual performance, financial audits.
- Prohibits use of bonds for salaries or other school operating expenses.
- Requires that facilities be available to public charter schools.
- Authorizes property taxes higher than existing 1% limit by majority vote, rather than two-thirds currently required, as necessary to pay the bonds.

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

- Increased local school district debt costs—potentially in the hundreds of millions of dollars statewide each year within a decade. These costs would depend on voter action on future local school bond issues and would vary by individual district.
- Unknown impact on state costs. Potential longer-term state savings to the extent local school districts assume greater responsibility for funding school facilities.

Analysis by the Legislative Analyst

BACKGROUND

Property Taxes

The California Constitution limits property taxes to 1 percent of the value of property. Property taxes may only exceed this limit to pay for (1) any local government debts approved by the voters prior to July 1, 1978 or (2) bonds to buy or improve real property that receive two-thirds voter approval after July 1, 1978.

School Facilities

Kindergarten Through Twelfth Grade (K-12). California public school facilities are the responsibility of over 1,000 school districts and county offices of education. Over the years, the state has provided a significant portion of the funding for these facilities through the state schools facilities program. Most recently, this program was funded with \$6.7 billion in state general obligation bonds approved by the voters in November 1998.

Under this program, the state generally pays:

- 50 percent of the cost of new school facilities.
- 80 percent of the cost of modernizing existing facilities.
- 100 percent of the cost of either new facilities or modernization in "hardship cases."

In addition to state bonds, funding for school facilities has been provided from a variety of other sources, including:

- School district general obligation bonds.
- Special local bonds (known as "Mello-Roos" bonds).
- Fees that school districts charge builders on new residential, commercial, and industrial construction.

Community Colleges. Community colleges are part of the state's higher education system and include 107 campuses operated by 72 local districts. Their facilities are funded differently than K-12 schools. In recent years, most facilities for community colleges have been funded 100 percent by the state generally using state bonds. The state funds are available only if appropriated by the Legislature for the specific facility. There is no requirement that local community college districts provide a portion of the funding in order to obtain state funds. Community college districts also may fund construction of facilities with local general obligation bonds or other nonstate funds if they so choose.

Charter Schools

Charter schools are independent public schools formed by teachers, parents, and other individuals and/or groups. The schools function under contracts or "charters" with local school districts, county boards of education, or the State Board of Education. They are exempt from most state laws and regulations affecting public schools.

As of October 1999, there were 252 charter schools in California, serving about 88,000 students (less than 2 percent of all K-12 students). The law permits an additional 100 charter schools each year until 2003, at which time the charter school program will be reviewed by the Legislature. Under current law, school districts must allow charter schools to use, at no charge, facilities not currently used by the district for instructional or administrative purposes.

PROPOSAL

This proposition (1) changes the State Constitution to lower the voting requirement for passage of local school bonds and (2) changes existing statutory law regarding charter schools facilities. The local school jurisdictions affected by this proposition are K-12 school districts, community college districts, and county boards of education.

Voting Requirement for Passage of Local School Bonds

This proposition allows (1) school facilities bond measures to be approved by a *majority* (rather than *two-thirds*) of the voters in local elections and (2) property taxes to exceed the current 1 percent limit in order to repay the bonds.

This majority vote requirement would apply only if the local bond measure presented to the voters includes:

- A requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities.
- A specific list of school projects to be funded and the school board certifies it has evaluated safety, class size reduction, and information technology needs in developing the list.
- A requirement that the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure.

Charter Schools Facilities

This proposition requires each local K-12 school district to provide charter schools facilities sufficient to accommodate the charter school's students. The district, however, would not be required to spend its general discretionary revenues to provide these facilities for charter schools. The district, however, could choose to use these or other revenues—including state and local bonds.

The proposition also provides that:

- The facilities must be reasonably equivalent to the district schools that these students would otherwise attend.
- The district may charge the charter school for its facilities.
- A district may decline to provide facilities for a charter school with a current or projected enrollment of fewer than 80 students.

FISCAL EFFECT

Local School Impact

This proposition would make it easier for school bonds to be approved by local voters. For example between 1986 and June 1999:

- **K-12 Schools.** K-12 bond measures totaling over \$17 billion received the necessary two-thirds voter approval.

During the same period, however, almost \$11 billion of bonds received over 50 percent—but less than two-thirds—voter approval and therefore were defeated.

- **Community Colleges.** Local community college bond measures totaling almost \$330 million received the necessary two-thirds voter approval. During the same period, though, almost \$390 million of bonds received over 50 percent—but less than two-thirds—voter approval and therefore were defeated.

Districts approving bond measures that otherwise would not have been approved would have increased debt costs to pay off the bonds. The magnitude of these local costs is unknown, but on a statewide basis could be in the hundreds of millions of dollars annually within a decade.

State Impact

The proposition's impact on state costs is less certain. In the near term, it could have varied effects on demand for state bond funds. For instance, if more local bonds are approved, fewer local jurisdictions would qualify for hardship funding by the state. In this case, state funding would be reduced from 100 percent to 50 percent of the cost for a new local school. On the other hand, there are over 500 school jurisdictions that do not currently participate in the state school facilities program. To the extent the reduced voter-approval requirement encourages some of these districts to participate in the state program, demand for state bond funds would increase.

In the longer run, the proposition could have a more significant impact on state costs. For instance, its approval could result in local districts assuming greater funding responsibility for school facilities. If this occurred, the state's debt service costs would decline over time.

The actual impact on state costs ultimately would depend on the level of state bonds placed on the ballot in future years by the Legislature and Governor, and voters' decisions on those bond measures.

Charter Schools

The requirement that K-12 school districts provide charter schools with comparable facilities could increase state and local costs. As discussed above, districts are currently required to provide facilities for charter schools only if unused district facilities are available. The proposition might lead many districts to increase the size of their bond issues somewhat to cover the cost of facilities for charter schools. This could also increase state costs to the extent districts apply for and receive state matching funds. The amount of this increase is unknown, as it would depend on the availability of existing facilities and the number and types of charter schools.

For text of Proposition 26 see page 143



School Facilities. Local Majority Vote. Bonds, Taxes. Initiative Constitutional Amendment and Statute.

Argument in Favor of Proposition 26

LET'S INVEST IN OUR KIDS AND HELP MAKE SCHOOL BOARDS ACCOUNTABLE

Remember when you were in school? The fun, the fears, the homework. Forty of your friends packed into one classroom.

That's right. Today, California classrooms are among the most crowded in the nation, many are in desperate need of repair and most still need to be wired for the Internet and the learning technologies of the 21st century.

