Press Date: September 10, 2010

The League of Women Voters of California Education Fund (LWVCEF), a 501(c)(3) nonpartisan organization, encourages informed and active participation in government and works to increase understanding of major public policy issues. The LWVCEF does not support or oppose candidates, political parties, or ballot measures.

The *Pros & Cons* is a nonpartisan explanation of state propositions, with supporting and opposing arguments. The arguments come from many sources and are not limited to those presented in the *Official Voter Information Guide*. The LWVCEF does not judge the merits of the arguments or guarantee their validity.

The LWVCEF grants permission for the *Pros & Cons* to be reproduced. This publication is available online at www.CAvotes.org.

League of Women Voters® of California Education Fund
1107 9th Street, Suite 300
Sacramento CA 95814
916.442.7215 ★ 888.870.VOTE





Statewide General Election ★ November 2, 2010

California voters will face many decisions this election, including:

- choosing a new Governor to lead the state
- filling seven other state executive offices
- electing one of two U.S. Senators to represent our state in Washington
- picking state and federal legislative representatives
- deciding whether to confirm two Justices and a new Chief Justice for the California Supreme Court

California voters will also be deciding about nine state propositions that are explained in this *Pros & Cons*. All nine propositions are initiatives that were placed on the ballot by supporters who gathered voter signatures, and seek to make changes in state laws or the California Constitution.

Visit **SmartVoter.org**[®] to see everything on your ballot, find your polling place, and get unbiased information on all your voting choices.

How to Evaluate Ballot Propositions

- ★ Examine what the measure seeks to accomplish. Do you agree with those goals? Is the measure consistent with your ideas about government? Do you think the proposed changes will make things better?
- ★ Who are the real sponsors and opponents of the measure? Check where the money is coming from on the Secretary of State's Cal-Access campaign finance website: cal-access.sos.ca.gov/campaign/measures
- ★ Is the measure written well? Will it create conflicts in law that may require court resolution or interpretation? Is it "good government," or will it cause more problems than it will resolve?
- ★ Does the measure create its own revenue source? Does it earmark, restrict or obligate government revenues? If so, weigh the benefit of securing funding for this measure against the cost of reducing overall flexibility in the budget.
- ★ Does the measure mandate a government program or service without addressing how it will be funded?
- ★ Does the measure deal with one issue that can be easily decided by a YES or NO vote? Or, is it a complex issue that should be thoroughly examined in the legislative arena?
- ★ If the measure amends the Constitution, consider whether it really belongs in the Constitution. Would a statute accomplish the same purpose? All constitutional amendments require voter approval: what we put into the Constitution would have to come back to the ballot to be changed.
- ★ Be wary of distortion tactics and commercials that rely on image but tell nothing of substance about the measure. Beware of half truths.

Legalization, Regulation and Taxation of Marijuana

THE QUESTION: Should California legalize the possession and cultivation of marijuana for personal use of adults 21 years and older, and allow state and local governments to regulate and tax related commercial activities?

THE SITUATION

Federal laws classify marijuana as an illegal substance and provide criminal penalties for various activities relating to its use. The possession, cultivation, or distribution of marijuana generally is also illegal under California state law. Penalties for marijuana-related activities vary depending on the offense. For example, possession of less than one ounce of marijuana is a misdemeanor punishable by a fine, while selling marijuana is a felony and may result in a prison sentence.

In November 1996, voters approved Proposition 215, which legalized the cultivation and possession of marijuana in California for medical purposes. The U.S. Supreme Court subsequently ruled that federal authorities could continue to prosecute California patients and providers engaged in the cultivation and use of marijuana for medical purposes. Despite having this authority, the U.S. Department of Justice announced in March 2009 that the current administration would not prosecute marijuana patients and providers whose actions are consistent with state medical marijuana laws.

THE PROPOSAL

This proposition would change state law to (1) legalize the possession and cultivation of limited amounts of marijuana for personal use by individuals age 21 or older, and (2) authorize various commercial marijuana-related activities under certain conditions. Local governments would be empowered to regulate aspects of the production, transportation and sale of marijuana, and the state or local governments could impose marijuana-related fees and taxes. It would be illegal to use marijuana in public (except in regulated stores), while driving, or when minors are present. It is not clear whether the Federal government would extend its abstention from prosecution to activities related to the non-medical use of marijuana.

