

# UNITED REPUBLICANS OF CALIFORNIA (UROC)

## BALLOT RECOMMENDATIONS

General Election - May 19, 2009

UROC thanks the Republican Party of Sonoma County for its excellent research on the May 19<sup>th</sup> Propositions.

The measures are set up as a "family"- all measure **1** BUT with alphabetical sub-designations to divide distinct items as Propositions 1-A through 1-F. This listing tends to produce confusion among the voters on the various parts of the "family" of propositions, making it more difficult for voters to remember which to favor and which to oppose on a divided ballot. It is a way of getting voters to vote on the "package" without looking carefully at the contents. Unfortunately, some will fall for this calculated ruse. The Sonoma County Republican Party thinks the voters are due more than disrespectful ruses from their government. We have looked carefully at each proposition and have come to a common conclusion: it is not just the ballot numbering that is a ruse.

In this election, California voters are facing a barrage of unparalleled falsehoods and misrepresentations. Proponents of these bogus measures called for a May vote hoping for a low voter-turnout. Do not be bamboozled! We hope you will vote as we suggest, but at all hazards: VOTE in this election!

NO	<p><b>Prop. 1-A: THE "RAINY DAY" BUDGET STABILIZATION FUND</b> If politicians could be prosecuted for deceptive advertising this little item would land a bunch of Sacramento hacks in jail! According to the Secretary of State's Ballot Label for this proposition, the measure would "limit future deficits by increasing the State's 'rainy day' fund," but it would also exact "higher state tax revenues of roughly \$16 billion." Yes, Proposition 1-A is nothing less than the authorization of a massive tax increase to deposit in a state "reserve;" but these additional reserve funds are intended to be spent when state revenues drop below the amount "needed" to fund the government. Those who decide how many dollars are "needed" to fund the government also decide when to spend the reserve. In the end, the State "Rainy Day" reserve is nothing more than another pot of money to feed the big government monster.</p>
NO	<p><b>Prop. 1-B: EDUCATION FUNDING. PAYMENT PLAN.</b> A "save now - pay later" scheme. The Secretary of State says, "Potential state savings of up to several billion dollars in 2009-10 and 2010-11. Potential state costs of billions of dollars annually thereafter." Temporary cuts to education made now will be added back to the education budget later and taxpayers will receive the bill for the "repayment."</p>
NO	<p><b>Prop. 1-C: LOTTERY MODERNIZATION ACT.</b> A shell-game gamble. If "modernizing" means increasing the public debt by writing IOU's in the name of California taxpayers to the California State Lottery, then this could rightfully be considered as a contribution to progress. The State is having problems selling its unsustainable-debt instruments to investors, so why not just strong-arm some more credit from one of its own <b>public-private partnerships?</b></p>
NO	<p><b>Prop. 1-D: CHILDRENS'S SERVICE FUNDING.</b> A bait and switch sham. The California Legislature imposed a tax on cigarettes a few years back on the pretense that the new tax would yield money for early childhood programs. Now, here is that same Legislature in your face telling you that it wants to move that money around in whatever way it sees fit. Make a promise. Find an excuse. Break the promise. See a pattern here?</p>
NO	<p><b>Prop. 1-E: MENTAL HEALTH FUNDING. TEMPORARY RE-ALLOCATION.</b> A hand-is-quicker-than-the-eye scam. Californians voted in 2004 to provide funds for specific mental health services. It was called Proposition 63. Now comes the Legislature to undo the work of Proposition 63 by getting what they hope is a forgetful public to take money from that purpose and give it over to another purpose. So much for public earmarks! You may get your wish today but, ultimately, all forms of revenue will go to the general fund where politicians can use it to meet their own agendas. Don't fall for this undermining of the California initiative process.</p>
NO	<p><b>Prop. 1-F: ELECTED OFFICIALS' SALARIES. PREVENTS PAY INCREASES DURING BUDGET DEFICIT YEARS.</b> A sly bit of chicanery. The measure only empowers the Director of Finance to prevent the Citizens Compensation Commission from recommending an increase when a deficit year is declared. Of course, the politicians can still pass their own increases; but even if they don't, it would be a small loss compared to the big money showered on their campaigns by the unions and other special interests. Why punish our own people for having the courage to represent us?</p>