PROP. 26 GUARANTEES THAT TAXPAYERS WILL KNOW EXACTLY HOW THEIR MONEY WILL BE SPENT BEFORE THEY VOTE ON LOCAL SCHOOL BONDS

We all want the best education for our kids. But we also want to make sure that our education dollars are spent wisely. Prop. 26 lets us have both. It makes it easier for local communities to invest in their schools and adds tough new accountability requirements that aren't in place now.

THAT'S WHY PROP. 26 IS BACKED BY SUCH RESPECTED GROUPS AS AARP, LEAGUE OF WOMEN VOTERS, CALIFORNIA STATE PTA, CALIFORNIA MANUFACTURERS ASSOCIATION, CALIFORNIA ORGANIZATION OF POLICE AND SHERIFFS, CALIFORNIA TEACHERS ASSOCIATION, CHAMBER OF COMMERCE, CALIFORNIA BUSINESS ROUNDTABLE AND CONGRESS OF CALIFORNIA SENIORS.

Californians are tired of tax dollars being wasted. That's why Prop. 26 requires local school districts to list in advance how the money from local school bonds will be spent. If Prop. 26 passes, all voters will receive the list before you vote on your next local school bond. And Prop. 26 prohibits bond money from being used for administration and salaries. That means money for our kids, not bureaucrats.

INDEPENDENT AUDITS WILL HELP ENSURE SCHOOL FUNDS ARE SPENT PROPERLY AND NOT WASTED ON BUREAUCRACY

This initiative requires independent audits twice a year to help make sure the money has been spent properly and as the school district promised. These financial and performance audits will help guarantee the project gets done right. We need these safeguards to ensure that bond money goes to classrooms, where it belongs.

PROP. 26 WILL HELP REDUCE CLASS SIZE FOR ALL OUR KIDS

Smaller class sizes in grades kindergarten through third is one school reform that has proven to work. Kids just cannot get the attention they need in packed classrooms. Prop. 26 makes it easier for local communities to build new schools or add new classrooms so we can reduce class size. For class size reduction to help our kids achieve more, we need to build more classrooms for our kids.

PROP. 26 WILL LET A MAJORITY IN YOUR COMMUNITY DECIDE HOW MUCH TO INVEST IN LOCAL SCHOOLS

Prop. 26 does not raise taxes. It allows a majority in each community to decide for itself how much to invest in their kids—like whether or not to build new classrooms or to repair crumbling school buildings.

To help fix our schools and ensure education dollars are spent wisely, please join us in voting YES on Prop. 26—a good investment in our children, our state, and our future.

LAVONNE McBROOM
President, California PTA

ALLAN ZAREMBERG
President, California Chamber of Commerce

WAYNE JOHNSON
President, California Teachers Association

Rebuttal to Argument in Favor of Proposition 26

Vote NO on Proposition 26.

PROPOSITION 26 MEANS HIGHER PROPERTY TAXES!

If Proposition 26 passes, you will LOSE THE TWO-THIRDS VOTE CONSTITUTIONAL PROTECTION AGAINST EXCESSIVE TAXES ON YOUR HOME.

Proposition 26 will make it easy for property taxes to go up AGAIN and AGAIN because LOCAL BONDS INCREASE PROPERTY TAXES!

The wealthy special interests behind Proposition 26 *claim* it will allow more "investment." But the truth is: TAXPAYERS ARE ALREADY INVESTING AT A RECORD RATE. Since 1996, voters approved over \$11.8 BILLION in LOCAL school bonds with a TWO-THIRDS vote!

Proposition 26 backers *claim* it has accountability. WHAT ACCOUNTABILITY?

Under CURRENT LAW, school bonds CANNOT BE USED FOR TEACHER OR ADMINISTRATOR SALARIES. ANNUAL AUDITS of school district funds are ALREADY REQUIRED.

PROPOSITION 26 DOESN'T IMPOSE PENALTIES for politicians and bureaucrats who misspend taxpayer dollars on projects like the BELMONT SCHOOL FIASCO in Los Angeles!

DOESN'T REQUIRE environmental safeguards for school sites. We can't afford more disasters like BELMONT.

DOESN'T REQUIRE school facilities be adequately maintained.

DOESN'T REQUIRE that student scores get better. HOMEOWNERS WILL STILL PAY HIGHER TAXES even if student performance lags.

DOESN'T REQUIRE citizen oversight of bond spending. Do you trust politicians without citizen oversight?

Homeowners, seniors, taxpayer organizations, consumer advocates, small businesses and the CALIFORNIA FEDERATION OF TEACHERS OPPOSE PROPOSITION 26.

Don't saddle our CHILDREN and FUTURE GENERATIONS with LONG-TERM DEBT.

VOTE NO ON HIGHER PROPERTY TAXES!
VOTE NO ON PROPOSITION 26!

JON COUPAL
Chairman, Don't Double Your Property Taxes, Vote No on Proposition 26, a Project of the Howard Jarvis Taxpayers Association

JOAN C. LONGOBARDO
Governing Board Member, Covina-Valley Unified School District

GIL A. PEREZ
Retired School District Administrator

School Facilities. Local Majority Vote. Bonds, Taxes. Initiative Constitutional Amendment and Statute.



Argument Against Proposition 26

Vote NO on Proposition 26.

PROPOSITION 26 MEANS HIGHER PROPERTY TAXES!

Passing Proposition 26 will hurt homeowners because it makes it very easy to RAISE PROPERTY TAXES, over and over again.

IF PROPOSITION 26 PASSES, YOU WILL LOSE A 120-YEAR OLD CONSTITUTIONAL PROTECTION that requires a TWO-THIRDS vote to approve local bonds that are repaid only by PROPERTY OWNERS through HIGHER TAXES!

Proposition 26 means 50% of those voting can pass expensive new bonds that ONLY PROPERTY TAXPAYERS MUST PAY OFF.

PROPOSITION 26 WILL RESULT IN PASSAGE OF MORE THAN 9 OUT OF 10 BONDS! Supporters of Proposition 26 want 100% of local school bonds to pass—RAISING PROPERTY TAXES each time a bond passes.

Proposition 26 contains NO LIMIT ON HOW MANY BONDS OR HOW MUCH IN HIGHER TAXES CAN BE IMPOSED ON HOMEOWNERS! Districts that recently passed bonds can hit taxpayers with ADDITIONAL bonds. The result will be BILLIONS OF DOLLARS OF PROPERTY TAX INCREASES!

In some elections, voter turnout is only 10%. That means under Proposition 26 just 5% of registered voters can impose a 30-year increase in your property taxes! When a bond passes, a lien is placed on your home to guarantee repayment. IF YOU CAN'T PAY THESE HIGHER PROPERTY TAXES YOU CAN LOSE YOUR HOME!

