

October 9, 2012

MOTION BY SUPERVISORS ZEV YAROSLAVSKY AND
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Proposition 30 on the November 6, 2012 ballot represents one of the most important state fiscal policy measures in many years.

It is a temporary, but essential, increase for the next seven years in California's personal income tax on high-earners making more than \$250,000 annually, and a ¼ cent increase for the next four years in sales and use taxes.

The Legislative Analyst estimates this measure would infuse as much as \$6 billion annually in new revenues through fiscal 2018-19 into the state budget, 89% of which would go to K-12 schools and 11% to community colleges, which in recent years have seen severe budget cuts and drastic tuition increases.

In addition, Prop. 30 contains other important provisions such as a local funding guarantee for state-imposed public safety realignment programs, which would otherwise threaten funding for other important local services, potentially jeopardizing public safety, or both.

Should Prop. 30 fail to pass, the danger to public education and other essential services and programs would not be hypothetical, but quite real: the state budget

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adopted earlier this year contains trigger language that would automatically slash \$6 billion out of current-year spending: \$5.4 billion out of K-12 and community college budgets, \$250 million each from the University of California and the California State University systems, and additional cuts to vital services like local police grants, flood control, water safety, and other law enforcement programs.

As the Legislative Analyst notes, the current state budget *relies* on voter approval of Prop. 30 to head off \$6 billion in cuts beginning this fiscal year, which would directly impact thousands of students and others who rely on state services.

California's fiscal problems have built up over many decades, and successive governors and state legislatures have struggled in various ways to solve them. Gov. Brown and the current legislature have negotiated long and hard with public employee unions and other stakeholders to impose deep spending cuts. It's now time to seriously address the revenue side of the equation before it's too late.

WE, THEREFORE, MOVE the Board of Supervisors formally endorse Proposition 30 on the November 6, 2012 ballot as an essential step in the difficult but necessary process of solving California's deep-seated fiscal problems, and encourage all California voters to vote YES on 30 as a matter of urgent importance.