



THE LEAGUE OF WOMEN VOTERS BERKELEY ALBANY EMERYVILLE

# PROS & CONS

## JUNE 3, 2014 PRIMARY ELECTION

### Alameda County Measures

#### Ballot Measure AA

#### *Sales Tax for Healthcare Services*

**THE QUESTION:** *Should Alameda County keep the current ½ cent per dollar sales tax for essential healthcare services, including Highland Hospital, until June 2034? Requires a 2/3 majority affirmative vote for passage on June 3, 2014*

**THE SITUATION:** In 2004, county voters approved Measure A by 71%, so Alameda County added an additional half-cent to the total sales tax until 2019. The tax income adds to money from other sources. It helps pay for emergency care, hospital care, outpatient care, and public health, mental health and substance abuse services for poor, homeless, low-income, and uninsured adults, children, families, seniors and other residents of Alameda County. The money also helps prevent county clinics and hospitals from closing.

Measure A says that 75% of the tax revenue must be spent on the Alameda County public health system, including Highland Hospital. The remaining 25% of the tax revenue is distributed by the Board of Supervisors, based on the need for healthcare services, to a network of providers throughout the county for medical services; emergency care not paid for by insurance or other sources; and public health, mental health and substances abuse services.

**WHAT THIS MEASURE WOULD DO:** The amount of sales tax would stay the same at ne-half cent per dollar, but the tax would continue until 2034. The Measure A Oversight Committee would continue to review expenditures of Measure AA funds and provide an annual report to the County Board of Supervisors and the public. If

approved, the measure AA tax would not come into force until the expiration of measure A in 2019.

#### **SUPPORTERS SAY:**

- Alameda County still faces declining federal and state health care funding, so without this tax it will be less able to provide for needed health care for low-income and uninsured adults, children, families and seniors.
- Measure AA funds will continue to stabilize the Alameda County Medical Center's budget and expand its health care services as the county's "safety net" medical center.
- Measure AA funds are essential in supporting primary care clinics in areas that need help most; Children's and St. Rose Hospitals (both "safety net" hospitals); and school health clinics/services in schools throughout the county.

#### **OPPONENTS SAY:**

- A sales tax is a regressive and volatile revenue source for long-term continuing health care needs. We should make common sense reforms so that counties can once again decide how their own property taxes should be distributed. Funds should be distributed to respond to changing needs rather than keeping a fixed distribution formula.
- This half-cent sales tax would continue to make Alameda County residents one of the most highly taxed groups in the state.
- Why is this measure on the ballot in 2014 when it is not due to expire until 2019?

# California League of Women Voters Pros and Cons

## Proposition 41

## Legislative Bond Act

### Veterans Housing and Homeless Prevention Bond Act of 2014.

**THE QUESTION:** *Should California sell \$600 million in new general obligation bonds to fund affordable multifamily housing for low-income veterans?*

#### THE SITUATION

California's veterans housing programs ("Cal-Vet") have existed since 1921, and been extended 27 times; more than 420,000 veterans have participated. California general obligation bonds are sold to investors and the proceeds used to buy homes for eligible veterans, who make monthly payments to the state. These monies are used to repay the bondholders, so there has been no cost to California taxpayers. In 2008, voters approved an additional \$900 million in bonds to replenish funding for the Cal-Vet program.

Since 2000, the number of veterans using the Cal-Vet program has declined significantly for various reasons, including changes in veterans' housing needs.

#### THE PROPOSAL

\$600 million worth of bonds would be redirected from the amount approved in 2008, and sold to fund affordable multifamily housing, such as apartment complexes, for low-income veterans. These new bonds would be repaid by taxpayers rather than by the veterans involved.

California would provide local governments and nonprofit and private developers with partial financing assistance, such as low-interest loans. Housing built with these funds would be rented to low-income veterans—that is, those earning less than 80% of the local average family income (on average across the state, this means a single veteran earning less than \$38,000). These units would be "affordable," meaning veterans' rent payments cannot exceed 30% of the income limit for the program.

An accompanying state law would mandate priority for projects (including supportive housing) for veterans homeless or at risk of becoming homeless. In particular, at least one-half of the funds would be used for housing for extremely low-income veterans, defined as those earning less than 30% of the local average family income (on average across the state, this means a veteran earning less than \$14,000 per year).

The Legislature could make future changes to improve the program, and the state would publish an annual program evaluation.

#### FISCAL EFFECTS

The \$600 million of general obligation bonds would be repaid using general tax revenues. The cost of these bonds would depend on their interest rates and the repayment period. Assuming that (i) the interest rate averages 5%, and (ii) the bonds would be repaid over a ten-year period, the bond repayment cost would average about \$50 million annually for 15 years, or a total of \$750 million. Up to \$30 million of the bond funds could be used to cover the costs of administering the program.

#### SUPPORTERS SAY

- ★ This is a fiscally responsible proposition that will help thousands of homeless California veterans get a roof over their heads.
- ★ By using previously approved but unsold bond funds, Proposition 41 doesn't create new taxes or add new debt to California.

#### OPPONENTS SAY

- ★ This program will be paid for by the taxpayers instead of by the veterans who paid for it under the original Cal-Vet program.
- ★ If the funding does not go directly to the intended beneficiaries, there is risk of possible mismanagement and waste.