THE TWO-THIRDS VOTE HELPS PREVENT HOMEOWNERS FROM BEING OUTVOTED IN BOND ELECTIONS, but if Proposition 26 passes it will be easy for RENTERS TO OUTVOTE PROPERTY OWNERS and approve bonds which are repaid entirely by property owners.

THE CURRENT SYSTEM WORKS FOR BOTH TAXPAYERS AND SCHOOLS.

California has required a two-thirds vote for local bonds since 1879. This two-thirds vote protection has not halted California's growth over the past century.

When a good case is made to local voters, bonds pass with a

two-thirds vote. Since 1996, 62% of all local school bonds passed. Recently, school districts as diverse as Los Angeles, San Diego, Santa Ana, San Jose, Sacramento, Fresno, San Bernardino, Long Beach, Ventura, San Francisco, and many others all passed bonds with a two-thirds vote.

Since 1996, voters approved more than \$11.8 BILLION in LOCAL school bonds with a TWO-THIRDS vote! That's BILLIONS in liens ALREADY being paid off by homeowners! Do you want virtually ALL bonds to pass and have MORE liens against your home?

PROPOSITION 26 MEANS YOU PAY WHILE DEVELOPERS PROFIT.

Developers want Proposition 26 passed so YOU end up paying MORE for school construction resulting from increased development. Proposition 26 is a tax shift from developers to homeowners. Developers get higher profits, while HOMEOWNERS GET HIGHER TAXES AND MORE DEVELOPMENT IN THEIR COMMUNITY!

Proposition 26 is not education reform. It's about making it MUCH EASIER TO INCREASE TAXES ON YOUR HOME. Don't make it much easier to raise your property taxes, especially when school construction is being so mishandled by politicians and bureaucrats like in Los Angeles with the BELMONT SCHOOL FIASCO!

**VOTE NO ON NEW TAX LIENS ON YOUR HOME!
VOTE NO ON HIGHER PROPERTY TAXES!
VOTE NO ON PROPOSITION 26!**

JON COUPAL

Chairman, Don't Double Your Property Taxes, Vote No on Proposition 26, a Project of the Howard Jarvis Taxpayers Association

FELICIA ELKINSON

Past President, Council of Sacramento Senior Organizations

RICHARD H. CLOSE

President, Sherman Oaks Homeowners Association

Rebuttal to Argument Against Proposition 26

Opponents of Prop. 26 don't seem to understand it.

PROP. 26 ALLOWS A MAJORITY IN LOCAL COMMUNITIES TO DECIDE FOR THEMSELVES HOW MUCH TO INVEST IN EDUCATION.

Prop. 26 isn't a property tax increase. Prop. 26 gives a majority in each community the power to decide whether to invest in reducing class size, repairing crumbling schools, wiring their schools for computers, or leaving things as they are.

PROP. 26 WILL MAKE IT EASIER TO REDUCE CLASS SIZE.

Reducing class size has proven to improve student performance. Yet, California classrooms are still the most crowded in the nation. We cannot further reduce class size without building more classrooms. Prop. 26 allows each community to decide.

PROP. 26 WILL MAKE SCHOOL BOARDS MORE ACCOUNTABLE FOR HOW THEY SPEND OUR MONEY.

We want to invest in education, but we're tired of seeing our money wasted. Prop. 26 will help prevent problems like Belmont High in the Los Angeles district from occurring in the

future. If Prop. 26 passes, voters will have to be told in advance how local bond money will be spent. Prop. 26 mandates that none of the money can be spent on bureaucracy or salaries.

Prop. 26 requires two annual independent audits to make certain bond money is spent correctly.

DIVERSE GROUPS LIKE THE CHAMBER OF COMMERCE, NATIONAL TAXPAYERS ALLIANCE, CALIFORNIA CONGRESS OF SENIORS, CALIFORNIA TEACHERS ASSOCIATION, AARP, AND CALIFORNIA ORGANIZATION OF POLICE AND SHERIFFS ALL URGE A YES VOTE ON PROP. 26.

JACKI ANTEE

President, AARP

BILL HAUCK

Chairman, California Business for Education Excellence

GAIL DRYDEN

President, League of Women Voters



Elections. Term Limit Declarations for Congressional Candidates. Initiative Statute.

Official Title and Summary Prepared by the Attorney General

ELECTIONS. TERM LIMIT DECLARATIONS FOR CONGRESSIONAL CANDIDATES. INITIATIVE STATUTE.

- Permits congressional candidates to voluntarily sign non-binding declaration of intention to serve no more than three terms in House of Representatives or two terms in the United States Senate.
- Requires placement of information on ballots and state-sponsored voter education materials when authorized by candidates.
- Candidates may appear on official ballot without submitting declaration.
- Declaration by winning candidate applies to future elections for same office.

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

- Unknown, but probably not significant, election costs to the state and counties.
-



Background

The Congress of the United States consists of the Senate and the House of Representatives. California's delegation to Congress consists of two senators and 52 representatives. Senators are elected for a term of six years and representatives are elected for a term of two years. The United States Constitution sets the general qualifications and duties of Members of Congress.

Federal law does not limit the number of terms a person may be elected to serve as a senator or representative in Congress. In 1992, California voters adopted Proposition 164, which established term limits for California's senators and representatives in Congress. However, Proposition 164 is not likely to go into effect. This is because the United States Supreme Court ruled, in a case involving similar limits established by other states, that the qualifications of office for federal elective officials may be changed only by an amendment to the United States Constitution.

Under current state law, the California Secretary of State processes information from candidates who wish to run for office, including declarations of their candidacy. County elections officials are responsible for preparing the content of the ballots for all candidates running for office.

Proposal

This measure *allows* all candidates for the U.S. Senate and House of Representatives from California to sign a declaration saying that, if elected, they either will or will not voluntarily limit their years of service. Candidates who agree to term limits would indicate that they will voluntarily serve no more than two terms in the Senate (or 12 years) or three terms in the House of Representatives (or 6 years).

In addition, a candidate can ask the Secretary of State to place on election ballots a statement that the candidate either did or did not sign such a declaration to voluntarily limit his or her terms of service.

The measure *does not require* a candidate to sign any declaration, nor does it require him or her to ask the Secretary of State to provide information regarding the declarations on the ballot.

Fiscal Effect

This measure would result in additional election costs to the state and counties. The amount of the additional cost is unknown, but probably not significant.

For text of Proposition 27 see page 144



Elections. Term Limit Declarations for Congressional Candidates. Initiative Statute.

Argument in Favor of Proposition 27

Vote YES on Proposition 27. Term Limits.

Term limits on our state legislature are a great success—bringing new people and new ideas to Sacramento. Gone are much of the partisan bickering and backroom deals. Legislators spend their time getting things done for the people, instead of picking fights to score political points.

