

134

Alcohol Surtax Constitutional Amendment. Initiative Statute

Official Title and Summary:

ALCOHOL SURTAX CONSTITUTIONAL AMENDMENT. INITIATIVE STATUTE

- Establishes Alcohol Surtax Fund in State Treasury.
- Imposes surtax of five cents per 12 ounces beer, 5 ounces most wines, 1 ounce distilled spirits.
- Imposes additional per unit floor stock tax.
- Proceeds deposited into Alcohol Surtax Fund.
- Guarantees 1989-90 nonsurtax funding with required annual adjustments, and appropriates Surtax Fund revenues for increased funding for alcohol and drug abuse prevention, treatment and recovery programs (24%); emergency medical care (25%); community mental health programs (15%); child abuse and domestic violence prevention training and victim services (15%); alcohol and drug related, law enforcement costs, other programs (21%).

Summary of Legislative Analyst's

Estimate of Net State and Local Government Fiscal Impact:

- Surtax would increase tax on beer from 4 cents to 57 cents per gallon, most wines from 1 cent to \$1.29 per gallon, and distilled spirits from \$2 to \$8.40 per gallon.
- The surtax would result in additional state revenues of approximately \$360 million in 1990-91 and \$760 million in 1991-92, depending on alcohol sales.
- State General Fund revenues could increase or decrease several million dollars due to effect on sales tax revenues and revenues from existing alcoholic beverage taxes.
- Local sales tax revenue would increase by several million dollars.
- The guarantee for 1989-90 level nonsurtax funding, with required annual adjustments, for various health, mental health, criminal justice and other programs could increase costs by \$180 million in 1990-91 and over \$300 million in 1991-92; possibly additional tens of millions of dollars in subsequent years.
- These costs would have to be funded from revenues other than surtax.
- Expenditure of surtax revenues for prevention and treatment programs could result in future savings.

Analysis by the Legislative Analyst

Background

Currently, the state taxes alcoholic beverages at the rate of \$2 per gallon on liquor (distilled spirits), 4 cents per gallon on beer, and 1 cent per gallon on most wines. This year, the state will collect about \$128 million from these taxes. Most of the revenue (76 percent) will come from the tax on liquor. These revenues go into the state's General Fund to pay for education, health, welfare, and other government programs.

Proposal

This measure has four major parts:

- **Alcohol Surtax.** It imposes a surtax—a tax collected in addition to the existing state alcohol tax—on beer, wine, and liquor.
- **Requirements for Spending the Surtax Revenues.** It creates the Alcohol Surtax Fund into which all surtax revenues would be deposited. It also specifies how this money would be spent.
- **Guaranteed Funding Level for Existing State Programs.** In addition to specifying how the new revenues from the surtax would be spent, the measure establishes a guaranteed funding level for certain existing state programs. Specifically, it requires the state to keep the funding for a broad

variety of health, mental health, law enforcement, social services, and drug and alcohol abuse prevention and treatment programs at their 1989-90 funding levels plus annual adjustments for population and cost increases.

- **Conflict With Another Measure on This Ballot.** It contains language stating how a conflict with another measure on this ballot is to be resolved.

Alcohol Surtaxes. This measure adds surtaxes to the existing state tax on beer, wine, and liquor beginning January 1, 1991. The new surtaxes would increase the state tax on beer from 4 cents to 57 cents per gallon, the tax for most wines would increase from 1 cent to \$1.29 per gallon, and the tax on liquor would increase from \$2 to \$8.40 per gallon. As a result, taxes would go up by 30 cents on a six-pack of beer, by 25 cents on a bottle (750 milliliters) of most wines, and by \$1.27 on a bottle (750 milliliters) of liquor.

How Surtax Revenues Will be Spent. The measure requires the state to spend the revenues from the surtax for the following purposes:

- **Alcohol and Drug Abuse Prevention and Treatment.** Twenty-four percent of the revenues would be used for alcohol and drug abuse prevention and treatment services.

EXHIBIT 1 (CONT.)