MONDAY, OCTOBER 18
Last day to register to vote

TUESDAY, OCTOBER 26
Last day to request a vote-by-mail ballot

TUESDAY, NOVEMBER 2 Polls are open 7 a.m. to 8 p.m.

FISCAL EFFECTS

Both the enforcement decisions of the federal government and whether the state and local governments choose to regulate and tax marijuana would affect the impact of this proposition. Depending on federal, state, and local government actions, the proposition could yield potential increased tax and fee revenues in the hundreds of millions of dollars annually and potential correctional savings of several tens of millions of dollars annually. However, the revenue and expenditure impacts of this proposition are subject to significant uncertainty.

SUPPORTERS SAY

- ★ California wastes millions of dollars a year arresting and imprisoning non-violent citizens for marijuana-related offenses.
- ★ Marijuana has fewer harmful effects than alcohol or cigarettes, which are legal for adult consumption. Marijuana is not addictive, has no long-term toxic effects on the body, and does not cause its consumers to become violent.
- ★ Legalizing marijuana would generate new direct tax revenue, reduce government expenditures and expand California's economy with new jobs.

OPPONENTS SAY

- ★ The proposition is a jumbled legal nightmare that will make our highways, workplaces and communities less safe.
- ★ Legalization will result in additional substance abuse, and the long-term public costs associated with that could vastly exceed the amount of new revenue legalized marijuana might bring in.
- ★ Prop 19 is misleading as written. It would not establish a regulatory framework, as it leaves such responsibility to individual cities and counties.

FOR MORE INFORMATION

Supporters: Yes on Proposition 19 • www.taxcannabis.org **Opponents:** No on Proposition 19−Public Safety First

www.noonproposition19.com

Redistricting of Congressional Districts

THE QUESTION: Should the state Constitution be amended to have the Citizens Redistricting Commission redistrict for the U.S. House of Representatives, to change existing redistricting criteria, and to reduce the redistricting timeline?

THE SITUATION

California's population continues to increase and be very mobile. Accordingly, every ten years, following the Federal census, the districts from which we elect our representatives must be adjusted to make the districts roughly equal in population. This process is known as "redistricting."

In November 2008, voters passed Proposition 11, which created the Citizens Redistricting Commission and transferred the responsibility for redistricting for the state Legislature and the Board of Equalization from the state Legislature to the Commission. The Legislature continues to redistrict for the U.S. House of Representatives.

In addition to containing roughly equal populations, boundaries for these offices must meet certain criteria under federal and state law, including:

- Keeping cities, counties, neighborhoods, and communities of interest whole.
- Disregarding consideration of political parties, incumbents, or candidates (applicable to state offices but not congressional offices).

Both the Commission and the state Legislature must solicit public comment on the proposed redistricting plans they develop. The redistricting plans may also be subject to voter approval under the state's referendum process or be challenged before the state Supreme Court.

THE PROPOSAL

This proposition would amend the state Constitution to transfer redistricting for the U.S. House of Representatives from the state Legislature to the Commission. The Commission's adjustment of congressional districts would be subject to the same criteria as the other districts.

While the determination of what constitutes a "community of interest" in the above criteria is left entirely to the discretion of the Commission, Proposition 20 defines a community of interest as "a contiguous population which shares common social and economic interests that should be included within a single district for purposes of its effective and fair representation."

The Commission's workload would be increased by approximately one-third by adding Congressional redistricting, but the proposition would reduce the time available for the redistricting process from approximately five months to approximately four.

FISCAL EFFECTS

Having a single entity perform all redistricting activities might decrease redistricting expenditures. However, overall, there would probably be no significant change in such costs.

SUPPORTERS SAY

- ★ Prop 20 will create fair congressional districts, making our representatives more accountable.
- ★ Realizing they are accountable, our representatives will work to solve the state's serious problems.
- ★ Voters already created the Commission—it's common sense to have it draw congressional districts along with state districts.

OPPONENTS SAY

- ★ Prop 20 will needlessly waste taxpayer dollars by adding additional work to the Commission, an irresponsible bureaucracy.
- ★ Prop 20 does not guarantee fairness. The Commission is not accountable to the voters.
- ★ The definition of communities of interest could lead to some groups being spread among multiple districts.