A YES vote on Proposition 27 will help us bring new people and new ideas to Congress.

When those who represent us serve for short periods of time, they stay connected to their communities and serve the public interest. Term limits help block the corruption and arrogance that comes from career politicians who are more concerned with their perks and privileges than with what's best for the people.

No wonder recent Field polls show that Californians support term limits by almost 3 to 1. The lobbyists and big special interests don't like term limits, but we know our California legislature is doing a much better job now.

Californians overwhelmingly support term limits on Congress too, but career politicians in Washington have ignored our votes. That's why it's still politics-as-usual in our nation's capitol. Recently Congress gave themselves yet another pay raise even though 80 percent of Americans opposed it. When it comes to issues we care about, Congress continues to do the bidding of the big special interests. They have refused to reform the election process, and thus 98.5 percent of incumbents won re-election in 1998.

The longer politicians spend in Washington, the less they represent us and the more they represent the special interests, the party bosses and their own career interests. But it doesn't have to be that way. The answer is to send citizen

legislators—not career politicians—to represent us in Congress.

When congressional candidates ask for our vote, we deserve to know whether they're looking to spend a lifetime in Washington as professional politicians or limited terms as public servants. Proposition 27 allows candidates to tell us on the record.

A YES vote on Proposition 27 gives you important term limits information about candidates for Congress.

- Term limits are a great success for our state legislature.
- But we still have too many career politicians in Washington.
- As voters, we deserve to know whether a candidate will be a career politician or a citizen legislator. That gives us a real choice about who will represent us in the U.S. Congress.

Proposition 27 is a simple way to allow candidates to make their intentions clear: Do they want to represent us in Congress for a short period of public service or are they going to cash in on political careers? As voters, we deserve to know. Proposition 27 tells us.

VOTE YES on PROPOSITION 27. TERM LIMITS.

GEORGE E. MARTINEZ

Community Activist

SALLY REED IMPASTATO

Proponent, California Term Limit Committee

LEWIS K. UHLER

President, National Tax Limitation Committee

Rebuttal to Argument in Favor of Proposition 27

Yes, we agree, the current system is broken. We wish their fantasy of citizen legislators would work, but it won't. It makes it worse for Californians. Here's why:

SENIORITY IS NEEDED FOR FEDERAL MONEYS

This initiative means that California's Congressional Representatives will never achieve enough seniority in Congress to Chair the Committees that direct Federal Spending. California's Federal tax dollars will be spent in other States.

CALIFORNIA'S SHARE WILL GO TO GEORGIA AND TEXAS

Our share of moneys for:

- Schools
- Police
- Seniors
- New Freeways, and
- Safe Drinking Water

will go to other States without term limits and with long term legislators, costing California jobs.

CALIFORNIA'S BUSINESSES WILL BE HURT

In the next economic downturn California will suffer

disproportionately hard. Less Federal dollars means higher crime, more homelessness, less for seniors, less police, and less dollars for schools.

WE ARE ALMOST THERE IN VOTING DOWN THESE DANGEROUS IDEAS

The last time Californians got to vote on term limits it was almost defeated. This proposal is much worse and more dangerous for California's economy. Vote it down. Let's not send our money to Georgia and Texas. Keep our money here.

TERM LIMITS AREN'T WORKING

The current term limit system is not working in California. Turnover is the problem. If it wasn't for our moderate Governor, the average citizen's pocketbook would be in real trouble.

FOR OVER 200 YEARS WE HAVE CHANGED PEOPLE IN OFFICE THROUGH ELECTIONS, NOT ARBITRARY RULES.

VOTE NO TO SAVE CALIFORNIA'S VOTING RIGHTS AND POWER IN CONGRESS!

MARK WHISLER

President, Sacramento City Taxpayers' Rights League

Elections. Term Limit Declarations for Congressional Candidates. Initiative Statute.



Argument Against Proposition 27

TERM LIMITS ARE PURE FOLLY.

Term Limits are pure folly, passed for self serving Corporations at our expense. Since term limits were enacted in California we have seen a steady rise in the power of corporate paid lobbyists to get their pork barrel bills through the Legislature. If this year's Legislature doesn't support their giveaway plans, Corporations just wait for next year's Legislature. Politicians now need Corporate campaign money more than ever.

LABELS ARE DIVISIVE AND DANGEROUS

Let's not get started labeling our politicians. EVERY GROUP will want their label (look at our license plates). Do we really want to see "supports gray whales", "supports midnight basketball in schools", or "supports keeping abortions". Let's not make our voting ONLY about issues selected by others. Let's not cloud our ballot with emotionally charged labels. How will Californian's be able to elect moderate centrist consensus builders if every candidate is labeled by divisive issues to get elected? We won't!

SENIORITY

Congress still runs on a seniority system. If California's representatives can only stay 6 years the money, jobs, and benefits will flow to other states with long term representatives. That's how the system works. Voting yes will be bad for California's economy.

LOBBYISTS FIX BILLS TO GET TAX DOLLARS FOR THEIR CORPORATE CLIENTS.

Corporate lobbyists roam the US Capitol halls seeking tax breaks, reduced environmental responsibilities, lower employee benefit requirements, and other bills that are outright gifts to greedy Corporations. Under term limits, Corporate political campaign funds, more than ever, will decide who wins elections.

If this passes, Corporations will have a stronger grip on our Congress, as they already do with our State Legislature.

CALIFORNIA HAS NEEDS FOR ITS OWN CITIZENS AND CHILDREN.

California needs to devote its limited tax revenues to schools, roads, bridges, parks, libraries, and police services (to name a few). Our taxes should not be spent bailing out wealthy corporations. Don't be fooled. Voters have proven time and again they know when to vote NO, and this is one of them.

YOU DON'T NEED TERM LIMITS. YOU CAN THROW THE "BUMS" OUT NOW.

Resist the urge to use term limits to "throw the bums out." If your elected officials are bums, vote them out. The current system may be weak, but term limits will replace our Congress with unelected, powerful, hidden self-interest groups. California has numerous problems that our collective wisdom and community spirit can solve. A Legislature or Congress, sold to the highest bidder every two years, is not the answer. We need educated Legislators who understand the complexities and nuances of issues. They are our best choice for meaningful solutions, not on-the-job trainees with short term fixes.

DON'T LEGISLATE THOUGHT POLICE.

This initiative demonizes politicians who favor a long term rational approach to solving our problems. It goes too far. Please read the initiative and you'll see why to vote NO. This law is wrong for California.

SAY NO TO THE CORPORATIONS AND SPECIAL INTERESTS.