- *Emergency Medical and Trauma Care Treatment.* Twenty-five percent of the revenues would be used for emergency medical and trauma care treatment.
- *Mental Health.* Fifteen percent of the revenues would be used for locally implemented community mental health programs.
- *Various Health and Social Services.* Fifteen percent of the revenues would be used for prevention, treatment, and health services for certain women, children, and disabled persons.
- *Law Enforcement-Related Programs.* Twenty-one percent of the revenues would be used for various enforcement programs and a statewide emergency medical air transportation network.

The measure requires that the surtax revenues only be used to increase the level of services for these programs above those paid for by the state in 1989-90. The Legislature and the Governor would have to specify how the revenues would be divided among the specific programs within each of the general categories described above.

Guaranteed Funding Level for Existing State Programs. The measure requires the state to keep funding for the five program areas described above at the 1989-90 level with annual adjustments for population and cost increases. The state could not use revenues from the surtax to pay for these guaranteed funding levels; instead, it would have to use other state money. In 1989-90, the state spent more than \$2 billion on these programs. As a result of the guarantee provided in this measure, the state would be required to spend at least this amount in the future, plus additional amounts to cover population and cost increases.

Conflict With Another Measure on This Ballot. Proposition 136 (the Taxpayers' Right to Vote Act of 1990), also on this ballot, imposes new voter

approval requirements for new or increased special taxes enacted through the initiative process. Proposition 136 also requires that any special taxes imposed on personal property be imposed on the *value* of the property. This measure (Proposition 134) states that it would not be affected by the section of the State Constitution to which these new requirements would be added.

Fiscal Effect

Revenue From the New Surtaxes. The alcohol surtaxes imposed by this measure would result in additional state revenues of approximately \$360 million in 1990-91 (part year) and \$760 million in 1991-92 (first full year). The amount of surtax revenues after 1991-92 would depend on trends in alcohol sales. All of the revenues raised by the measure would be used to increase services in the areas described above.

Effects on Revenue From Existing Taxes. This measure also could increase or decrease state General Fund revenues by several million dollars each year, due to its effects on sales tax revenues and revenues from the existing alcoholic beverage taxes. Local sales tax revenues would increase by several million dollars statewide.

Costs of the Guaranteed Funding Level. The requirement to keep spending for a variety of health, mental health, criminal justice, and other programs at their 1989-90 level, plus adjustments for population and cost increases could initially raise state costs by about \$180 million in 1990-91 and by over \$300 million in 1991-92. This latter amount could grow by tens of millions of dollars in each subsequent year. These costs would be funded by regular (nonsurtax) state revenues.

Impact on Program Expenditures. Spending the surtax revenues on prevention and treatment programs could result in future state and local savings in various governmental programs.

EXHIBIT 1 (CONT.)

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Alcohol Surtax. Constitutional Amendment. Initiative Statute

Argument in Favor of Proposition 134

PROPOSITION 134 IS THE "NICKEL-A-DRINK" ALCOHOL TAX INITIATIVE.

Proposition 134 increases the excise tax on alcohol equal to a "nickel-a-drink" and invests the proceeds to fight alcohol related problems. Specifically, Proposition 134 earmarks the revenues from the "Nickel-a-Drink" Alcohol Tax Initiative for:

- Alcohol and drug abuse education.
- Enforcement of drunk driving, and other alcohol and drug related, laws.
- Emergency and trauma care treatment.
- Alcohol and drug abuse prevention and recovery programs.
- Community mental health programs.
- Programs for innocent victims of alcohol abuse, including spousal and child abuse victims.
- Programs for infants with birth defects caused by drinking and drug use during pregnancy.

The idea for a nickel a drink "user fee" originated with former Surgeon General C. Everett Koop who said "Who could quarrel with a nickel a drink user fee. . . . to help save lives."

Who quarrels with a nickel-a-drink user fee? **THE LIQUOR INDUSTRY!** The liquor industry's motive for opposing Proposition 134 is twofold: preserve its profits AND the nation's lowest overall tax on alcoholic beverages.