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**Prop. 1A: We've Heard These Promises Before**

March 23, 2009 By Jon Coupal

All right, Sherman, let's set the Wayback Machine for February 16, 2004. Listen, we can hear Governor Arnold Schwarzenegger saying, "By voting yes on Proposition 58, you are basically taking the credit cards, cutting them up and throwing them away so that the politicians over there (at the Capitol), those big spenders will never ever get the state into this kind of trouble again."

While Mr. Peabody's Wayback Machine may be a fantasy recognizable to fans of the Rocky and Bullwinkle show, the words of the governor were actually spoken. Californians listened, approved Proposition 58 and, based on these promises, assumed that the problem was solved.

Now let's return to the present and listen to what Schwarzenegger is saying now that the state ran up a \$50 billion deficit on his watch. "But a 'yes' vote [on Proposition 1-A] limits the booms and busts of the past ... A 'yes' vote puts our great state back on the path to prosperity," he told the San Francisco Commonwealth Club.

An old Chinese proverb says, "Fool me once, shame on you. Fool me twice, shame on me." Five years ago, many taxpayers were fooled by the governor's rhetoric about "budget reform" and "blowing up boxes." We bought his argument that Proposition 58 would change the way Sacramento operated. After all, the governor guaranteed that Proposition 58 would set up a solid reserve which would prevent Sacramento politicians from spending more money than they had. Voters believed him when Schwarzenegger stood shoulder to shoulder with then-Controller Steve Westly and promised bi-partisan budget-reform. Voters were lured into agreeing to \$15 billion worth of bonds to paper over a then-\$20 billion deficit, based on Schwarzenegger's promise that Proposition 58 would keep this from ever happening again.

Five years later, however, California's financial house is even closer to collapse. After addressing a \$42 billion deficit with actual tax increases and mostly-phantom cuts in spending last month, we are already another \$8 billion in the hole - a figure that could easily double in two months.

The governor's solution? Another sales job. Believing voters have a short memory, Schwarzenegger is promoting a new panacea for our budget woes. This time it is Proposition 1-A. The Promoter-in-Chief is hawkking Proposition -A as budget reform that will cap spending and set up a rainy day fund for fiscal emergencies -- emergencies which seem perpetual in our state.

The first problem is that the spending cap, like the Wayback Machine, is a fantasy. Under Proposition 1-A, spending is allowed to increase with revenues, **including every tax increase**. Secondly, money that should go to the rainy day fund, **can be suspended at any time by the governor through executive order**. Finally, the only thing that Proposition 1-A guarantees is that the record high tax increases just imposed by the governor and the legislature, and that are scheduled to sunset in two years, will be extended for two additional years - costing state taxpayers another \$16 billion.

So five years after promoting the illusion of budget reform in return for an actual \$15 billion bond, Schwarzenegger is back, like a bad infomercial, promising phony budget-reform in return for \$16 billion in higher taxes. **Except he is not mentioning the taxes.**

Once again, the burden of sorting out the truth will fall to voters. If we allow ourselves to be fooled again, we'll have no one to blame but ourselves. If Proposition 1-A passes, the shame this time will be on all of us.

**NOTE:** The California Teachers Association has proposed a measure to amend the California Constitution, making the "temporary" 1% tax increase, which debuted on April 1<sup>st</sup>, a permanent statute. The measure also specifies that revenue from this tax would be exempt from "budget and spending regulations" spelled out in the current California Constitution. The Attorney General and Secretary of State have approved this measure for circulation as an official petition.