VOTE NO ON PROPOSITION 27

MARK WHISLER

President, Sacramento City Taxpayers' Rights League

Rebuttal to Argument Against Proposition 27

DON'T LET THEM DESTROY OUR VOTE FOR TERM LIMITS ON THE LEGISLATURE—OR IGNORE OUR VOTE FOR CONGRESSIONAL TERM LIMITS. VOTE YES ON PROPOSITION 27.

The Sacramento-based opponent to Proposition 27 attacks the people of California for passing term limits on our state legislators. Where has he been living? Even those who at first opposed term limits now admit that it has worked, bringing new people with new ideas into public service.

Special interests are angry that they've lost control over our elected representatives. Good! Term-limited officials stay connected to the communities they serve, not the power-brokers in the Capitol.

Under term limits, our legislature passed the largest tax cut in a generation. Instead of never-ending political bickering, the legislature passed the budget on time for the first time in over a decade. Term limits work.

TERM LIMITS HAVE HELPED OUR LEGISLATURE STAY CLOSER TO THE PEOPLE. VOTE YES ON PROPOSITION 27.

The contributor list AGAINST term limits reads like a who's who of powerful lobbyists, big special interests and

well-connected corporations. The largest contributors have been big tobacco companies. Special interests want a government they control—at your expense.

LOBBYISTS, BIG SPECIAL INTERESTS & POLITICALLY-CONNECTED CORPORATIONS HATE TERM LIMITS.

A whopping 86 percent of lobbyists oppose term limits! These powerful interests get special favors from the career politicians in Congress. We have a right to representatives who represent us.

**CITIZEN LEGISLATORS. NOT CAREER POLITICIANS.
VOTE YES ON PROPOSITION 27. TERM LIMITS.**

LISA POWERS

Northern California Co-Chair, California Term Limit Committee

JUAN CARLOS ROS

Community Activist

DWIGHT FILLEY

Southern California Co-Chair, California Term Limit Committee



Repeal of Proposition 10 Tobacco Surtax. Initiative Statute.

Official Title and Summary Prepared by the Attorney General

REPEAL OF PROPOSITION 10 TOBACCO SURTAX. INITIATIVE STATUTE.

- Repeals additional \$.50 per pack tax on cigarettes and equivalent increase in state tax on tobacco products previously enacted by Proposition 10 at November 3, 1998, election.
- Provides for elimination of funding for Proposition 10 early childhood development and smoking prevention programs.
- Prohibits imposition of additional surtaxes on distribution of cigarettes or tobacco products unless enacted by state legislature.
- Provides for termination of California Children and Families First Trust Fund once all previously collected taxes under Proposition 10 are appropriated and expended.

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

- Reduction in annual state special fund revenues of approximately \$670 million that would otherwise be allocated for early childhood development programs and activities.
 - Relatively small annual increases in Proposition 99 revenues of a few million dollars.
 - Annual decreases in state General Fund revenues of approximately \$7 million and local government sales tax revenues of about \$6 million.
 - Loss of potential long-term state and local governmental savings that could otherwise result from Proposition 10.
-



BACKGROUND

This measure repeals the excise tax imposed on cigarettes and other tobacco products by Proposition 10, adopted by the voters in November 1998. The measure also indirectly affects other programs funded by existing tobacco taxes—specifically, programs funded by Proposition 99 of 1988.

Proposition 10 created the California Children and Families First Program, in order to fund early childhood development programs and related activities. The program is funded by revenues generated by an increase in the excise taxes on cigarettes and other tobacco products.

Proposition 10 increased the excise tax on cigarettes by 50 cents per pack beginning January 1, 1999, bringing the total state excise tax on this product to 87 cents per pack. The measure also increased the excise tax on other tobacco products, such as cigars, chewing tobacco, pipe tobacco, and snuff, in two ways:

- It imposed a *new* excise tax on these products equivalent (in terms of the wholesale costs of these items) to the 50 cents per pack tax on cigarettes, effective January 1, 1999.
- It increased the *preexisting* excise tax on these products by the equivalent of a 50 cents per pack increase in the tax on cigarettes, effective July 1, 1999.

Thus, the measure ultimately increased the total excise tax on other tobacco products by the equivalent of a \$1 per pack increase in the tax on cigarettes.

Proposition 10 required that the revenues generated by the *new* excise taxes on cigarettes and other tobacco products be placed in a new special fund—the California Children and Families First Trust Fund. These revenues primarily fund early childhood development programs. In addition, small amounts are used to offset revenue losses to Proposition 99 health education and research programs and Breast Cancer Fund resulting from the Proposition 10 excise tax.

The revenues generated by the increase in the *preexisting* excise tax on other tobacco products are directed to the Cigarette and Tobacco Products Surtax Fund (for Proposition 99 programs).

Proposition 10 programs are carried out by state and county commissions.

PROPOSAL

This measure eliminates certain provisions of Proposition 10. Specifically, it eliminates the California Children and Families First Trust Fund, once all previously collected taxes under Proposition 10 are appropriated and expended. It also eliminates the 50 cents per pack excise tax on cigarettes and the equivalent tax on other tobacco products imposed by Proposition 10, which were effective January 1, 1999. Finally, the measure would have the effect of eliminating the increase in the *preexisting* excise tax imposed on other tobacco products which took effect July 1, 1999. The measure does not specifically eliminate the state and county commissions authorized by Proposition 10, although it does eliminate their source of funding.

FISCAL EFFECT

By repealing the provisions of Proposition 10, this

proposition will eliminate the cigarette and other tobacco product excise taxes used to fund the California Children and Families First Program. The measure may also lead to changes in revenues for Proposition 99 programs, the state's General Fund, and local governments. Below, we discuss these fiscal effects.

Effect on California Children and Families First Trust Fund. We estimate that Proposition 10 will raise revenues of approximately \$680 million in 1999–00, and declining amounts thereafter, to fund early childhood development programs and activities. Thus, assuming this measure repealing Proposition 10 becomes effective the day following its passage, it would result in an estimated revenue reduction of approximately \$215 million for 1999–00 (a partial-year effect). The estimated revenue reduction for 2000–01 is approximately \$670 million, with declining annual amounts thereafter. There is some uncertainty surrounding these estimates, due to the difficulty of predicting the effects of recent increases in excise taxes, price increases for cigarettes, and the excise tax reduction being proposed.

Effect on Cigarette and Tobacco Products Surtax Fund Revenues. This measure would have the overall effect of increasing revenues for Proposition 99 programs by a few million dollars annually. This revenue effect is due to an increase in the sale of cigarettes and other tobacco products caused by the price reduction in these products.

Effect on Breast Cancer Fund Revenues. This measure would not lead to any change in revenues going to the Breast Cancer Fund. This is because the revenue increase generated by increased consumption stemming from the decline in the price of cigarettes and other tobacco products is approximately equal to the offset amounts estimated to be provided under Proposition 10, which will no longer occur under this measure.