You should vote YES on Proposition 134 because:

- Alcohol costs California taxpayers over \$13 billion annually.
- Alcohol is the leading cause of death among teenagers.
- California's emergency medical care system is near collapse, largely because of alcohol related accidents and injuries.
- About 68% of alcohol is consumed by only 11% of the people.
- Approximately 33% of all mentally ill and homeless persons also have alcohol and drug problems.
- California has the lowest alcohol taxes in the nation. For instance, the tax on wine has been 17 per gallon since 1987; it has not changed for 53 years.

BEFORE VOTING ON PROPOSITION 134, ASK YOURSELF THIS SIMPLE QUESTION:

WHOM DO YOU TRUST?

The liquor industry or the supporters of Proposition 134, which include:

CALIFORNIA CHAPTERS, MOTHERS AGAINST DRUNK DRIVING (MADD);

THE CALIFORNIA ASSOCIATION OF HIGHWAY PATROLMEN
THE CALIFORNIA COUNCIL ON ALCOHOL PROBLEMS
THE CALIFORNIA COUNCIL OF CHURCHES
THE CALIFORNIA CONSORTIUM FOR THE PREVENTION OF CHILD ABUSE
THE AMERICAN COLLEGE OF EMERGENCY PHYSICIANS - CALIFORNIA CHAPTER
THE CALIFORNIA PEACE OFFICERS ASSOCIATION
THE CALIFORNIA POLICE CHIEFS ASSOCIATION
THE CALIFORNIA COUNCIL OF COMMUNITY MENTAL HEALTH AGENCIES
THE CALIFORNIA COUNCIL ON CHILDREN AND YOUTH

For the vast majority of the Californians, who drink moderately or not at all, the "nickel-a-drink" tax will cost less than 37 cents a week. Proposition 134 targets the heavy drinkers—the drunk drivers and alcohol abusers who cause most of the deaths and injuries attributable to alcohol. Proposition 134 will provide \$760 million annually for programs that address alcohol related problems in California.

PLEASE REMEMBER ALSO TO VOTE NO ON PROPOSITIONS 128 AND 136. Both are sponsored by the liquor industry as part of its campaign to defeat Proposition 134.

VOTE YES ON PROPOSITION 134, THE "NICKEL-A-DRINK" ALCOHOL TAX INITIATIVE.

DR. DONALD M. BOWMAN
Executive Director,
California Council on Alcohol Problems

MICHAEL P. TRAINOR, M.D.
President, American College of Emergency Physicians,
State Chapter of California

THOMAS A. NOBLE
President, California Association of Highway Patrolmen

Rebuttal to Argument in Favor of Proposition 134

IT'S NOT WHAT IT CLAIMS

Proposition 134 is not just a "nickel" alcohol tax. It requires spending more than it raises.

EVERYONE PAYS

- Proposition 134's author testified that automatic budget increases could be \$50 to \$100 million annually.
 - The Legislative Analyst says Proposition 134 could spend *ten to hundreds of millions of dollars* more than it raises each year.
 - A Senate Committee reports *mandated spending could be \$2 billion more* than provided by alcohol taxes within a few years.
- THIS SHORTFALL MUST BE PAID BY THE GENERAL FUND—BY YOUR INCOME AND SALES TAXES.** Up to \$280 per family yearly plus any alcohol surtaxes you pay.

FALSE PROMISES—MISPLACED PRIORITIES

Proposition 134 fails to deliver on the promoters' promises. The guaranteed spending plan misses the mark:

- California Teachers Association opposes Proposition 134 because no money is directed to public schools for alcohol abuse programs.
- Less than half the spending goes to alcohol abuse programs. Proposition 134 spends nearly as much on litter control as on abuse prevention concentrations.

- Police and firefighters oppose Proposition 134 because *three times more goes to private physician subsidies than to drunk driving enforcement.*

DAD GOVERNMENT

Proposition 134 requires automatic spending increases annually, above the alcohol tax.

There is no annual oversight to ensure spending increases are needed.

Wasteful or unneeded programs cannot be cut by the Legislature or Governor.

It never expires, so spending hikes increase forever.

Proposition 134 is a bad law all of us will pay for. Vote "NO" on 134.

MAURICE KERN, Ph.D.
Addiction Alternatives Research & Treatment Center

ROBERT B. HAMILTON
President, California State Fireman's Assn.