FOR MORE INFORMATION

Supporters: Yes on 20, No on 27–Hold Politicians Accountable

www.yesprop20.org

Opponents: No on 20 • www.noonprop20.com

Conflicting Propositions

See also Proposition 27 on this ballot, which would eliminate the Redistricting Commission entirely, and return the entire redistricting process to the state Legislature. If both propositions are approved by the voters, the one with fewer votes would be eliminated.

Proposition 21 Initiative Statute

Annual Vehicle License Surcharge for State Parks

THE QUESTION: Should the state levy an additional annual \$18 vehicle license surcharge to provide funds to operate and maintain California's state parks and wildlife protection programs?

THE SITUATION

California manages and operates 278 designated state parks and beaches. About half of the funding to operate and maintain state parks and wildlife lands comes from the state General Fund, with the rest coming mostly from park user fees and the state gas tax. Most state parks charge fees for entry and parking ranging from between \$5.00 and \$15.00 per day, depending on the park and the time of year. There is a significant backlog of maintenance projects in state parks, which have no dedicated funding source.

THE PROPOSAL

A surcharge of \$18 would be added to the cost of annual vehicle registration, beginning in January, 2011. The surcharge would apply to all vehicles registered in the state, except for larger commercial vehicles, mobile homes, and permanent trailers. Vehicles subject to the surcharge would have free admission, parking and day use at all state parks. All funds generated by the \$18 fee would be deposited into a new State Parks and Wildlife Conservation Trust Fund, and used solely to operate, maintain, and repair state parks and for wildlife protection programs. There would be an annual independent audit of the fund and review by a citizen's oversight committee.

FISCAL EFFECTS

The \$18 surcharge would generate about \$500 million annually for the Trust Fund. However, a portion of these new revenues could be used to take the place of state General Fund monies now being spent on the parks. This could result in potential savings to the state of up to \$200 million annually and increased funding for parks and wildlife programs of at least \$250 million a year.

SUPPORTERS SAY

- ★ Our state parks, beaches and wildlife are in peril. State budget shortfalls have caused funding cuts and part-time closures, sacrificing public access and safety.
- ★ Prop 21 will ensure the funding needed to keep state parks open, properly maintained and safe.
- ★ Prop 21 contains tough fiscal and accountability safeguards to assure the funds are used solely for parks and preservation of natural areas and wildlife.
- ★ Prop 21 will free up more than \$130 million a year in the General Fund for other vital public services.

OPPONENTS SAY

- ★ Prop 21 is a ploy by Sacramento insiders to bring back the "Car Tax" to the tune of \$1 billion every two years.
- ★ Prop 21 will allow politicians to play cynical budget "shell games" that could leave our state parks dilapidated while diverting hundreds of millions of dollars into other government programs.
- ★ Sacramento needs real budget reform and solutions. This is just more "ballot box budgeting" that makes Sacramento dysfunctional.
- ★ Prop 21 is a "shell game" to convince voters that the parks will not be funded if we don't vote for this measure.

FOR MORE INFORMATION

Supporters: Yes on 21–Californians for State Parks & Wildlife

Conservation • www.yesforstateparks.com

Opponents: Californians Against Car Taxes-No on

Proposition 21 • www.voteno21.com

How are California's 17 million voters registered?

7.6 million • 44% Democratic

5.2 million • 31% Republican

3.4 million • 20% no party (Independent or "decline to state")

0.8 million • 5% qualified minor parties or other political groups

There are 6.5 million more Californians who could be voters if they registered.

Ask your family and friends to register and vote so they can have a say in California's future!

Prohibits the State from Borrowing or Taking Local Government Funds

THE QUESTION: Should the California Constitution be amended to prohibit the state, even during a severe fiscal hardship, from redirecting certain tax revenues dedicated to transportation or local governments?

THE SITUATION

Under the State Constitution, state and local government funding and responsibilities are interrelated. The two levels of government share revenues raised by some taxes and share costs for some programs, including health and social services. While the state does not receive any property tax revenues, it has authority over distributing these revenues among local agencies and schools.

State law allows cities and counties to form redevelopment agencies to make improvements to deteriorated urban areas. A redevelopment agency may use a portion of tax revenues collected from an improved area to repay debt it incurred on the project.

Over the years, the state has made decisions that have affected local government revenues and costs—sometimes benefitting the state fiscally, and sometimes benefitting local governments. During this period, voters have approved ballot measures that allow the state more authority to shift certain revenues, and, conversely, have approved ballot measures that changed the Constitution to restrict the state's authority to shift certain revenues.

