

★ **ARGUMENT IN FAVOR OF PROPOSITION 16** ★

Vote YES on Proposition 16, the Taxpayers Right to Vote Act.

Proposition 16, the Taxpayers Right to Vote Act, does one simple thing: It requires voter approval before local governments can spend public money or incur public debt to get into the electricity business. And like most local special tax and bond decisions in California, two-thirds voter approval will be required.

In tough economic times like these, local voters have every right to have the final say on an issue as important as who provides them with local electric service, and how much it will cost.

Two-thirds voter approval is our best protection against costly and risky government schemes to take over local electric service.

Several local governments in California are trying to take over private electric businesses—often using eminent domain—and are refusing to let local voters have the final say in the decision, because state law doesn't require it. This measure establishes clear voter approval requirements before local governments can spend public money or incur public debt to go into the local electricity business.

These days, with government spending out of control and mounting government debt—the best financial safeguard for taxpayers is to give voters the final say in these decisions.

Supporters of Proposition 16, the Taxpayers Right to Vote Act, including the California Taxpayers' Association, the California Chamber of Commerce and Pacific Gas and Electric Company, believe that the voters should decide. It is our electric service, our public money and, in the end, it is everyone's problem if a government-run electricity business fails. We, the voters, deserve the right to have the final say about how our money is spent.

Vote YES on Proposition 16, the Taxpayers Right to Vote Act.

[www.taxpayersrighttovote.com](http://www.taxpayersrighttovote.com)

**TERESA CASAZZA**, President  
California Taxpayers' Association  
**ALLAN ZAREMBERG**, President  
California Chamber of Commerce

★ **REBUTTAL TO ARGUMENT IN FAVOR OF PROPOSITION 16** ★

Vote No on Proposition 16 to stop the worst case yet of a big special interest—this time it's PG&E, the giant, for-profit private utility—misusing the initiative process.

Don't let PG&E fool you. Proposition 16 doesn't touch your taxes one way or the other. It's all about PG&E maintaining its monopoly and eliminating its competition. That could mean higher electric bills and poorer service for all Californians—regardless of where you live.

PG&E is making up a threat that doesn't exist to distract you. What's really bothering PG&E is many communities are now choosing to purchase renewable energy at wholesale prices. We believe that residents should be allowed to have the choice of buying electricity at lower cost without requiring a 2/3 supermajority vote. But that choice is what PG&E designed Proposition 16 to stop.

So when you see TV ads for Proposition 16, remember that most of the money for each one came from people's utility bills. The Utility Reform Network says, "It's just wrong for

PG&E to take money from families, and then spend it on a political campaign to benefit itself." Especially considering that PG&E recently paid big bonuses to its executives after going bankrupt—just like Wall Street.

The League of Women Voters of California urges you to Vote NO, joining AARP, every newspaper that's reviewed it, and groups representing California's consumers, taxpayers, environmentalists and farmers. Vote NO to give local, nonprofit utilities the chance to compete for your service—with low-cost, renewable energy.

**MICHAEL BOCCADORO**, Executive Director  
Agricultural Energy Consumers Association  
**LENNY GOLDBERG**, Executive Director  
California Tax Reform Association  
**JANIS R. HIROHAMA**, President  
League of Women Voters of California

★ **ARGUMENT AGAINST PROPOSITION 16** ★

Proposition 16 does two things:  
First, it drastically limits your choices on who provides you with electricity.  
Second, it makes it easier for the for-profit utilities in California to raise your electricity rates.  
It's cleverly written, because the backers of Proposition 16 want to fool the voters. They say this measure is about protecting taxpayers. But what it really protects is the monopoly enjoyed by a giant, for-profit electric utility.  
You should be allowed to have more choices in who provides your electricity, if those choices would give you lower cost and better service. Vote No on Proposition 16.  
Most people would agree that if a local nonprofit organization wants to buy green power at wholesale rates, and sell it to communities at an affordable cost, it should be allowed to do so. But Proposition 16 makes it just about impossible.  
Severely limiting your choice in the source of your electricity. No lower cost green energy. Fewer choices and higher costs. That's what Proposition 16 does to you.  
Who's the *sole* sponsor of Proposition 16?  
PG&E, the largest for-profit utility in the state. When this argument was written, PG&E had contributed \$6.5 million to the "yes" campaign and signaled they're prepared to spend tens of millions more. PG&E was the *only* contributor to put this proposition on the ballot.

Why? Again, PG&E wants to protect its monopoly. Proposition 16 isn't about protecting taxpayers—it's about protecting PG&E's for-profit monopoly on electricity.  
Just read the ballot title and summary, and you'll see.  
As the Fresno Bee put it, "The PG&E ballot measure (Proposition 16) is another example of the initiative process going awry in California, of a powerful special interest seizing the initiative process for its own narrow benefit."

AARP urges No on Proposition 16 because by restricting competition, Proposition 16 could mean higher electricity costs for you. A No vote protects you against the potential for crippling rate hikes.  
In fact, PG&E and other for-profit utilities already charge higher rates than municipal, nonprofit utilities. And now they want to increase rates another \$5 billion.  
The Consumer Federation of California says VOTE NO because like Wall Street, PG&E paid huge bonuses to its executives, even after it went bankrupt and ratepayers bailed it out. Now PG&E wants to lock-in its monopoly once and for all—so smaller, local nonprofit utilities are not allowed to compete.  
Sierra Club says VOTE NO because Proposition 16 requires a 2/3 supermajority vote before communities can purchase clean power and other power at competitive prices. These community choice programs are voluntary and do not raise taxes.  
Proposition 16 "is a dagger aimed directly at a movement to enable municipalities to offer renewable green power to their residents in competition with private utilities," said Michael Hiltzik, a columnist for the Los Angeles Times.  
Say NO to another wasteful initiative that says one thing but really does something very different. Vote No on Proposition 16 to keep money in your pocket and to protect your utility choices.

**JEANNINE ENGLISH**, California State President  
AARP  
**ANDY KATZ**, Chair  
Sierra Club California  
**RICHARD HOLOBER**, Executive Director  
Consumer Federation of California

★ **REBUTTAL TO ARGUMENT AGAINST PROPOSITION 16** ★

Why are the opponents of Proposition 16 afraid to give taxpayers the right to vote? Voting gives you the ultimate choice on how government spends your money. Opponents of Proposition 16 want to deny you that right.  
Opponents of Proposition 16 are not telling the truth. Let's be clear:  
• Proposition 16 does NOT affect electric rates.  
• Proposition 16 does NOT threaten green power.  
Yes on Proposition 16 simply gives taxpayers the right to vote before local governments spend your money or go deeper into debt to get into the retail electricity business.  
The last time government thought they knew more about the electricity business than the electric utility companies,

we had the 2001 energy crisis. Rates skyrocketed and we had rolling blackouts. The cost to consumers was devastating and it created chaos throughout California.  
Yes on Proposition 16. Voter approval is everyone's best protection against costly and risky local government schemes to get into the retail electricity business.  
[www.taxpayersrighttovote.com](http://www.taxpayersrighttovote.com)  
**TERESA CASAZZA**, President  
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