

Howard Jarvis Taxpayers Association

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Voters Might “No” It All

By Jon Coupal

There are 13 measures on the statewide ballot this fall in California. Those advocating a “yes” vote on any of them have an uphill battle.

And if you think it is too early to be talking about the next election, well, that proves the point. We just had the June primary and that was the fifth statewide election since 2002. Part of the issue, of course, is voter fatigue. But there is something deeper going on.

Voters are still very distrustful. Polls indicate that Californians still believe that the state is headed in the wrong direction. This is strange because, at least objectively, California is much better off than it was a couple of years ago. Jobs are up, the budget deficit is being closed, and the general economy is rebounding.

So what accounts for this residual distrust, angst, and cynicism? In a word, voters are tired of *lies*.

And in no subject are there more lies than in the area of education financing.

In 1988, voters were told that Proposition 98 would fix our education system by guaranteeing K-12 a fixed percentage of the state’s general fund. Moreover, the proponents relied on a “strict accountability” argument to convince voters that their tax dollars would be well spent. No sane Californian believes that we have anything close to strong accountability in our K-12 education system.

In 2000, again relying on claims of “strong accountability,” the education establishment, with financing from Silicon Valley billionaires, convinced voters to pass Proposition 39 which lowered the two-thirds vote requirement for local education bonds. As a result of that constitutional change, virtually *every* local school bond measure now passes. (Bond proponents, frequently using taxpayer resources, plan and execute sophisticated campaigns that rarely detail the long-term financial impact, and which overstate the benefits).

So, because of the passage of Proposition 39, Californians are now paying *billions* of dollars in additional property taxes. How about the accountability?

The first lie was that Proposition 39 bonds would limit how much each property owner would have to pay. Of course, what they *didn’t* tell us was that the property tax liability is virtually *unlimited* because of *successive* bond measures by the same school district or community college district or, just as likely, being hit by a multitude of bond measures from different districts. After being sold a bill of goods in 2000, property owners are now suffering severe sticker shock.

But surely, Proposition 39 brought us accountability in how local school bond money is spent, right?

Right. When pigs fly!

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A recent study conducted by the *Orange County Register* reviewed the Proposition 39 bonds approved in Orange County and found that only six of the nineteen bond measures were delivering everything they promised to the voters. That's less than a third!

Two of the districts in the study, with proven mismanagement, grossly overpromised what the bond measures would buy. Others blamed rising construction costs, politics, bad timing, and a host of other excuses. All the excuses, however, raise the question of why some bond measures — albeit a small minority — are well executed and deliver exactly what they promise. In any event, wasn't Proposition 39 supposed to *guarantee* that mismanagement, overpromising, and poor oversight *weren't* supposed to happen at all?

It is not just within Orange County that the empty promises of Proposition 39 have been revealed. In the northern California city of Vallejo, a controversy has erupted over the use of proceeds from a Proposition 39 bond to pay for a new administration building. "The intent of Measure 'A' was that our schools be fixed, not our administrative buildings," Vallejo Education Association president Janice Sullivan said Monday. "Measure 'A' was sold to the voters to upgrade the schools."

In sum, the promises of Proposition 39 *never* materialized. In fact, taxpayers and voters got the *worst* of both worlds — *bigger property tax bills with none of the education reforms*.

And now the kicker. The *same* man who was the primary sponsor of Proposition 39, Reed Hastings, is back with *more* promises. This time, this Silicon Valley multimillionaire who has a fetish for sticking it to ordinary Californians, is the major funder of Proposition 88. This measure would impose a flat rate \$50 tax on virtually every parcel of property in Califor-

nia to pay for a short list of educational purposes.

Mr. Hastings has even signed the ballot argument in favor of Proposition 88 himself. And what does he say about this miracle measure? "Proposition 88: Strict Accountability and Annual Audits."

Where have we heard *that* before?

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