



## ***Frequently Asked Questions About The Local Taxpayers and Public Safety Act***

### **Q: What would this measure do?**

**A:** The 2004 Local Taxpayers and Public Safety Protection Act would increase local control over our local tax dollars. This measure would let the voters have the final say on proposed actions by the State Legislature that would further reduce local government funding. It would protect the vital local services that California residents rely on each and every day – such as public safety and emergency care, roads, libraries, parks and transportation – by requiring voter approval before the State could reduce funding for local services or shift more costs for state programs to local governments.

### **Q: Why is this measure needed?**

**A:** For more than a decade, the California State Legislature has been taking away increasing amounts of local tax dollars that local governments use to provide essential services like police and fire protection, emergency and public health care, roads, parks, libraries and water delivery. In fact, through good times and bad, the State has been taking away billions in local tax dollars each year -- forcing local governments to either raise local fees or taxes to maintain services, or cut back on critically needed services.

The system is broken. Voters must act now to protect revenues for local services from being taken by the State.

### **Q: When will the measure be put on the ballot? How many signatures are needed to qualify?**

**A:** Officially, 598,105 valid signatures are needed to qualify the measure for the November 2004 ballot. Our coalition plans to collect a far greater number of signatures to ensure it qualifies and that the voters are given the opportunity to protect their local tax dollars and protect funding for local public safety, health and other essential local services.

### **Q: Who supports this measure?**

**A:** The principal sponsors of the 2004 Local Taxpayers and Public Safety Protection Act are the League of California Cities, California State Association of Counties and the California Special Districts Association. We expect to grow a broad and diverse coalition of public safety and health advocates, taxpayer and business groups, seniors, community leaders and others who all have an interest in supporting the voters' right to protect their local tax dollars and their local services.

**Q: Will this measure prevent state fiscal reform efforts?**

**A:** No. In fact, a key element of State fiscal reform is drawing a clear line in the sand that prevents the State Legislature from using local revenues to solve its problems or as a means of increasing state spending at the expense of local services.

**Q: Will this measure raise taxes?**

**A:** No. In fact, this measure will help decrease pressures for local fees and taxes by protecting local revenue sources from state legislative raids.

**Q: Does this measure increase revenues to local governments?**

**A:** No. It simply prevents the State Legislature from further taking local government revenues without a vote of the people.

**Q: How has the new Governor responded to this measure? Don't you think you should first give him a chance to correct the fiscal problems of the state?**

**A:** Throughout his campaign and since taking office, the Governor has made numerous positive statements about protecting local services. Our coalition looks forward to working with Governor Schwarzenegger to achieve his stated goal of protecting local governments and allowing local governments to provide the services that CA residents rely on every day.

The fact is, however, the voters deserve to have the final say on state actions that will erode their local tax dollars and local services – no matter who is the governor and what the composition of the legislature.

**Q: Why doesn't the initiative attempt to recollect lost ERAF property tax dollars?**

**A:** This measure was intentionally drafted to draw a line in the sand and prevent future state legislative raids of local government funding. While local governments and services are still suffering from the continual state raid of property taxes, given the state of California's fiscal health, we believe a more responsible approach at this time is to "stop the bleeding" at current levels.

**Q: Will this measure erode funding for education?**

**A:** No. this measure does not reduce state funding to schools and does not reduce funding that schools receive from local property taxes.

**Q: What about other state programs? Will this measure reduce funding for State programs like roads and prisons?**

**A:** This initiative simply prevents the State from taking LOCAL revenues without a vote of the people. The state still has flexibility over its own revenues.

**Q: Will this measure tie the legislature's hands in passing a budget?**

**A:** No. The initiative does not tell the state how to spend its own revenues. It simply prevents the State from taking funds that are designated for local governments and local services, or shifting/imposing costs to locals -- unless first approved by a vote of the people.

**Q: Doesn't this just add to the state's fiscal woes by initiating further "ballot-box-budgeting" that puts restrictions on how it can spend its revenues?**

**A:** No. The initiative does not tell the state how to spend the state's own revenues (as some propositions have done). What it does do is prevent the state from taking local revenues for state purposes without a vote of the people. It essentially confirms that local tax revenues are for local government services unless the voters decide otherwise.

**Q: How is the initiative impacted by the roll-back of the car tax?**

**A:** The initiative does not affect the roll-back. Rather, it protects a sum of money equal to the amount local government received from VLF during the 2002-2003 fiscal year.

The Legislature or the people are free to eliminate VLF or scale it back, but local government is guaranteed that the revenues will be replaced from whatever source the Legislature chooses. The current roll-back is also unaffected because current law (at least beginning with the next fiscal year) requires the State to backfill local government for losses incurred as a result of any roll-back of the 2% VLF fee.