DANA W. REED
Former Director, Calif. Dept. of Traffic Safety

EXHIBIT 1 (CONT.)

Alcohol Surtax, Constitutional Amendment, Initiative Statute

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Argument Against Proposition 134

VOTE NO on Proposition 134. *This is not just an alcohol tax.*

Despite its claims, Proposition 134:

- Locks in spending of \$1.9 billion in its first year (11.2 billion in current general fund monies, plus new alcohol taxes of \$730 million) and **DICTATES ANNUAL BUDGET INCREASES** that we all pay.
- Threatens tax increases—for all taxpayers—to fund annual budget increases (the only alternative is to cut important state programs).
- Directs no monies to public schools for prevention programs.
- Spends more funds on programs not related to alcohol or drug problems.

SPENDING EXCEEDS ALCOHOL TAX

Proposition 134 penalizes all Californians—not just drinkers—by **SPENDING FAR MORE THAN THE TAX RAISES**. It locks in \$1.2 billion in current state spending—then requires annual budget increases—which all taxpayers must pay for.

These budget increases are tied to California's explosive population growth. (Read Section 32040, Proposition 134 per-capita spending level "escalator clause".)

Proposition 134 could eventually spend five times more than it raises. We will pay either through income or other tax increases or through reductions in vital state programs. **Proposition 134 specifically states NONE OF THESE MAJOR FUNDING INCREASES CAN BE PAID BY THE ALCOHOL SURTAX.**

IT THREATENS IMPORTANT SERVICES

Proposition 134 threatens funds for programs like senior citizen nutrition, child welfare, safe food and agriculture, prisons, conservation and fire protection by creating new demands on the General Fund. The Legislative Analyst estimates these **INCREASES COULD COST \$40 MILLION IN THE NEXT TWO YEARS.**

OTHER TAX INCREASES

State income or sales taxes may be required because Proposition 134 could **millions more than it raises.**

A Senate Budget Committee investigation found deficits could reach

\$2 billion—equal to a \$200 income tax for every California family—on top of the alcohol tax.

SCHOOLS GET NOTHING

Proposition 134 deprives California public schools of any right to Alcohol Surtax funds.

The best answer to alcohol abuse and illegal drug use is prevention education. **Yet Proposition 134 gives nothing to schools for prevention.**

NO FUNDS FOR ALCOHOL AND DRUG DEPARTMENT

Less than half of Proposition 134 spending actually goes to fight illegal drug use or alcohol abuse.

Proposition 134 starts funds to a dozen programs, but not one cent goes to California's Department of Alcohol and Drug Programs. Only 3 percent of its \$730 million tax goes to fight drunk driving, the program that should be the Number One public safety priority in our state.

BLANK CHECK FOR WASTE

- Even if you like higher alcohol taxes, consider that Proposition 134:
 - Mandates **higher government spending every year**, whether programs work or not, whether money is needed or not.
 - Requires annual increases **even if fraud, waste or abuse are proven.**
 - Prohibits the Governor and Legislature from cutting these budgets, even for disasters or financial crises.
 - Exempts several **hundreds of millions of dollars of government spending from the state's constitutional spending limit.**
 - Has **no expiration date**, so spending increases continue forever.
- We urge you to vote NO on Proposition 134. It creates many more problems than it solves.

IRVING M. JORDAN

Police Chief, City and County of San Francisco

LARRY MCCARTHY

President, California Taxpayers Association

HERBERT F. SALLINGER

Former Executive Director, California School Boards Association

Rebuttal to Argument Against Proposition 134

The opponent of the "Nickel-A-Drink" Initiative is the liquor lobby. They are spending more than \$20 million trying to confuse voters with misleading information.

The liquor lobby says: "Schools get nothing."

Fact: Proposition 134 provides over \$40 million annually for alcohol abuse programs in public schools and in the community.

Liquor lobby: "Spending exceeds alcohol tax."

