

Pete rates the Propositions

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by Pete Stahl

PROPOSITION 42: Cal-Vet Loan Program -- YES

The Cal-Vet loan program provides low-interest home and farm loans to veterans. Cal-Vet gets the money it lends from the sale of bonds. When the veterans pay off their loans, they do so at a rate that allows Cal-Vet to pay for the bonds, the interest on the bonds, and all bureaucratic overhead. In this way, the program has been completely self-supporting since 1921 (the year of Warren Harding's inauguration). Clearly the Cal-Vet program is a winner.

The only catch is that the State periodically needs voters' permission to sell more bonds to fuel Cal-Vet. Hence Prop 2 of June 1980, Prop 3 of November 1982, Prop 29 of November 1984 and the current Prop 42. I heartily recommend a vote in favor of 42 to ensure the continuation of this smashing success.

PROPOSITION 43: Parks & Recreation Bonds -- YES

The State government has been heavily funding local development of parklands for over twenty years. Prop 43 is a bond measure which will provide \$100,000,000 to continue this. Local agencies have grown to depend on the aid Prop 43 represents. You will recall that in 1978 Prop 13 put local agencies' budgets on a shoestring. The first items slashed from local budgets, of course, are non-essential things like parks and recreation. Prop 43 will help ensure that parks and recreation get their proper funding.

PROPOSITION 44: Agricultural Water Conservation -- NO

Prop 44 is a bond measure that provides \$150,000,000 in cheap loans to local agencies to increase agricultural water conservation, build groundwater recharge systems, and abate the serious pollution that results from agricultural drainage water flowing into reservoirs. I don't have to tell you whether these projects are a good idea; of course they are. But the method of funding is inappropriate here.

Let's compare the agricultural water situation to what has happened with another precious liquid commodity, gasoline. When the government decided that we must conserve gasoline, a directive went out that cars must become fuel-efficient at the owners' expense. Prop 44, on the other hand, aims to make farms water-efficient at the taxpayers's expense. When the government decided to abate pollution from automobile engines, catalytic converters were installed at the owners' expense. Prop 44 will solve the problem of minerals, salt, chemical fertilizers and pesticides draining off of farms by using public funds. Somehow this seems unfair.

The only good way to make our farmers conserve water is to charge them appropriately for the water they use. California's farmers use over 85% of the water in this state, yet they pay about one tenth of what urban dwellers are charged. City folks heavily subsidize water for country folks. Under these conditions there is no incentive for farmers to conserve water; on the contrary, they can use cheap water to flush chemicals from their fields for less money than other methods would cost. If farmers paid full price, they'd conserve water soon enough.

Not that I'm proposing anything so radical. Maybe the local agencies could levy a small surcharge on the current low agricultural water prices to fund the conservation projects in Prop 44. Or maybe some form of incentive for conservation projects could be introduced. But a large grant from all of the taxpayers is the wrong solution here.

Some of you may feel that the urgency of ending agricultural water pollution precludes any nit-picking about how to fund it. Let me assure you that such is not the case. Should 44 fail, the emergency at the Kesterton Wildlife Refuge (a direct result of agricultural water pollution) will still receive ample attention in the legislature. I have argued in the past that voting down a bond usually kills the project the bond was to have funded; Prop 44 is one of the few exceptions to that argument.

PROPOSITION 45: Public Funds in Credit Unions -- YES

Prop 45 asks the exotic, glamorous, provocative question of whether state and local public funds may be deposited in credit unions. I'm sure you've spent many a sleepless night pondering the mind-boggling implications of such a radical proposal. As you toss and turn, you ask who on earth could be foolish enough to put his money in such maverick institutions. As you pace the room you wonder aloud what sort of insurance there could possibly be on funds deposited in such apparently fly-by-night operations. And as you devour another Sominex you are nagged by the haunting thought of those mysterious, voluntary credit union closures.

Let me clear all of this up for you. The federal government deposits some of its money in credit unions. Say what you will about the feds, but they're a pretty decent reference. Both the state and federal governments heavily regulate credit unions. If Prop 45 passes, any state or local money deposited in credit unions will have to be backed by securities equal to 110 percent of the deposit, to be used as collateral. This protects the agencies against involuntary closure (such as failure). And voluntary closure? Well, there have been two in California since 1983, both small institutions. Yes, some part of a state or local agency's money might get tied up, earning no interest, for as long as two years due to voluntary credit union closure. But this seems unlikely, and a weak point at best. So vote yes on 45. And get some sleep.