Effect on the State General Fund and Local Tax Revenues. This measure would result in a state General Fund revenue loss of approximately \$3 million in 1999–00 (partial year) and annual losses thereafter of about \$7 million. For local governments, the estimated sales tax revenue reductions are estimated to be \$2 million in 1999–00 (partial year) and approximately \$6 million annually thereafter. In general, these reductions occur because the increase in the General Fund's excise tax revenues (due to the increased sale of tobacco products) is not sufficient to compensate for the decline in sales tax revenue (due to the decline in the price of tobacco products).

Other Potential Fiscal Effects. We identified two types of potential unknown long-term savings from the passage of Proposition 10. First, to the extent that Proposition 10 results in a decrease in the consumption of tobacco products, it will probably reduce state and local health care costs by an unknown amount over the long term. Second, the additional expenditures on early childhood development programs could result in state and local savings, over the long run, of unknown amounts in programs such as special education. Thus, this measure to repeal Proposition 10 would result in not realizing these potential savings.

For text of Proposition 28 see page 145



Repeal of Proposition 10 Tobacco Surtax. Initiative Statute.

Argument in Favor of Proposition 28

“What’s best for children?” That’s the essence of Prop 28. Prop 28 repeals Prop 10. It *stops a \$700,000,000 per year bureaucracy* that is supposed to work on “early childhood development.” Prop 28 *cuts taxes* on citizens who smoke. It sends the issues to the Legislature.

When can \$700,000,000 per year be bad for children?

1) When the money is wasted.

The Office of the Independent Legislative Analyst stated that neither county nor state officials oversee or control the spending. The Analyst concluded “it will be a challenge to ensure that the funds will be spent effectively”.

- *Not one penny has yet been spent on children.*
- *Not one penny has yet been spent on education.*
- *Not one penny has yet been spent on tobacco research or to prevent teen smoking.*

Prop 10 participants have been told that no idea is too expensive or too crazy. In Los Angeles County, agencies already spend \$3.8 billion annually on over 200 programs for children and parents outside of Prop 10.

2) When the money is spent to subsidize the rich and powerful.

The primary use for Prop 10 funds has been to publicize Rob Reiner. A political infrastructure is being built for his use. Local politicians fight over who gets to dispense this money.

3) When the money is used to drive people out of business.

Private child care providers can’t participate in Prop 10 deliberations. Socialized child care—along with loss of choice, more bureaucracy and rules, and a decline in quality—appears to be the goal of Prop 10 participants.

4) When the money is used in ways that do harm.

Prop 10 advocates talk about “new brain research” that enables bureaucrats to be better parents than parents. This *Brave New World* approach to raising children contradicts what loving parents know about babies. Babies need love and attention. Money can’t buy love and attention. Babies are best when parents find ways to shower them with love and attention.

Optimists believe Prop 10 money will be used to make \$700,000,000 per year in suggestions. Suggestions soon become rules. Do you want Hollywood and 58 commissions to make the rules for how to raise children?

The tax itself is also bad.

- The Boston Tea Party said “taxation without representation is tyranny.”
- The United States Constitution was designed to prevent tyranny by the majority.

Prop 10 violated both of those principles. Fewer than one out of four California adults smoke. They can’t win an election. Their legislators didn’t vote on this. Prop 10 passed because many voters thought they were taxing Big Tobacco. Actually, Big Tobacco doesn’t pay this tax. *California citizens pay it all.*

Prop 10 is a bad law. That’s why over 705,000 Californians signed petitions to place this initiative on the ballot.

Big Tobacco hasn’t helped the effort to repeal Prop 10.

Who do you want to be your kids’ mom? You? Then vote YES! On Prop 28!

NED ROSCOE

President, Cigarettes Cheaper! stores

Rebuttal to Argument in Favor of Proposition 28

TOBACCO COMPANIES DON’T CARE ABOUT OUR CHILDREN. THEY ONLY CARE ABOUT THEIR PROFITS.

Prop 28 would repeal Prop 10. The tobacco companies are sponsoring, supporting and paying for Prop 28 for one reason and one reason only—to protect their profits.

Once again, the tobacco industry is trying to mislead the public. They lied when they said that smoking isn’t harmful. Now they’re lying about Prop 10.

The facts about Prop 10:

- Prop 10 hasn’t wasted money. In fact, Prop 10 has already generated more than \$600 million for healthcare and education for children and families in every California county.
- Prop 10 is funding a \$7 million anti-smoking campaign. That’s the real reason the tobacco interests want to kill Prop 10.

The facts about Prop 28:

- Prop 28 would slash \$680 million a year in vital programs for children and families, including healthcare and

immunizations, preschool education, and efforts to help children from families with drug and alcohol problems.

- Prop 28 would cut funding for anti-smoking efforts that will help prevent smoking by pregnant women and help avoid thousands of premature births per year.
- Prop 28 is strongly opposed by leading health, education and community groups, including the AARP; the American Cancer Society California Division; the California School Boards Association; and the Campaign for Tobacco Free Kids.

ON MARCH 7TH, SAY NO TO TOBACCO. VOTE NO ON PROP 28.

JACQUELINE ANTEE

State President, AARP

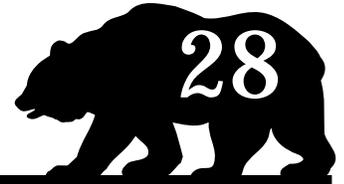
ROSALYN BIENENSTOCK, R.R.T., M.P.H.

Chair, American Lung Association of California

MARY BERGAN

President, California Federation of Teachers

Repeal of Proposition 10 Tobacco Surtax. Initiative Statute.



Argument Against Proposition 28

THE MOST IMPORTANT THING VOTERS SHOULD KNOW ABOUT PROPOSITION 28 IS THAT IT'S SPONSORED AND SUPPORTED BY TOBACCO COMPANIES.

When it comes to the health and welfare of California families, can you think of anyone you trust less?

In 1998, California voters passed Proposition 10—The California Children and Families Initiative—which raised the tobacco tax to support a wide range of programs to protect children's health and help young children enter school ready to learn. The tobacco companies spent \$30 million to defeat Proposition 10, but failed. Now they are trying to thwart the will of the voters and repeal Proposition 10 by passing Proposition 28.

Time and again, the tobacco giants have shown that they'll do *anything* to protect their profits—including lying to Congress, covering up the health facts about tobacco, marketing cigarettes to children, and using false advertising. The tobacco interests don't care that the tobacco tax they want to eliminate with Prop 28 is already helping ensure a brighter future for our children.