Fact: Proposition 134 **supplements** current funding for alcohol-related programs and services. A "safety clause" in Prop. 134 guarantees that politicians will not be allowed to cut back on current funding for alcohol-related programs and services when the Nickel-A-Drink funds become available. This "safety clause" is what the liquor lobby is calling the "escalator clause." Prop. 134 does not increase other taxes. Instead, \$760 million in alcohol taxes will be **added revenue** for our cities, counties and state alcohol-related programs and services.

Liquor lobby: "Only 3% goes to fight drunk driving."

Fact: Prop. 134 will provide up to \$125 million for the enforcement of drunk driving laws.

Liquor lobby: "No funds for alcohol and drug department."

Fact: Every nickel of the Nickel-A-Drink tax will be spent for **alcohol related services and programs** such as services like child abuse programs, alcohol abuse education in public schools, and programs for the victims of drunk drivers.

By paying a nickel-a drink more, people who drink alcohol can contribute in covering the costs related to their behavior. We think that's fair and respectfully urge you to vote yes on Proposition 134.

HARRY SNYDER

West Coast Director, Consumers Union, U.S., Inc. Publisher of Consumer Reports

RIC LOYA

Exec. Director, CA Assoc. of School Health Educators

JACQUELINE MASSO

Santa Clara County Chapter of Mothers Against Drunk Driving (MADD)

EXHIBIT 2

June 7, 1994 Ballot Measures

	SUMMARY	WHAT YOUR VOTE MEANS	
		YES	NO
<p>175 RENTERS' INCOME TAX CREDIT. Legislative Constitutional Amendment Put on the Ballot by the Legislature</p>	<p>Amends Constitution to provide qualified renters with an income tax credit of not less than \$60 for individuals and \$120 for others. Fiscal Impact: State costs of \$100 million in 1995-96. Unknown but potential costs in the future, as the state would be prevented from making reductions in the renters' credit.</p>	<p>A Yes vote on this measure means: The state would be required to provide the renters' credit to all eligible renters.</p>	<p>A No vote on this measure means: The state would be able to eliminate, reduce, or limit the availability of the renters' credit.</p>
<p>176 TAXATION: NONPROFIT ORGANIZATIONS. Legislative Constitutional Amendment Put on the Ballot by the Legislature</p>	<p>Exempts qualifying nonprofit organizations from locally imposed business license taxes or fees measured by income or gross receipts. Fiscal Impact: Little, if any, effect on local government revenues in the near-term.</p>	<p>A Yes vote on this measure means: Cities and counties could not levy certain kinds of business taxes on nonprofit organizations (such as churches and charities).</p>	<p>A No vote on this measure means: That no new restrictions would be placed on local taxing authority with respect to nonprofit organizations.</p>
<p>177 PROPERTY TAX EXEMPTION, DISABLED PERSONS' ACCESS. Legislative Constitutional Amendment Put on the Ballot by the Legislature</p>	<p>Permits Legislature to exempt from property taxation the construction, installation, removal, or modification of all or any part of a building or structure for disabled persons' access. Fiscal Impact: Property tax revenue losses to local governments after several years probably in the range of \$10 million annually. The state would replace those losses incurred by school districts (about half the total).</p>	<p>A Yes vote on this measure means: Building owners would not pay property taxes on the added value of any modifications they make in their buildings to improve access to or use by disabled persons.</p>	<p>A No vote on this measure means: Building owners would pay property taxes on the added value of any modifications they make in their buildings to improve access to or use by disabled persons.</p>
<p>178 PROPERTY TAX EXCLUSION, WATER CONSERVATION EQUIPMENT. Legislative Constitutional Amendment Put on the Ballot by the Legislature</p>	<p>Amends state constitution to exclude from property taxation the installation of water conservation equipment, as defined by Legislature, for agricultural purposes. Fiscal Impact: Property tax revenue losses to local governments after several years possibly up to \$10 million annually. The state would replace those losses incurred by school districts (about half the total).</p>	<p>A Yes vote on this measure means: Property owners would not pay property taxes on the value of water-conserving equipment that they install on their agricultural property.</p>	<p>A No vote on this measure means: Property owners would pay property taxes on the value of water-conserving equipment installed on their agricultural property.</p>
<p>179 MURDER: PUNISHMENT. Legislative Initiative Amendment Put on the Ballot by the Legislature</p>	<p>Provides for a sentence of 20 years to life upon conviction of second-degree murder that is committed by intentionally shooting a firearm from a vehicle at another person outside of the vehicle with the intent to inflict great bodily injury. Fiscal Impact: Unknown, probably not major, increase in state costs.</p>	<p>A Yes vote on this measure means: The minimum sentence for an individual convicted of second degree murder resulting from a "drive-by shooting" would increase by five years, from 15 to 20 years in prison, with the possibility of parole.</p>	<p>A No vote on this measure means: The minimum sentence for an individual convicted of second degree murder resulting from a "drive-by shooting" would remain at the current level of 15 years, with the possibility of parole.</p>
<p>180 PARK LANDS, HISTORIC SITES, WILDLIFE AND FOREST CONSERVATION BOND ACT. Initiative Statute Put on the Ballot by Petition Signatures</p>	<p>Authorizes bond issuance of almost \$2 billion for the acquisition, development, and conservation of designated areas throughout California. Fiscal Impact: State costs of about \$3.6 billion to pay off the principal (\$2 billion) and interest (\$1.6 billion) on general obligation bonds. Unknown state and local costs, potentially in the tens of millions of dollars, to operate and maintain properties.</p>	<p>A Yes vote on this measure means: The state would be able to issue about \$2 billion in general obligation bonds to acquire, develop, restore and conserve park lands, historic sites, and wildlife areas throughout California.</p>	<p>A No vote on this measure means: The state would not be able to issue about \$2 billion worth of general obligation bonds to acquire, develop, restore and conserve park lands, historic sites, and wildlife areas throughout California.</p>