PROPOSITION 46: Local Bonds -- YES

One of the provisions of the famous Prop 13 of 1978 (Jarvis-Gann) prohibited cities and school districts from raising tax rates to pay off bonds. So local agencies were forced to lower their sights, tighten their budgets, and adopt pay-as-you-go fiscal policies. For some districts this might conceivably have been beneficial: the public was protected from potential boondoggles that could have drained taxpayers' wallets for decades. But a two-thirds vote was required (and still is) for local bonds to be issued. Does the State really have the right to tell local districts that they can't increase taxes to pay off bonds even when an overwhelming majority of the citizens want to do so?

In November 1980 there was an attempt to modify the provision. That ballot's Prop 4 would have allowed rate hikes to pay off bonds for the purchase or improvement of land, buildings or "...any tangible personal property necessary to the use of such real property." This last clause turned out to be the Achilles' heel of the measure. Voters might have felt okay about long-term financing of a school building, but not if books, pencils and erasers were part of the deal. Prop 4 went down to ignominious defeat.

Well, here's Prop 46, the Son of Prop 4, back to avenge his father's death. Prop 46 is leaner, trimmer and meaner than his late dad. In fact, he's only thirty-two words long, and he says nothing about tangible personal property. I doubt if he can even spell "tangible." Prop 46 restores communities' right to decide whether they want to increase

their own taxes to finance a local real estate acquisition or improvement. This is a good thing.

PROPOSITION 47: Vehicle License Fees -- NO

Prop 47 is petty and childish and asinine. It asks us to amend the state Constitution to guarantee that all of the vehicle license fees collected by the State are given to the cities and counties who supposedly deserve them. Why? Because the State kept some of the fees in 1979, 1981, 1982 and 1983.

Prop 47's appearance on the ballot is obviously the product of squabbling between money-grubbing state legislators and equally money-grubbing local authorities. Now if these boys and girls can't act like grown-ups, we'll send them to court or pass a new statute. But I'll be damned if I'm going to resolve their little tiff with a constitutional amendment. Our Constitution may be a little tattered around the edges, but that doesn't mean it ought to contain amendments written in crayon.

PROPOSITION 48: Pensions of State Officers -- YES

Prop 48 limits the benefits and pensions for retired state legislators, judges and constitutional officers (like the governor) to the higher of (1) the highest salary the person earned in office, or (2) the salary of a person currently holding the same office. This is sensible enough, considering that it is now possible for pensions and benefits to exceed those levels. My only objection to Prop 48 is that it will apply only to those entering office after 1986. But, as I like to point out, one can only vote yes or no; there is no essay section....

PROPOSITION 49: Party Endorsements -- NO

Okay, I'm going to let you rate this proposition. Ready? Here's the text of Prop 49:

"No political party or party central committee may endorse, support or oppose a candidate for nonpartisan office."

And here's the text of the First Amendment of the United States Constitution:

"Congress shall make no law...abridging the freedom of speech, or of the press; or of the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

In a court of law, which do you think will win?

Surely we can all sympathize with the sentiment behind Prop 49. Regardless of how you feel about Rose Bird, it can't make you feel good to see the Republicans mercilessly attacking (and the Democrats feebly propping up) the Chief Justice of the Supreme Court. It makes the Court into a three-ring circus, cheapens our system of justice, and ultimately weakens the law itself. To some degree the same is true for district attorneys, city council members, mayors and supervisors. But the solution is not to gag the political parties. Even if, by some miracle, Prop 49 were passed and upheld, it would do nothing to alleviate the current situation. After all, the political parties haven't even taken official positions on the nonpartisan candidates.

The real solution to the problem is to remove judges from ballots. Federal judges aren't subject to voter confirmation, and nobody ever complains about that. The lay public cannot possibly be qualified to evaluate the performance of a judge. I think of myself as reasonably well-informed, yet I haven't the slightest inkling of who should get

my vote for the judicial positions sharing the ballot with my beloved Props. Chances are you don't know either. Judges should sit protected from the hysterical electorate which, incited by the media, stampedes around, screaming about reverse discrimination or the death penalty or court-ordered busing or this week's "litmus-test" issue. I say this in support of the liberal court in California, and I say it in support of the conservative court in Washington.

Prop 49 doesn't address the issue it hopes to resolve. Worse, it seeks to impose unconstitutional limits on free speech. With that weighing against it, I have trouble imagining a reason to vote for Prop 49.