THE PROPOSAL

This proposition would limit the state's authority to:

- Use state fuel tax revenues to pay debt service on transportation bonds.
- Borrow or change the distribution of state fuel tax revenues.
- Redirect redevelopment agency property taxes to any other local government.
- Temporarily shift property taxes from cities, counties, and special districts to schools.
- Use vehicle license fee (VLF) revenue to reimburse local governments for state mandated costs.

FISCAL EFFECTS

The proposition would shift some debt-service costs to the state General Fund and prohibit the General Fund from borrowing fuel tax revenues. The state would have about \$1 billion less available for General Fund programs in 2010-2011. The total annual fiscal effect from these changes is not possible to determine, but could range from about \$1 billion annually to several billion dollars in some years.

By contrast, state and local transportation programs, as well as local governments, would gain an amount equivalent to what the state no longer has available. Local governments would have more stable tax flows.

SUPPORTERS SAY

- ★ Prop 22 would stop state raids on local government and transportation funds.
- ★ This would stop the state from diverting fuel taxes voters dedicated to local road repairs and public transportation.
- ★ Prop 22 would not increase taxes.
- ★ Prop 22 would keep more local tax dollars where there's more accountability to voters.

OPPONENTS SAY

- ★ If Prop 22 passes, schools stand to lose funds immediately.
- ★ Prop 22 would reduce funding available for health care just as the safety net for children is collapsing.
- ★ Prop 22 would lock protection for redevelopment agencies into the state Constitution.
- ★ Prop 22 would limit the state's flexibility to deal with a budget crisis.

FOR MORE INFORMATION

Supporters: Yes on 22 • www.savelocalservices.com

Opponents: No on 22 • votenoprop22.com



FAST FACTS: State Taxes & Budget

Many of the propositions on this ballot impact the state budget. This 3-page handout lays out the basics on state revenue and spending. Download this and other FAST FACTS at www.easyvoter.org.

Suspension of AB 32 Air Pollution Control Law

THE QUESTION: Should the AB 32 air pollution control law be suspended until unemployment drops to 5.5 percent or less for a full year?

THE SITUATION

Assembly Bill 32 (AB 32): In 2006, the state enacted the California Global Warming Solutions Act of 2006 (AB 32). AB 32 established the target of reducing the state's emissions of greenhouse gases (GHGs) by 2020 to the 1990 level of emissions, resulting in an estimated 30 percent reduction in GHGs. California is the second largest emitter of GHGs in the United States. AB 32 requires the state Air Resources Board (ARB) to adopt rules and regulations to achieve this reduction and in developing these rules and regulations, to take advantage of opportunities to improve air quality, thereby creating public health benefits. In December 2008, the ARB released a "Scoping Plan" on how AB 32's GHG emission reduction target would be met. The Scoping Plan includes traditional regulatory measures such as energy efficiency standards for buildings and market-based measures such as a "cap-and-trade" program (a system that allows companies with GHG emissions that are higher than the cap to trade for an "emission allowance" from companies whose emissions are lower than the cap).

Unemployment: Since 1970, the state has had only three very short periods when the unemployment rate was at 5.5 percent or below for four consecutive quarters or more. For the first half of 2010, the unemployment rate was above 12 percent. Economic forecasts for the next five years have estimated that the state's unemployment rate will remain above 8 percent during that entire period.

THE PROPOSAL

Prop 23 would suspend the implementation of AB 32 until the unemployment rate in California is 5.5 percent or less for four consecutive quarters. During the suspension period, state agencies would be prohibited from adopting new regulations, or enforcing previously adopted regulations, to implement AB 32. Some laws regulating greenhouse gases and air pollution would remain in effect.

FISCAL EFFECTS

It appears likely that AB 32 would be suspended for many years. Suspension of AB 32 could result in a modest net increase in overall economic activity, resulting in an unknown but potentially significant net increase in state and local government revenues. There could be lower energy costs for state and local governments.

Conversely, there could be a potential loss of state revenues by precluding the state from collecting potentially billions of dollars in new payments from businesses. Suspension of AB 32 could halt air quality improvements that would have public health benefits, thus increasing costs to government and businesses for health care.

SUPPORTERS SAY

- ★ Prop 23 saves over a million jobs, while preserving California's clean air and waters.
- ★ Other states postponed their global warming laws to protect their economies; California should, too.
- ★ Prop 23 saves billions of dollars in higher energy taxes and costs.

