

ARGUMENT AGAINST OF
PROPOSITION 2

Voting NO on Prop. 2 means more money in your pocket – and less wasteful spending!

PROP 2 CREATES A SLUSH FUND FOR SACRAMENTO POLITICIANS

In 1978 California voters overwhelmingly voted to amend the state constitution to impose a spending limit on state politicians – and the politicians have hated that spending limit ever since.

Prop 2 allows the politicians to gut the voter-imposed spending limit.

What the politicians dishonestly call a “rainy day fund” is actually a SLUSH FUND! Politicians can raid this new slush fund to feed their runaway spending habits.

PROP 2 CANCELS YOUR TAX REBATE

California already has the highest taxes in the nation, but the state constitution requires that a tax rebate be provided to you when revenues exceed the spending limit.

Prop 2 creates loopholes and accounting gimmicks so politicians can eliminate any chance of you getting your tax rebate.

PROP 2 ALLOWS FOR MORE WASTEFUL SPENDING

California's state budget has grown by 76% since 2018 – and the size of state government has mushroomed by 40% even after adjusting for inflation!

Do you feel like you are getting 40% more services and benefits today than you did in 2018? Of course not! In fact, many core services to citizens have been gutted. We're spending more, but getting less.

SUBJECT TO COURT
ORDERED CHANGES

That's because state politicians have diverted your tax dollars to boondoggle projects and no-bid contracts that reward their campaign contributors. Of the little money spent on important programs, too much of it is being lost because of fraud and wasteful spending.

By eliminating the spending limit on politicians we will see even more wasteful spending.

PROP 2 MAKES OUR BUDGET MORE VOLATILE

When times are good, the state is supposed to set money aside so families and businesses are not hit with tax increases, cuts to essential services, or budget chaos during the next economic downturn.

Sacramento doesn't need a new tool to save money. It needs the discipline to follow the rules already in place and stop spending money it doesn't have.

Prop 2 makes our budget more volatile – putting us at greater risk of a financial crisis.

PROP 2 IS OPPOSED BY TRUSTED BUDGET WATCHDOGS

Take a look at who is supporting Prop. 2: politicians who have repeatedly mismanaged our budget and special interests that get government contracts!

Within 24 hours of putting it on the ballot, the politicians backing Prop. 2 voted to suspend more than \$5 billion in required deposits into the state's budget reserve.

In contrast, opponents of Prop. 2 are government accountability and transparency watchdogs – including the Reform California and the Transparency Foundation.

Californians do not need another budget gimmick dressed up as reform. We need honest budgeting, reform of wasteful spending, and a real spending limit to hold politicians accountable.

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VOTE NO ON PROP 2.

David Tangipa

Vice Chair, Assembly Budget Committee

Steven Choi

Vice Chair, Senate Elections and Constitutional Amendment Committee

Carl DeMaio

Chairman, Reform California

09/19/2010

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