Proposition 28 will slash over \$680 million a year from critical programs that benefit our children, including:

- Healthcare for children including immunizations and boosters;
- Preschool education opportunities and childcare;
- Smoking prevention aimed at pregnant women and parents of young children;
- Helping children from families with drug and alcohol problems; and
- Helping mothers care for themselves and their babies during pregnancy and infancy.

These programs prevent expensive and tragic health problems. For example, smoking during pregnancy causes thousands of babies to be born prematurely each year, and greatly increases the risk of sudden infant death syndrome. By cutting programs that prevent smoking by pregnant women, *Proposition 28 will increase premature births* and other health problems.

Proposition 28 is strongly opposed by these leading health care, education, and community organizations:

- AARP;
- American Cancer Society, California Division;
- American Heart Association of California;
- American Lung Association of California;
- California Medical Association;
- California Nurses Association;
- California School Boards Association;
- Campaign for Tobacco-Free Kids;
- Child Care Resource & Referral Network;
- Para Los Niños Child Development Center; and
- Wu Yee Children's Services.

Who do you think cares more about the health and well-being of our children—the tobacco companies or these nonprofit, independent groups asking you to

Vote NO on Proposition 28?

The tobacco companies have millions of dollars on the line—since Proposition 10's passage, tobacco sales in the state have been cut by 30 percent. That is why the tobacco companies will try every trick in the book to get you to vote for Prop 28. They'll try to scare you. They'll try to change the subject. Some will even spend hundreds of millions of dollars on "image" ads to convince you that they care about the health and welfare of your community.

You know better.

Say NO to the tobacco companies.

VOTE NO on PROPOSITION 28.

PAUL MURATA, M.D.

President, American Cancer Society, California Division

WILLIAM D. NOVELLI

President, Campaign for Tobacco-Free Kids

KAY McVAY, R.N.

President, California Nurses Association

Rebuttal to Argument Against Proposition 28

None of the money collected under Prop 10 has been spent. To say Prop 28 "slashes" spending is deceitful. Prop 10 hasn't helped a single child. Will Prop 10 ever help a child? No!

Those who plan to receive the Prop 10 money are *shocked* that we want to derail this gravy train before it leaves the station.

Cigarettes Cheaper! started Prop 28 to stand up for our customers. Through Prop 28, we advance a basic American principle: *do good.*

Learn more at www.voteprop28.com or call us at 1-800-Cheaper!

Prop 10 has been a bonanza for Cigarettes Cheaper! because more customers came to us for a cheaper price. Prop 10 produces more than \$10,000 per week in extra profit for us. Financially, we may lose more from Prop 28 than some of the

grant-seeking associations who oppose it. Still, Prop 28 is *the right thing to do.*

What's best for children? It's too simple to decide that smoking is bad so taxes are good. *To repeal a fundamentally flawed program, to say parents must be responsible for raising their own children, to stop the seed money for a huge "government knows best" program, VOTE YES on Prop 28.*

Yes, this will lift a heavy tax burden from our customers. More important than that, please decide *what's best for children and taxpayers.* Prop 10 must be repealed before millions of dollars are wasted—and young lives are changed for the worse. Please study this carefully, then VOTE YES on Prop 28.

NED ROSCOE

President, Cigarettes Cheaper! stores



1998 Indian Gaming Compacts. Referendum Statute.

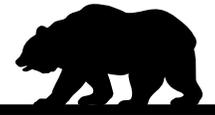
Official Title and Summary Prepared by the Attorney General

1998 INDIAN GAMING COMPACTS. REFERENDUM STATUTE.

- A “Yes” vote approves, a “No” vote rejects a law, previously passed by the Legislature and signed by the Governor, that would:
- Formally approve 11 tribal-state compacts that were concluded in 1998;
- Provide procedures for approving future compacts;
- Declare the Governor responsible for negotiation of compacts; and authorize Governor to waive state’s immunity to suit by tribes.

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

- If Proposition 1A (on this ballot) is approved, Proposition 29 would have no fiscal impact on state and local governments.
 - If Proposition 1A is not approved, Proposition 29 would result in unknown, but probably not significant fiscal impacts on state and local governments.
-



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 Class III activities. 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 ten other tribes. These 11 compacts were approved in legislation in August of 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 the March 2000 ballot (this proposition). Once qualified, the August 1998 legislation was put “on hold” until the vote on this proposition.
- **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) Proposition 1A (also on the March 2000 ballot) is approved by the voters and (2) the federal government approves the compacts.

PROPOSAL

If approved by the voters, this proposition would allow the Pala compacts approved by the Governor and the Legislature in 1998 to go into effect.

The Pala compact authorizes the operation of Indian “video lottery terminals” if they operate as lotteries, not slot machines. The compact contains a provision that if the terminals are found by the courts to be slot machines, then the compact is void. The Pala compact does not allow any other Class III games (such as twenty-one or craps).

These compacts, however, would *not* go into effect if the voters approve Proposition 1A on this ballot. This is because the newer compacts approved in September 1999 become effective if Proposition 1A is approved and the federal government approves the compacts. In this case, the September 1999 compacts replace all previously approved compacts—including the Pala compacts.

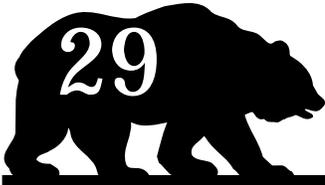
FISCAL EFFECT

The fiscal effect of this proposition depends on voter action on Proposition 1A on this ballot.

If Proposition 1A Is Approved by the Voters. In this case, the Pala compacts would be replaced by newer compacts, and this proposition would have no fiscal effect.

If Proposition 1A Is Not Approved by the Voters. In this case, under Proposition 29 the Pala compacts would become effective. Indian tribes could then operate the lottery-type gambling machines throughout the state. It is, however, difficult to estimate the fiscal effect of the Pala compacts on state and local governments. The actual effect would depend on such factors as (1) a court ruling on the legality of the lottery machines and, if legal, the number of these machines that would be operated throughout the state; and (2) whether Indian gambling as allowed under the Pala compacts diverted much spending from Nevada and other out-of-state sources. The fiscal impact is unknown, but it probably would not be significant.

For text of Proposition 29 see page 146



1998 Indian Gaming Compacts. Referendum Statute.

Argument in Favor of Proposition 29

Proposition 29 continues a well-reasoned agreement on Indian gambling. Like it or not, federal law required our State and California Indian Tribes to negotiate gambling Compacts.

It took 17 months of intensive negotiations to develop meaningful and fair guidelines for Indian gambling, as required by federal law.

The 1998 Compacts were passed by the Legislature, signed by many Tribes, widely approved by the press, and are workable agreements for both California and the Tribes. Everyone was pleased, except a few wealthy Tribes that were operating (and still operate) illegal casinos.