OPPONENTS SAY

- Prop 23 was written by Texas oil companies to kill our clean energy and air pollution standards.
- ★ Prop 23 will kill hundreds of thousands of jobs in the clean energy industry.
- ★ Prop 23 will harm efforts to reduce our dependence on foreign oil.

FOR MORE INFORMATION

Supporters: Yes on 23 • www.yeson23.com

Opponents: No on 23–Californians to Stop the Dirty Energy

 ${\bf Proposition} \, \bullet \, \, {\bf www.StopDirtyEnergyProp.comt}$

Looking for more information on the propositions?

In-Depth Supplements SpeakerSource Easy Voter Guide available at www.CAvotes.org • click on link at bottom of Pros & Cons place for speakers to share information and tools • write tbrodkin@lwvc.org for the link concise proposition analysis for busy voters • available at www.easyvoter.org

Visit **SmartVoter.org**® for unbiased information about everything on your ballot.

Proposition 24 Initiative Statute

Repeals Legislation That Allows Businesses to Lower Their Tax Liability

THE QUESTION: Should recent tax law changes that allow some businesses to pay lower state income tax be repealed?

THE SITUATION

Income tax law changes were made during 2008 and 2009 as part of budget agreements by the Legislature and Governor. These changes allow some businesses to pay lower taxes, as follows:

- Multistate Businesses. Beginning in 2011, multistate businesses can choose between two options to determine the level of income that California can tax: 1) a "single-sales" factor that considers only sales in California, or 2) a "three-factor" formula based on sales, property, and payroll in California.
- Business Losses. Beginning in 2010, businesses with losses can get refunds of taxes paid on profits in the previous two years and can use losses to offset income in the future 20 years following a loss.
- **Tax Credit Sharing.** Beginning in 2010, corporations can share tax credits with affiliated corporations.

THE PROPOSAL

Proposition 24 would repeal tax law changes passed in 2008 and 2009, returning tax policies to the way they were prior to those changes:

- Taxes on multistate businesses would be based on the business' sales, property and payroll in California (the "three-factor" formula noted above).
- Business losses could not be used to get refunds of taxes previously paid, and losses could be used to offset income into the future 10 years following the loss, instead of 20 years.
- Tax credits given to a corporation could reduce only that corporation's taxes.

FISCAL EFFECTS

General Fund revenues would increase by an estimated \$1.3 billion in business taxes each year. More than one-half of these increased taxes would be paid by multistate businesses as a result of the elimination of the "single-sales" factor option of tax calculation. Under the formulas of Proposition 98 (passed by the voters in 1988), a significant part of these revenue increases would go to schools and community colleges. The remaining revenues would be available to the Legislature and the Governor for any purpose.

SUPPORTERS SAY

- ★ Prop 24 will end \$1.3 billion per year in special corporate tax loopholes that don't require the creation or protection of California jobs.
- Prop 24 will keep the Legislature from making even deeper cuts in funding for public schools, health care and public safety.
- ★ Prop 24 will ensure tax fairness and end tax breaks that unfairly benefit less than 2% of California businesses.

OPPONENTS SAY

- ★ Prop 24 will tax new job creation and penalize businesses when they try to expand in California. It will cost California 144,000 Jobs.
- ★ Prop 24 doesn't guarantee that a single dollar will go into classrooms, public safety or other vital programs.
- ★ Prop 24 will hurt small businesses by removing the tax incentives that will help them survive in this down economy.

FOR MORE INFORMATION

Supporters: Yes on 24–The Tax Fairness Act

www.yesprop24.org

Opponents: Stop the Jobs Tax • www.stopprop24.com

Who can vote?

You may register to vote in California if:

- You are a U.S. citizen and California resident.
- You will be at least 18 years old on election day.
- You are not in prison or on parole for a felony.
- You have not been judged mentally incompetent.

When must you re-register to vote?

You need to fill out a new voter registration form if:

- You change your residence address or mailing address.
- You change your name.
- You want to change your political party affiliation.

If you registered and your name does not appear on the voter list at your polling place, you have a right to cast a provisional ballot at any polling place in your county.

Changes Legislative Vote Requirement to Pass Budget

THE QUESTION: Should the state Constitution be amended to allow passage of budget bills by a simple majority in each house of the state Legislature and should legislators be required to forfeit their pay if a budget is not passed on time?