PROPOSITION 50: Tax Relief for Disaster Victims -- NO

When you buy a house, you should find out whether the property lies in a flood plain, or in a brush fire zone, or on an earthquake fault, or atop an active volcano, or next door to a Soviet nuclear power plant. If so, you are probably paying less than you would if the property were located in a safer neighborhood. The discount you receive is a tacit acknowledgment that you risk losing the property to the local disaster threat. You pay your money, you take your chances.

Now then. Under Prop 13, homeowners can't get reassessed as long as they stay in the same house. If a person moves to another house (for whatever reason), the new property is reassessed and the person pays higher taxes. Prop 50 asks us to allow folks who lose their houses in disasters declared by the governor to transfer to their new homes all of the property-tax-increase immunity they had built up in their destroyed homes.

On the surface, this appears to be a simple, charitable act. But people who lose their homes in disasters aren't deserving of such charity. Nobody forced them to purchase homes in areas of high risk. They must have realized why they were getting such good deals on their property. They took their chances, and they lost. If they want to start over, they should play by the same rules as everybody else.

PROPOSITION 51: Deep Pockets -- YES

Abner is the victim of an accident. He sues Bertha and Clarence. A jury awards Abner a \$200,000 for lost earnings and medical expenses, and \$800,000 for pain and suffering, for a total of one million dollars. The jury finds Bertha 99% responsible and Clarence 1% responsible for Abner's accident. So Bertha owes Abner \$990,000 and Clarence owes Abner \$10,000. But Bertha's broke, and Clarence is rich. Clarence is said to have "deep pockets," and under current California law he must fork over the entire \$1,000,000. Is this fair?

Prop 51 would limit "deep pockets" payments to economic damages; any pain and suffering damages would be paid strictly in proportion to a defendant's degree of responsibility. So in the preceding example, Clarence would have to pay all of the \$200,000 for lost earnings and medical expenses because of his deep pockets, but only \$8,000 (1% of the \$800,000) for pain and suffering. If Bertha hasn't got the remaining \$792,000 pain and suffering money, Abner won't get it. Is this fairer?

Prop 51 boils down to a question of whether a victim's right to just compensation outweighs the principle that defendants should pay according to their degree of responsibility. Please forget anything you've heard about toxic polluters and insurance rates; they're secondary issues completely overshadowed by the primary question. If you think that the Abners of California deserve full compensation for non-economic damages regardless of who pays, please ignore me and vote against Prop 51.

But if you feel that the Clarences of the world shouldn't be forced to pay more than their fair share for non-economic damages, or that one shouldn't lose a fortune for being tangentially responsible and rich where someone else is primarily responsible and poor, or

that the current deep pockets law makes Clarence almost as much a victim as Abner, then you'll vote in favor of Prop 51.

PROPOSITION 52: Jail Bonds -- YES

Prop 52 is a bond measure that will provide \$495,000,000 for the construction and improvement of county jails. \$20,000,000 of that could be used for juvenile facilities. Prop 52 would require counties receiving funds to (1) adopt plans to remove juveniles from jails, (2) adopt plans to provide separate housing for drunk and mentally ill arrestees, and (3) show that they have used alternatives to jail (such as work release programs) to the greatest extent possible. None of these three will require any real action though, so you might as well ignore them. Prop 52 is a grant for jail-building, no more, no less.

Those of you in favor of getting tough on criminals have an obligation to vote yes on 52. If you want the courts to send more people to jail for longer terms, you had better provide the jails. Otherwise the current overcrowding will increase to the point where judges are forced to release prisoners before their sentences are up. If that happens, the whole idea of getting tough will have backfired.

Those of you who favor alternatives to incarceration are probably incensed by the flimsy, transparent effort by Prop 52's authors to court your vote with the non-binding requirements I outlined above. Believe me, those provisions will be about as effective as lipstick on a rhinoceros. So take a deep breath, let your head clear for a moment, and look at Prop 52 rationally. If 52 fails, there is a possibility that jails will overcrowd so much that work furloughs, social programs, etc. will be implemented to reduce jail populations. But at what cost? The courts will not step in until after the crowding has gotten out of hand. In the meantime, you will have subjected the prisoners to inhumane--and, in many cases, inhuman--conditions. Your goal of using other means to deal with criminals may be noble, but this is the wrong way of achieving it. You cannot use these people as pawns in your quest to reform our system of justice.

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