Some of these wealthy Tribes spent \$2.5 million in an effort to nullify the 1998 Compacts. Their ultimate goal is to bring Nevada-style casinos to California by defeating Proposition 29 (thus nullifying the 1998 Compacts) and then enacting Proposition 1A.

- The 1998 Compacts limit the total number of California slot machines to 19,900, less than half the 42,000 slot machines allowed under Proposition 1A. Without the protection of the 1998 Compacts, California will become a "Las Vegas-by-the-Sea."
- The 1998 Compacts ban banking games, such as blackjack. Proposition 1A allows these "banking and percentage card games," but only in Indian casinos.
- The 1998 Compacts do not allow patrons to gamble on credit in Indian casinos. Proposition 1A permits

gambling on credit.

- The 1998 Compacts clearly spell out local controls by citizens over casino locations, guarantees workers' rights, licensing procedures, background checks, etc. These are modest, enforceable controls that will benefit all of society, not just the casino owners. The 1998 Compacts are far superior to the provisions of Proposition 1A.
- The 1998 Compacts provide for a transitional period for the Tribes to enter into Economic Development Zones in order to become self-sufficient through legitimate, non-gambling businesses, with less reliance on gambling.
- The 1998 Compacts expire after a maximum transition period of 20 years. Without Proposition 29, the way is cleared for wide-open, full-fledged casino gambling in California. To continue the reasonable, workable and fair protections of the 1998 Compacts, vote YES on Proposition 29.

A YES vote on Proposition 29 represents safeguards for both California and the Tribes.

ART CRONEY

Executive Director, Committee on Moral Concerns

HARVEY N. CHINN

California Director, National Coalition Against Gambling Expansion

CHERYL A. SCHMIT

Co-Chair, Stand Up for California

Rebuttal to Argument in Favor of Proposition 29

The compact contained in Proposition 29 is no longer needed because the overwhelming majority of California Tribes have negotiated a subsequent agreement that addresses concerns such as worker safety, the impact on local communities, licensing and many other issues relating to fairness and the public's rights.

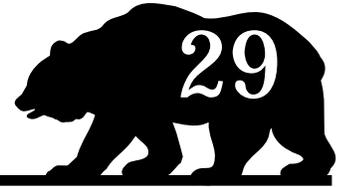
This subsequent agreement will supercede the compact contained in Proposition 29.

Please vote NO on Proposition 29.

RICHARD M. MILANOVICH

Tribal Chairman, Agua Caliente Band of Cahuilla Indians

1998 Indian Gaming Compacts. Referendum Statute.



Argument Against Proposition 29

California voters should vote NO on Proposition 29—the Indian gaming pacts that were forced on California Indian Tribes.

Fortunately, after voters overwhelmingly passed the Indian gaming initiative, Proposition 5, in November of 1998, the new Legislature and Governor sat down and negotiated new compacts with California Indian tribal leaders.

These new compacts are fair to the Indians and fair to the State. They are on your ballot as Proposition 1A, and almost every California Indian leader strongly supports this important measure. Proposition 1A will replace the unfair compacts that are included in Proposition 29.

California Indians will always be grateful for the people of this state for their overwhelming support in the last election. Despite the huge financial fight by Nevada casino interests, the people voted to give Indians the right to earn a living on their tribal lands.

It means that California Indians can maintain and improve their current gaming facilities. Proposition 29 would end that.

Indian gaming means that thousands of Indians and non-Indians can work in these businesses with good jobs. Proposition 29 would end that.

Indian gaming means that people will have the opportunity to support themselves and their families proudly, and not be dependent on welfare and taxpayer subsidized programs. Proposition 29 would end that.

Indian gaming means the taxpayers are off the hook for the financial costs of poverty that have plagued Native Americans since they were forced on to unproductive lands without any means of supporting themselves. Proposition 29 would end that.

Indian gaming will help all Californians. Already we are bringing some basic needs to many who are living in the most desolate Indian communities—basics like electricity and indoor plumbing, needed health care and pre-natal care for expectant mothers, hope and opportunity, instead of despair. Proposition 29 would end that.

Californians should be proud that they are allowing the ladder of opportunity to reach down for Native Americans too. They can now reach the American dream of providing for themselves and their families.

Indian gaming has created more than \$4 billion in economic activity and \$120 million in tax revenues for the California economy. It has provided the funds for new schools, medical clinics and roads. There is now money for scholarships for the outstanding students who can now dream and realize a quality college education. Proposition 29 would end that too.

Our heartfelt thanks go out to the millions of Californians who have stood with us against some of the biggest special interest groups around. We are on the verge of making life so much better for so many people.

But, we do need your help one more time. Please vote YES on Proposition 1A so we can have a fair compact between the Indian Tribal Governments and the State of California. And, please vote NO on Proposition 29—the compacts forced on the Indians through intimidation and threats. Thank you.

RICHARD M. MILANOVICH
*Tribal Chairman, Agua Caliente Band of Cahuilla
Indians*

Rebuttal to Argument Against Proposition 29

You can't please everyone. But federal law requires California to try.

Proposition 29 is the best possible compromise: It ratifies the 1998 Tribal-State Compacts. These compacts were carefully negotiated, willingly signed by 11 Tribes, signed by the Governor and ratified by the Legislature. They were not "forced" on anyone.

The 1998 Compacts give local control over the location of casinos. They grant local governments power to mitigate traffic, public safety and environmental problems. They ban gambling by 18-year-olds, prohibit gambling on credit and provide for State audits.

By way of contrast, Proposition 1A will PERMANENTLY open the floodgates to massive gambling in California by authorizing 107 Tribes to operate TWO casinos each. The Legislative Analyst states that Proposition 1A will permit up to 113,000 slot machines in Indian casinos. Additionally, dozens more "landless" tribes are seeking to buy land and build casinos.

The 1998 compacts will expire after 20 years. The compacts embody Economic Development Zones, which will provide

economic self-sufficiency while gradually reducing tribal dependence on gambling.

Proposition 29 strikes a good balance between Indian sovereignty and the public interests of all citizens. It's a reasonable, limited and fair approach to Indian gambling. It keeps faith with Proposition 5—self-sufficiency plus economic development for native Americans.

Proposition 29 will provide a better day for Indians, while protecting California from PERMANENTLY becoming another Las Vegas.

Proposition 29 serves the best interests of ALL Californians.

To protect California's future:
Vote NO on Proposition 1A and
Vote YES on Proposition 29

HARVEY CHINN
*California Director, National Coalition Against
Gambling Expansion*

ART CRONEY
Executive Director, Committee On Moral Concerns

CHERYL SCHMIT
Co-Chair, Stand Up For California