EXHIBIT 2 (CONT.)

ARGUMENTS		WHOM TO CONTACT FOR MORE INFORMATION	
PRO	CON	FOR	AGAINST
Vote YES to repeal the most unfair tax increase in California history. Restore the renters income tax credit for ordinary taxpayers, abolished by the Legislature at the same time they opened new loopholes for the wealthy. This modest income tax credit restores the small benefits renters received after Proposition 13.	Right now this state is struggling to climb out of a deep recession. We're facing a \$5 billion budget deficit; cities are struggling to fund law enforcement and we're forced to close libraries. We cannot afford to give away hundreds of millions of dollars. Vote NO on Proposition 175.	Californians for Fair Taxes 926 J Street, Suite 710 Sacramento, CA 95814 (916) 446-4300	Assemblyman Paul Hatcher c/o Bezo Biller State Capitol, Room 3125 Sacramento, CA 95814 (916) 445-7350
Grants charities and nonprofit agencies, which are currently exempt under federal and state law, the same basic tax protections from city government by prohibiting cities from instituting income-based taxes or fees on these organizations.	Should all so-called "non profit" organizations be exempt from paying the business license fees paid by other local businesses? The problem is in the definition of a "non-profit." Non profit organizations are not necessarily charitable.	Senator David Roberts State Capitol, Room 2032 Sacramento, CA 95814 (916) 445-8390	NOT PROVIDED
Proposition 177 opens doors for disabled individuals, creates jobs and restores fairness to the tax code. Proposition 177 allows commercial and residential property owners to make renovations that improve access for disabled individuals without raising property taxes. Proposition 177 parallels a similar exemption for homeowners approved by voters in 1990.	Proposition 13 has had the beneficial effect of holding down property taxes for some, however, it has caused a massive shift in the property tax burden and is unfair to many homeowners (and renters). This measure is not the answer. The answer is a comprehensive amendment.	Sean Garrett or Sam Sacco c/o Californians for Equal Access 1225 Eighth Street Sacramento, CA 95814 (916) 553-3217	NOT PROVIDED
California needs to prepare for the next drought. Proposition 178 will save water by providing assistance for farmers who install water conservation equipment. It will create new jobs and investment in California's economy as this equipment is purchased and installed. It will help provide water for environmental protection.	YOUR "YES" VOTE will NOT help California become better prepared to endure future water shortages. BUT it will help farmers pay less taxes! IS THAT FAIR? When a tax exemption is offered, someone has to pay for it, and that person is YOU! DON'T YOU THINK YOU PAY ENOUGH ALREADY?	John Ganpet California Farm Bureau Federation 1127 Eleventh Street, Suite 626 Sacramento, CA 95814 (916) 446-4647	NOT PROVIDED
Adds five years to the penalty for drive-by killers convicted of second degree murder. Increasing the minimum sentence from 15 years to 20 years will better deter and more severely punish drive-by killers.	NOT PROVIDED	Stephen A. Micola State Capitol, Room 5108 Sacramento, CA 95814 (916) 445-8011	NOT PROVIDED
Take a positive step for California! Make neighborhood parks safer for children by reducing gang activity, providing at-risk youth job opportunities, and improving park facilities. Protect Redwood forests, rivers, wildlife, wetlands and the coast. AARP, National Audubon Society, and California Organization of Police and Sheriffs say: YES on 180!	CALIFORNIANS CAN'T AFFORD PROPOSITION 180'S \$3.5 BILLION PRICE TAG. We have more urgent priorities—earthquake relief, law enforcement, education, job creation. Billions to acquire unneeded property, including land in Central America for a bird study center, makes no sense—NOT NOW, VOTE "NO" ON PROPOSITION 180. STOP WASTEFUL SPENDING.	Planning and Conservation League 926 J Street, #612 Sacramento, CA 95814 (916) 444-8726, ext. 129	Taxpayers Against Proposition 180 1221 H Street Sacramento, CA 95814 (916) 444-0845

