



California Council of Churches **IMPACT**

SUMMARY

- Proposition 68: YES
- Proposition 69: YES
- Proposition 70: NO
- Proposition 71: YES
- Proposition 72: YES

State Ballot Proposition Recommendations *for the June 5, 2018 Election*

In every statewide election, California Council of Churches IMPACT makes recommendations for the state ballot propositions. We base them on our faith principles and arrive at them through prayerful discernment and careful study. While propositions of a general nature have all been moved to the November General Election ballots, those emanating from the legislature may be on the Primary ballot. We have five measures that have been cleared for this upcoming election in June. More information is available at voterguide.sos.ca.gov/propositions.

Proposition 68 Parks, Environment, and Water Bond.

Recommendation:.....**SUPPORT**

This Proposition would raise \$4 Billion in revenue. It would include money for state and local parks, environmental protection and restoration projects, water infrastructure projects, and flood protection projects. Assuming a 3.5% interest rate over the 30-year life of the bond, its actual cost to the state from repayment via general revenues will be \$6.53 billion. At a time when the state has a \$19 billion surplus from which the projected debt service can be less than 5%, the state now has the capacity to fund this measure without doing harm to the remainder of the General Fund needs.

One of the best aspects of the targeted spending of bond revenues is the dedication of 15-20% of the funds, depending on type of project, to low and ultra-low-income communities. In particular, the single largest category of funding, parks, would be focused on “park poor neighborhoods”. This is a highly complex proposition but very well thought out on the ways in which its various target projects – parks, water conservation, etc. – are to be disseminated. A large focus in all aspects is recruiting small- and especially minority-owned businesses to bid on state infrastructure upgrades and improvements.

The measure would also reallocate \$100 million in unspent revenues from previous unissued bonds approved via Prop. 1 (2014), Prop. 84 (2006), and Prop. 40 (2002). That is good fiscal stewardship rather than letting such funds languish while raising new revenues. The funding formulas are thoughtfully made, vast in number (it is 48 pages long) but achieve geographic, demographic, and issue diversity in sensible and clear ways.

The opposition is minimal and comes from the Jarvis Tax group that dismissed this as ‘raising debt to fill potholes’ that is not remotely the subject of this bond funding at all. It’s to create new and large projects on water conservation and management, climate conservancies, as well as open space areas for those without it, making parks accessible, affordable, and available to every member of California’s society.

NONE of this money may be used to construct the highly-controversial tunnels proposed for water delivery from northern California through the Delta area.

It does protect water resources, the environment, and enriches low income communities with thoughtful funding choices.

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Proposition 69 Transportation Taxes and Fees Lockbox and Appropriations Limit Exemption Amendment

Recommendation:**SUPPORT**

This arose from last year's SB 1 that raised the gasoline tax by \$.12 per gallon and diesel fuel tax by \$.20. It also will impose a \$25-\$100 additional vehicle fee based on valuation, and a \$100 zero-emission fee. This compilation is the Transportation Improvement Fee (TIF). This TIF will lie outside the General Fund and operate in a focused manner to create transportation improvement projects for maintenance, bridge repair, local planning grants, and many other capital improvement projects all of which will include job training as components.

Prop. 69 directs diesel and TIF fees to a "lockbox" that reserves the revenue for transportation improvements alone, prohibits its use to retire bond debt interest or principle from any previous transportation bonds. It also exempts the revenues raised from being affected by the Gann Limit that prohibits spending over a complex calculation each year. Revenues from the gas tax will be directed 100% to the Road Maintenance and Rehabilitation Account.

While Prop 69 does require revenues from zero emission vehicles as part of the TIF, the language of the proposition actually does not constitutionally mandate this.

SB 1 was actually bi-partisan with one Republican Assembly Member and one Senator with one Democrat dissenting. However, there will be several initiatives (one has already failed) to repeal SB 1 and any Propositions upholding SB 1.

Proposition 70 Vote Requirement to Use Cap-and-Trade Revenue Amendment

Recommendation:**OPPOSE**

California's "cap-and-trade" greenhouse gas reduction law generates revenue for the state of California. By law (CA Global Warming Solutions Act of 2006, Division 25.5 commencing with Section 38500) the revenue is divided into two portions – 60% continuously appropriated funds for transportation, transit, land use, housing, and agricultural projects, and 40% for special projects subject to the legislative appropriations cycles. The 60% is designed to promote climate solutions that reduce emissions while tackling other concerns of growth and expansion.

Under this proposition, starting in 2024 the entire amount, both portions, would be appropriated by the Legislature on a 2/3 vote only.

This is a restriction placed upon the funds by the Proposition's supporters who oppose Cap and Trade or any global warming solutions. Coalition for Clean Air noted this would likely place gridlock on all climate investments. Moreover, it would be the only appropriation of annually recurring distribution targets that would demand a 2/3 vote to allocate. CCA agrees fund allocations should be reviewed annually, but the 2/3 vote hands undue power to polluters whose representatives can stop appropriations more easily even as the minority vote.

Proposition 71 Effective Date of Ballot Measures Amendment

Recommendation:**SUPPORT**

Current law mandates that the effective implementation of any law passed by voters is the day following the election date unless otherwise specified in the proposition itself. The problem that arises is the increasing use of vote-by-mail ballots that take longer to count. Such hand counting of large numbers of ballots could alter outcomes. Therefore, this proposition states that any changed law authorized by a proposition will come into effect on the fifth day after the Secretary of State certifies an election. By 2018 legislation, the Secretary was required to certify election results no later than the 38th day after an election with any new proposition-driven law coming into effect five days after that. If the election is certified earlier, it is five days after any certification date.

Given the changes in voter actions, 51% are now enrolled to vote by mail, this is a sensible response to those changes. Putting a legal change into effect when the election outcome cannot be certified is a recipe for chaos and difficulty that outweighs the possible delay.

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Proposition 72 Rainwater Capture Systems Excluded from Property Tax Assessments Amendment

Recommendation:.....SUPPORT

This amendment would exclude rainwater capture systems, some of them quite large in volume, from being considered new construction and therefore added value for the purposes of taxation.

Given the apparent persistence of drought, such systems, particularly in badly affected drought areas, rainwater capture systems would save otherwise wasted water for non-human uses and would save precious treated water needed for drinking and other essential human uses.

For small farms, even households with gardens, they would be of enormous environmental and resource benefit, not to mention fire safety. (Note – some systems are quite large and may be a source of homeowner dispute as “eyesores”, but that is not the scope of this tax evaluation amendment.)

The Last Day to Register to Vote is May 21

Registering to vote is easier than ever with the online form at registertovote.ca.gov. Registration forms are also available at most post offices, libraries, city and county government offices, and the California Secretary of State’s office.

We encourage members and friends to distribute these ballot guides from now until the election. We thank you for your interest in encouraging active deliberation on these and all issues that affect our democratic process and our moral perspectives as people of faith. If you find these recommendations helpful, please help defray the cost with a contribution to California Council of Churches IMPACT. You can also help us by making sure we have your email address! Because of the cost of postage, we must cut costs by sending our mailings electronically. Please sign up by clicking the “Join Our Mailing List” button on our website.

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