#### FOR MORE INFORMATION

**Supporters:** Coalition for Veterans Housing

[www.yesonprop41forvets.org](http://www.yesonprop41forvets.org)

E-mail: [info@yesonprop41forvets.org](mailto:info@yesonprop41forvets.org)

**Opponents:** Gary Wesley, e-mail: [gary.wesley@yahoo.com](mailto:gary.wesley@yahoo.com)  
(Gary Wesley, a northern California attorney, wrote the opposing argument as an individual. At press time, there is no known campaign opposing this Proposition.)

## Public Records. Open Meetings. State Reimbursement to Local Agencies.

**THE QUESTION:** *Should the state Constitution be amended to require local governments to comply with state public-access laws, and to eliminate the requirement that the state reimburse local governments for the costs of such compliance?*

### THE SITUATION

State public-access laws include the Ralph M. Brown Act, which requires governmental bodies to provide public notice of agenda items and to hold open meetings, and the Public Records Act, which requires governmental bodies to provide copies of government documents to the public upon request. Local governments must comply with these laws, although that requirement is not spelled out in the state Constitution.

Under the Constitution, the state is required to reimburse local governments for the costs of complying with these laws and any other laws mandated by the Legislature. However, the state no longer has to reimburse local governments for their costs of carrying out the Brown Act, due to the passage of Proposition 30 in 2012. A section of Proposition 30 eliminated that requirement from the Constitution. The state still is required to reimburse local governments for the costs of carrying out the Public Records Act. The state owes local governments a large sum of money for carrying out the Public Records Act, estimated to be in the tens of millions of dollars annually. Because of this, the Legislature considered making the requirements of the Public Records Act optional for local governments, but instead voted to put Proposition 42 on the ballot.

### THE PROPOSAL

Proposition 42 would (i) amend the Constitution to specifically require that local governmental bodies must comply with the Brown Act and the Public Records Act, and (ii) eliminate the requirement that the state reimburse local governments for the costs of complying with these acts and any similar acts that might be passed by the Legislature in the future.

### FISCAL EFFECTS

Proposition 42 would result in savings to the state, and comparable revenue losses to local governments, in the likely amount of tens of millions of dollars a year. There could be further costs to local governments, potentially in the tens of millions of dollars a year, if the state imposes additional such mandates on them.

### SUPPORTERS SAY

- ★ Proposition 42 will cement in the Constitution the public's right to know what the government is doing and how it is doing it.
- ★ Proposition 42 will clarify that local government agencies, and not the state, are responsible for the costs of compliance with the public-access laws.

### OPPONENTS SAY

- ★ Local governments can't be relied upon to comply fully with these laws if they must bear the costs themselves.
- ★ It's wrong for the state to impose the costs of complying with these laws on local governments. The state should continue to pay those costs.

### FOR MORE INFORMATION

**Supporters:** First Amendment Coalition

[www.cnpa.com/prop42](http://www.cnpa.com/prop42)

E-mail: [pscheer@firstamendmentcoalition.org](mailto:pscheer@firstamendmentcoalition.org)

**Opponents:** Gary Wesley, e-mail: [gary.wesley@yahoo.com](mailto:gary.wesley@yahoo.com)

(Gary Wesley, a northern California attorney, wrote the opposing argument as an individual. At press time, there is no known campaign opposing this Proposition.)

### Looking for more information on the propositions?

- ★ **Official Voter Information Guide** • [voterguide.sos.ca.gov](http://voterguide.sos.ca.gov)

Read nonpartisan analysis, arguments for and against, and even the full text of the proposed law.

- ★ **Voter's Edge** • [votersedge.org/california-election-voters-guide-to-ballot-measures-and-candidates](http://votersedge.org/california-election-voters-guide-to-ballot-measures-and-candidates)

Learn more about the supporters and opponents, and find out who is giving money to the YES and NO campaigns.

(Webpage is expected to be available April 1, 2014.)

- ★ **SmartVoter.org** • Nonpartisan Election Information at [SmartVoter.org](http://SmartVoter.org)

Type in your address for comprehensive information about everything on your ballot.

**Pros and Cons**  
**❖ Alameda County Measure AA**  
**❖ State Propositions 41 & 42**  
**"Vote With the League" flyer.**



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Members and Friends-

This unified publication Pros and Cons of the Alameda County Measure AA and State Propositions 41 and 42 along with the popular "Vote With the League" flyer have been packaged together for your convenience by the League of Women Voters Berkeley Albany Emeryville. Please share these documents with your friends and family. Additional copies are available outside the LWVBAE Office on the "bookcase" for your convenience along with the *Easy Voter*. It will also be available at the LWVBAE Annual Meeting on May 22, 2014.

**CRUCIAL 2014 Primary Dates**

Early voting begins	May 5
Voter Information Guide in mail	Apr 24-May 14
Last day to register or update registration	May 19
Last day to request Vote by Mail Ballot	May 27
<b>PRIMARY ELECTION DAY</b>	<b>JUNE 3</b>

The LWV California Education Fund's Pros and Cons is a nonpartisan explanation that includes both supporting and opposing arguments. The arguments come from many sources and are not limited to those presented in the Official Voter Information Guide. The

League does not judge the merits of the arguments or guarantee their validity. The pros and cons were excerpted from the League of Women Voters California Education Fund's *LWV Pros and Cons* (March 15, 2014 retrieved from [www.cavotes.org](http://www.cavotes.org)).