THE SITUATION

The state Constitution requires that by January 10th the Governor must submit a budget for the following fiscal year to the state Legislature. The Legislature must then pass a budget bill by June 15th, with at least two-thirds approval in both houses of the Legislature. If the Governor vetoes a budget bill, the Legislature may override the Governor's veto or pass a revised budget bill which the Governor is willing to sign. There is no mandatory date by which an approved budget must be in effect.

Over the last 30 years, the Legislature has passed a budget bill by the June 15th deadline only five times. During that same period, a final budget—passed by the Legislature and approved by the Governor—was in place on July 1st of the applicable fiscal year on only ten occasions. When a fiscal year begins without a state budget in place, some state expenses are not paid as scheduled.

The salaries of the Governor and members of the state Legislature are delayed starting July 1st if a budget bill has not been passed. Once it is passed, they receive the full amount of the previously deferred salaries.

THE PROPOSAL

Proposition 25 would amend the state Constitution to provide that budget bills could be passed with a simple majority vote in each house of the Legislature, rather than the current two-thirds requirement. The measure states that any tax Increase would continue to require a two-thirds vote. If the budget bill is not passed by June 15th, members of the Legislature would not receive their salary, travel expenses, or living expenses from June 15th until the day the budget bill is passed. These amounts would be permanently forfeited.

FISCAL EFFECTS

The fiscal impact of the proposition is unknown because it would depend on the composition and actions of future state Legislatures. There would be minor savings in state costs related to forfeited compensation of legislators in years when the budget bill is passed after June 15th.

SUPPORTERS SAY

- ★ Prop 25 will break the budget gridlock by allowing a simple majority to approve the budget, as is done in 47 states.
- ★ Prop 25 will help avoid late budgets that can harm individuals, businesses, and local governments.
- ★ Prop 25 will continue to require a two-thirds vote in order to increase taxes.
- ★ The current budget process is undemocratic; it allows a minority to hold up the budget.

OPPONENTS SAY

- ★ Prop 25 will allow politicians to raise taxes by only a majority vote rather than a two-thirds vote.
- ★ Voters would not be able to use the referendum to reject hidden taxes passed as part of the budget.
- ★ Prop 25 will allow politicians to increase their expense accounts by only a majority vote.
- ★ The two-thirds vote requirement prevents the majority from passing unrealistic budgets.

FOR MORE INFORMATION

Supporters: Yes on 25 • www.yesprop25.org

Opponents: Stop Hidden Taxes-No on 25, Yes on 26

www.no25yes26.com

Choosing YES or NO on a proposition

A YES vote means that you support the way the propositions would change things.

A NO vote means that you prefer to leave things the way they are now.

Vote Requirement for State Propositions

Any state proposition passes if more than 50 percent of the votes cast on that proposition are YES.

If voters pass conflicting propositions on the same ballot, only the one that got more YES votes goes into effect for areas where there is conflict. The portions of the approved propositions that are not in conflict generally also go into effect.

Approval of Certain State and Local Fees by Two-Thirds Vote

THE QUESTION: Should the California Constitution be amended to require two-thirds vote approval for the imposition of certain state and local fees that now require majority vote approval?

THE SITUATION

State and local governments impose a variety of taxes, fees and charges on individuals and businesses. Taxes typically fund public services such as education, prisons and health programs, and generally require two-thirds vote approval. Some state taxes may be approved by a majority vote if the overall effect of the law is revenue-neutral. In contrast, fees and charges, such as user fees and regulatory fees, typically fund a particular service or program related to activities of assessed individuals or businesses and usually require majority approval. Disagreement has emerged regarding differences between regulatory fees and taxes, but the California Supreme Court has upheld the use of regulatory fees for mitigation of adverse consequences to the public due to business activities.

THE PROPOSAL

Proposition 26 would expand the definition of a tax and a tax increase so that more revenue-generating proposals would require two-thirds vote approval at the local and state levels. Major provisions would:

- Classify as taxes some fees and charges that government currently may impose with a majority vote.
 These fees generally fund mitigation of health, environmental and socioeconomic harm caused by business activities.
- Require two-thirds approval by the legislature of any law that increases taxes on any taxpayer, even if the overall effect of the law is revenue-neutral.
- Repeal some approved 2010 state laws that conflict with Proposition 26 unless the laws are again approved by a two-thirds vote.