EXHIBIT 3



REPUBLICAN PARTY

Note: Your ballot will not include the names of candidates seeking the nomination of a qualified political party other than the party indicated on your voter registration. This means that in a primary election, you may not vote for any candidate whose party is different from your own.

**Kate
SQUIRES**

United States Senator

As a business owner, educator, and lawyer, I will fight for economic opportunity, deficit reduction, spending cuts, government reform and accountability. I will vote to create tax and investment incentives, reduce the capital gains tax, require mandatory minimum sentencing, reform the parole and welfare systems, protect Second Amendment rights, prevent all illegal activity, prevent "socialized" medicine, and require government responsibility. I am not a politician. I have the practical experience to be a strong voice on issues which affect our jobs, businesses, safety, and family. Your vote is the difference. Kate Squires for U.S. Senate (714) 261-5283.

**Michael
HUFFINGTON**

United States Senator

"I've spent most of my career in business—not politics. If you elect me, here's my Contract with the people of California. 1. I will serve only two terms and won't be a career politician. 2. I will accept *no* contributions from special interest PACs. 3. I will vote to cut spending and eliminate the budget deficit by working for a meaningful constitutional amendment to balance the budget. Above all, I'll be an independent voice for California—for tough laws on criminals, welfare reform, smaller government, lower taxes, good jobs, and values which strengthen individuals and families, not government."

**Wolf G.
DALICHAU**

United States Senator

Where are we heading, California? It's time to release our old ways. Time to try bold new ideas to regain our California Dream. But first, we must get a handle on: 1) Illegal immigration that threatens California's budget and sovereignty. 2) Middle-class survival. 3) Business engulfed in a sea of red tape. 4) Crime that imperils our schools, streets, and homes. Our way of life is too vital to be left to politicians. Time has run out for "promises, promises, promises." If you seek change, I welcome your support.

**William E.
(Bill)
DANNEMEYER**

United States Senator

What happened to California and the American dream? Why is there more crime, more unemployment, more problems with illegals? Why can't children read? Why are taxes going up and services down? I want California to be prosperous: "Taxpayers' Best Friend Award, 1992." Service on the Budget Committee in Congress taught me a truth. Americans are not undertaxed, Congress spends too much money. Our freedom, families, and country must be preserved. Evie and I raised three children and have 8 granddaughters. For their and your sake, I want to be your Senator. To help, call 1 (800) 2 NOT TAX.

