

South Bay Cities Council of Governments

September 25, 2014

TO: SBCCOG Board of Directors

FROM: SBCCOG Steering Committee

RE: November 2014 Ballot Propositions

Adherence to Strategic Plan:

Goal B: Regional Advocacy. Advocate for the interests of the South Bay.

Proposition 1 - Water Quality, Supply, and Infrastructure Improvement Act of 2014.

Would:

- Authorize \$7.12 billion in general obligation bonds for state water supply infrastructure projects, such as public water system improvements, surface and groundwater storage, drinking water protection, water recycling and advanced water treatment technology, water supply management and conveyance, wastewater treatment, drought relief, emergency water supplies, and ecosystem and watershed protection and restoration.
- Appropriate money from the General Fund to pay off bonds.
- Require certain projects to provide matching funds from non-state sources in order to receive bond funds.

Specific spending proposals in the proposition include:

- \$520 million to improve water quality for “beneficial use,” for reducing and preventing drinking water contaminants, disadvantaged communities, and the State Water Pollution Control Revolving Fund Small Community Grant Fund.
- \$1.495 billion for competitive grants for multibenefit ecosystem and watershed protection and restoration projects.
- \$810 million for expenditures on, and competitive grants and loans to, integrated regional water management plan projects.
- \$2.7 billion for water storage projects, dams and reservoirs.
- \$725 million for water recycling and advanced water treatment technology projects.
- \$900 million for competitive grants, and loans for, projects to prevent or clean up the contamination of groundwater that serves as a source of drinking water.
- \$395 million for statewide flood management projects and activities.

Proposition 2 - State Budget. Budget Stabilization Account. Legislative Constitutional Amendment.

Amends the State Constitution to end the existing rules for a state budget reserve—the Budget Stabilization Account (BSA)—and replace them with new rules. The new rules would change how the state pays down debt and saves money in reserves, including the requirement to spend a minimum amount each year to pay down specific debts. If passed, a new state reserve would be created for schools and community

colleges. In addition, a new state law would go into effect that sets the maximum budget reserves school districts can keep at the local level in some future years.

Proposition 45 - Healthcare Insurance. Rate Changes. Initiative Statute.

Requires insurance commissioner's approval before health insurer can change its rates or anything else affecting the charges associated with health insurance. Provides for public notice, disclosure, and hearing, and subsequent judicial review. Exempts employer large group health plans.

Proposition 46 - Drug and Alcohol Testing of Doctors. Medical Negligence Lawsuits. Initiative Statute.

This measure would increase the state's cap on damages that can be assessed in medical negligence lawsuits to over \$1 million from the current cap of \$250,000, with annual adjustments for inflation going forward. Additionally, it requires drug and alcohol testing of doctors and the reporting of positive tests to the California Medical Board for mandated discipline. Lastly, it mandates that health care practitioners consult a state prescription drug history database before prescribing certain medications.

Proposition 47 - Criminal Sentences. Misdemeanor Penalties. Initiative Statute.

This measure reduces penalties for certain offenders convicted of nonserious and nonviolent property and drug crimes. The measure also allows certain offenders who have been previously convicted of such crimes to apply for reduced sentences. In addition, the measure requires any state savings that result from the measure be spent to support truancy (unexcused absences) prevention, mental health and substance abuse treatment, and victim services.

Proposition 48 - Indian Gaming Compacts. Referendum.

In June 2013, the Legislature passed AB 277, which approves gaming compacts between the state and the North Fork Rancheria of Mono Indians and the Wiyot Tribe. Under the State Constitution, enacted legislation can generally be placed before voters as a referendum to determine whether it can go into effect. This proposition is a referendum on AB 277. If voters approve Proposition 48, the gaming compacts between the state and the two tribes would go into effect, allowing North Fork to construct a casino in Madera County.

RECOMMENDATION

Support Proposition 1 and take no position on the rest of the Propositions since they do not directly affect the SBCCOG or our members.