

★ ARGUMENT IN FAVOR OF PROPOSITION 4 ★

There are eight California not-for-profit Children's Hospitals and five more University of California Children's Hospitals. *Over two million times each year, seriously ill children receive highly specialized care in a California Children's Hospital. No matter what a family can pay.* Children with complex medical conditions and life threatening diseases. Cancer. Sickle Cell. Cystic Fibrosis.

We perform 97% of all pediatric organ transplants, 96% of all pediatric heart surgeries, and 76% of all pediatric cancer treatments.

With each new research breakthrough, new life-saving technology, the finest pediatric specialists, cures happen every single day at California's Children's Hospitals. Today, 85% of children with leukemia leave our hospitals cured.

As premier pediatric research centers, we are making breakthroughs that keep every California child healthy without ever needing to walk through our doors.

Because of our success, the demand on us grows. *We've become regional hubs, with children now referred to us from many other hospitals in California.*

Proposition 4 asks voters to consider investing less than \$40 per year for each patient we see . . . money to help us build more capacity to cure more California children.

14 years ago, Californians supported our first bond. We have honored that trust ever since. Every dollar has been spent on building new facilities, modernizing older ones, adding more beds and purchasing the best and most advanced medical technology . . . curing more children. The State Treasurer's Office administers all state bond funds, but testified to the Senate and Assembly Health Committees that "this program in particular has been very successful."

We take great professional pride in what we do. As human beings we are privileged to witness the innocent strength in children, the love in their families, the resolve in our staffs, the generosity of our benefactors, and the triumph of the human spirit.

We invite you to join the millions of California voters who have supported Children's Hospitals. We can all vote Yes on Proposition 4—Building to Cure More Children.

JAMES STEIN, M.D., Pediatric Surgeon

MARIA MINON, M.D., Chief Medical Officer

ROBERTO GUGIG, M.D., Pediatric Gastroenterologist

★ REBUTTAL TO ARGUMENT IN FAVOR OF PROPOSITION 4 ★

Over many decades, I have submitted arguments against ballot measures to ensure that voters receive some counter-considerations.

THE UNFAIR PROPERTY TAX SYSTEM

One objection to any measure proposing an increase in property taxes is that the property tax system in California is unfair (as explained in the primary argument).

CHANGING THE SYSTEM TO MAKE IT MORE FAIR

Our property tax system could be changed, for example, to periodically reassess all real property but automatically lower the tax rate so that overall tax revenue does not increase just because real estate values go up.

Of course, one difficulty in making any change is that different persons and businesses have different VESTED INTERESTS in maintaining the status quo.

LOOKING MORE BROADLY AT IMPROVING HEALTH CARE

As to this particular measure (borrowing money to further subsidize children hospitals), I suggest we first look at improving the entire health care system.

While there are many outstanding professionals providing health care in America (and California), the USA spends the most but is far from the top of international rankings in health care outcomes. In addition, millions of Californians do not even have basic health care coverage.

ASKING THE CANDIDATES FOR STATE OFFICES

Perhaps the candidates for state office in November—including for Governor—have some ideas for improving health care in California.

Let's ask.

GARY WESLEY

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This is another general obligation bond measure. It asks voters' permission for the State of California to borrow more money by selling "bonds" that would need to be repaid with interest (*potentially through higher property taxes*) usually over many decades.

I say "*potentially*" because sometimes bond proceeds are used for financing but repaid by program recipients—such as homeowners under the former Cal-Vet home-farm loan program.

Bond measures present several questions:

1. How far in debt is the government already?
2. What is the expected total cost of the measure to the public?
3. Are the proposed uses for the money specified?
4. Are the proposed uses justified—given other things that may be needed or desired?
5. Should voters continue to finance projects through higher property taxes when California's property tax system is so unfair?

CALIFORNIA'S PROPERTY TAX SYSTEM IS UNFAIR

In 1978, California voters approved a voter initiative then-known as Proposition 13. The

initiative added provisions to the California Constitution that prevented the "*re-assessment*" of real property unless and until the property changes hands or is substantially rebuilt.

Proposition 13 has protected real property owners from steep tax increases based on higher property values; however, it has also created a system in which new homeowners pay 10–20 times more than their neighbors whose property has like value but was obtained long ago.

In addition, because business property can be and is often leased (instead of sold), Proposition 13 has led to a massive shift of the overall property tax burden from businesses to homeowners.

The proponents of a ballot measure should bear the burden of explaining why it is worthy of support—given the full cost, available alternatives and other needs and wants.

In this case, the proponents should use their REBUTTAL to answer questions 1–5 above.

GARY WESLEY

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Proposition 4 helps over 2 million sick children every year. It has nothing to do with property taxes or Proposition 13. We asked the experts and here's what they said:

Joe Harn, El Dorado County Auditor-Controller states,

"Not one dollar for Proposition 4 will come from property taxes. Not one dollar for any previous children's hospital bond has come from property taxes. Every State Treasurer, State Controller, County Assessor, or Tax Collector (in either political party) will testify to that fact. I am recognized as one of California's most

conservative and tight-fisted County Auditor-Controllers. You can protect Proposition 13 and vote Yes on Proposition 4."

Jon Coupal, President of the Howard Jarvis Taxpayers Association says,

"Proposition 13 has protected homeowners for over 40 years. This measure does NOT threaten the protections afforded California homeowners by Proposition 13 at all."

Please Vote Yes on Proposition 4.

ANN-LOUISE KUHNS, President
California Children's Hospital Association