

REBUTTAL TO ARGUMENT AGAINST
PROPOSITION 2

PROPOSITION 2 PROTECTS CALIFORNIANS FROM BOOM-AND-BUST BUDGETS

Opponents say the state needs "discipline," not a new tool. But relying on their definition of "discipline" alone gave California a \$100 billion surplus followed by a \$50 billion deficit — exactly the boom-and-bust cycle Proposition 2 is designed to prevent. That instability, not this measure, is what leads to layoffs, healthcare cuts, slashed services, and tax hikes.

STOPS SACRAMENTO POLITICIANS FROM OVERSPENDING — Proposition 2 does not give Sacramento any new money to spend. On the contrary, it doubles the state's reserve requirement and forces more savings — rather than new spending — when tax revenues spike.

PROTECTS SCHOOLS, PUBLIC SAFETY, AND HEALTHCARE — When the economy slows, Proposition 2 helps protect funding for schools, hospitals, health clinics, and public safety instead of placing them first in line for cuts.

The theoretical "rebate" opponents refer to relies on a 50-year-old accounting gimmick that rewards spending instead of saving. Proposition 2 closes that loophole and mandates a real 20% Rainy Day Fund.

Don't be fooled by those who call themselves "watchdogs." California's official nonpartisan Legislative Analyst's Office has recommended that the state expand the Rainy Day Fund to prevent boom-and-bust budget cycles.

That's why Proposition 2 is backed by the California Professional Firefighters, small business advocates, health clinics, hospitals, and education leaders — people who understand what happens when reserves run dry.

VOTE YES ON PROPOSITION 2 — www.YesonProp2.com

Signatories:

Dr. Linda Darling-Hammond, President, California State Board of Education

Carmela Coyle, CEO, California Hospital Association

Francisco J. Silva, CEO, California Primary Care Association

SUBJECT TO COURT
ORDERED CHANGES