FISCAL EFFECTS

Depending on future actions of local governing bodies, local voters and the legislature, changes in the approval requirement—over time—could reduce government revenues and spending at both local and state levels that in the aggregate would total billions of dollars annually compared with what otherwise would have occurred.

SUPPORTERS SAY

- ★ Prop 26 will close a loophole that allows politicians to approve taxes by calling them "fees" so that they can be passed with a majority vote.
- ★ Prop 26 will repeal the legislature's 2010 budget-solution gimmicks if those majority-passed bills cannot muster twothirds approval.
- ★ Prop 26 will preserve California's strong environmental and consumer protection laws while protecting legitimate fees.

OPPONENTS SAY

- ★ We should not write special protections for polluters into the California Constitution.
- ★ Changing the rules to allow repeal of tax laws already passed in 2010 would create havoc in an already unstable budgetary environment.
- ★ Prop 26 will make it much harder to enact fees on large companies that cause harm to the environment, such as the gulf oil spill, leaving taxpayers to pay for the clean-up.

FOR MORE INFORMATION

Supporters: Stop Hidden Taxes

www.NoMoreHiddenTaxes.com

Opponents: Taxpayers Against Protecting Polluters

www.stoppolluterprotection.com

Is your group looking for a speaker?

There are local Leagues of Women Voters in communities throughout California. Many offer ballot measure speakers and candidate forums to encourage informed voting.

To find a local League near you or look for Leaguesponsored events, visit **www.CAvotes.org**.

You can also sign up for free newsletters, find a wealth of information on government and public policy, or make a contribution to support the League of Women Voters' educational activities.

Eliminates Citizens Redistricting Commission

THE QUESTION: Should the state Constitution and state laws be amended to eliminate the Citizens Redistricting Commission established by the voters in 2008, return all redistricting to the state Legislature, and change the redistricting criteria?

THE SITUATION

California's population continues to increase and be very mobile. Accordingly, every ten years, following the Federal census, the districts from which we elect our representatives must be adjusted to make the districts roughly equal in population. This process is known as "redistricting."

In November 2008, voters passed Proposition 11, which created the Citizens Redistricting Commission and transferred to it the responsibility for redistricting for the state Assembly, state Senate and the Board of Equalization ("BOE"). The state Legislature continues to redistrict for the U.S. House of Representatives.

In addition to making districts roughly equal in population, redistricting must apply a number of other criteria, including (to the extent possible):

- Keeping cities, counties, neighborhoods, and communities of interest whole.
- Placing two Assembly districts together within one Senate district and placing ten Senate districts together within one BOE district ("nesting").

Both the Commission and the state Legislature must solicit public comment on the proposed redistricting plans they develop. The redistricting plans may also be subject to voter approval under the state's referendum process or be challenged before the state Supreme Court.

THE PROPOSAL

This proposition would amend the Constitution and state laws to eliminate the Citizens Redistricting Commission, and return the entire redistricting process for all state offices to the state Legislature.

The proposition would amend certain of the criteria for district boundaries. For example, the population of all districts for the same office would have to be almost exactly equal. This proposition would also delete some of the existing state criteria, such as:

- · Geographical compactness.
- · Nesting districts.
- Disregarding consideration of political parties, incumbents, or candidates.

Prop 27 would also require the Legislature to hold hearings before and after district boundary maps are created, and to provide the public access to certain data. It would also limit redistricting costs to the lesser of \$2.5 million or prior redistricting costs (adjusted for inflation).

FISCAL EFFECTS

The Legislative Analyst's Office estimates that this proposition would probably reduce costs by approximately \$1 million in the 2011 redistricting process, and several million dollars in future redistricting.

SUPPORTERS SAY

- ★ Prop 27 will bring redistricting back to representatives elected by the people and accountable to the people.
- ★ It will save the taxpayers millions of dollars by limiting the costs of redistricting.

OPPONENTS SAY

- ★ Prop 27 is not about saving money or empowering voters. It's about politicians wanting to keep their power.
- ★ Prop 27 would gut the significant reform passed by the voters in 2008.

FOR MORE INFORMATION

Supporters: Yes on 27 • www.yesprop27.org

Opponents: Yes on 20, No on 27−Hold Politicians

Accountable • www.noprop27.org

Conflicting Propositions

See also Proposition 20 on this ballot, which would continue the Commission and give it responsibility for Congressional redistricting as well. *If both propositions are approved by the voters, the one with fewer votes would be eliminated.*