**Ron K.
UNZ**

Governor

I was born in Southern California, in modest financial circumstances. After graduating from public high school, I studied at Harvard, Cambridge, and Stanford, then created a successful Silicon Valley technology company. I know the meaning of hard work. I believe that the Republican Party stands for clear principles—smaller government, lower taxes, fewer regulations, quality education, and traditional moral values. As a real Republican, I would never abandon these principles for political ambition. As Governor, I will serve for a dollar a year and do my utmost to restore the California Dream and the Golden State we all remember. Call 1-415-361-0590.

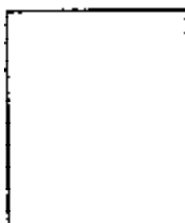
The order of the parties and the candidates was determined by random alphabet drawing. Statements on this page were supplied by the candidates and have not been checked for accuracy by any official agency. Submission of statements was voluntary. Candidates who did not submit statements could otherwise be qualified to appear on the ballot. 49

EXHIBIT 3 (CONT.)



DEMOCRATIC PARTY

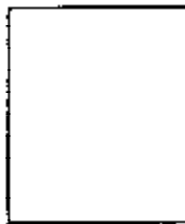
Note: Your ballot will not include the names of candidates seeking the nomination of a qualified political party other than the party indicated on your voter registration. This means that in a primary election, you may not vote for any candidate whose party is different from your own.



Ted J. ANDROMIDAS

United States Senator

My two decade association with political leader and economist Lyndon LaRouche is my best qualification for election to the U.S. Senate. LaRouche is best known in California as the author of *Propositions 64 and 69*. I was the treasurer for these initiatives. If the Hollywood set and the organized crime connected Anti-Defamation League had not spent millions in a campaign of slander and vilification to defeat it, millions of people who died, would be alive today. LaRouche was right in 1986, I am right today. For information call (213) 259-1868; write to Andromidas for Senate, Box 411303, Los Angeles 90041.



Dianne FEINSTEIN

United States Senator

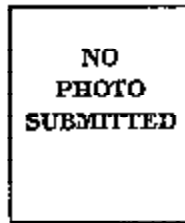
Elected California's senior senator in 1992, I am running for the Democratic nomination for a full six-year term to continue the fight for more jobs, better schools and safer communities for Californians. This past year, I have fought for the strongest ever crime bill to pass the Senate, and now I'm fighting for small business loans to create jobs. To improve our schools, I pushed increased funding for local education. As mayor of San Francisco and now as Senator, I want the best for my home state. For more information, call my campaign offices in Los Angeles (310)478-7944) or San Francisco (415)433-1333).



Kathleen BROWN

Governor

California's economy is in trouble. Our streets are unsafe. Our schools are in crisis. Enough is enough. I have a written plan to move California forward. I will fight for economic growth by putting California workers first and cutting government waste. I will fight crime with tougher sentences for violent criminals and first-time offenders, more police, and drug prevention programs. I will fight to reform schools by preparing kids for jobs of the future, making schools safe, and cutting administrative waste. Let's elect a Governor with specific solutions and vision for California's future. Kathleen Brown, Democrat for Governor, (310) 207-7600.



John J. VARELA

Governor

For fifteen years I have monitored the illegal alien problem in the State of California as it developed into a crisis. Those in authority who were unwilling to confront this issue have recently joined the anti-immigration issue. I have studied this problem and other problems affecting this State. I feel I am qualified to confront this issue. The illegal alien crisis affects education, bilingualism, crime, graffiti, and welfare.



Mark CALNEY

Governor

As an associate of *Lyndon LaRouche* for more than eighteen years, you know that I am not only independent, but have represented the only competent program to restore the economic development of our state and nation. Four years ago, when I ran for governor, I warned that we must constitutionalize the Federal Reserve and issue the credit necessary to rebuild our infrastructure, aggressively invest in our agro-industrial base, and create approximately 7 million jobs immediately. As an historian, I have documented the racist roots of Hollywood's movie industry, including the role of organized crime and the Anti-Defamation League.

The order of the parties and the candidates was determined by random alphabet drawing.
 Statements on this page were supplied by the candidates and have not been checked for accuracy by any official agency.
 PB4 Submission of statements was voluntary. Candidates who did not submit statements could otherwise be qualified to appear on the ballot. 57