FCLCA’s Recommendations for the November 2016 General Election

The Board of FCLCA is pleased to present our 2016 statewide ballot recommendations, as we do each time initiatives appear on the ballot. There are 17 (!) measures on this year’s ballot. The Program Committee has worked on analyzing these measures since early last spring, and the Board came to Unity on most of them over the course of three meetings.

In some cases, a recommendation was easy to reach – we support Proposition 62, which would abolish the death penalty in California; and oppose Proposition 66, which attempts to speed up executions. We support Proposition 57, which would restore judges’ authority to determine whether a juvenile should be tried as an adult and reduce the time that some prisoners convicted of non-violent felonies must serve before becoming eligible for parole. Another easy decision was to recommend a YES vote on Proposition 67, a referendum that asks voters to affirm 2014 legislative action that banned single-use plastic bags statewide.

Other decisions were considerably more difficult. As you read this year’s recommendations, you may be surprised that FCLCA opposes some propositions whose goals we support, largely because we do not believe they will effectively achieve these goals – Propositions 60 and 61, in particular.

The Board had its most protracted discussions about Proposition 56, which would increase taxes on cigarettes. The Board was in Unity that

(Continued on next page)
smoking should be discouraged, and that higher prices discourage consumption. The Board also recognized that cigarette taxes disproportionately are paid by the poor. Not only is an increase of $2.00 a pack a significant burden for someone who is poor, smoking rates are higher among those living in poverty. In the end, we felt it best for voters to weigh these competing values for themselves before casting a vote.

We know that our readers appreciate the thorough analysis that our Legislative Director, Jim Lindburg, supplies for FCLCA’s recommendations. He provides a description of the proposition, background information, and the Board’s reasoning for each recommendation. We hope that voters will read these recommendations carefully and will be better prepared to vote on election day.

– Elizabeth Ralston, Program and Policy Clerk

**Proposition 51: School Bonds. Funding for K-12 School and Community College Facilities. Initiative Statute. Support.**

This measure provides $7 billion for the construction and modernization of K-12 facilities and $2 billion for Community College facilities through the sale of general obligation bonds. The nonpartisan Legislative Analyst’s Office (LAO) estimates that the debt service on the bonds would cost the State’s General Fund $500 million per year – less than one half of one percent of the current General Fund Budget – for the next 35 years.

In 2015, the LAO recommended an overhaul of the New School Facility Financing Program. The current allocation system reflects disparities based on a school district’s property tax base and fails to channel resources where they are most needed. Gov. Brown has prioritized paying down state debt and has called for an end to state funding of bonds for school construction. The governor opposes Proposition 51, which has been bankrolled largely by the construction industry. In a January press conference, the governor indicated that he could support a smaller bond measure if it contained a more equitable funding formula. Attempts to negotiate a compromise school bond measure in the Legislature that would appear on the November ballot were unsuccessful.

Reforming the allocation process should become a priority when the new Legislature convenes in December. In the meantime, voters have not approved state-issued bonds for school facilities since 2006, and State funds for school and community college facilities have been exhausted. As a result FCLCA supports Proposition 51 with reservation. FCLCA recommends voting YES on Proposition 51.
Proposition 52: Medi-Cal Hospital Fee Program. Initiative Constitutional Amendment and Statute. Oppose.

Proposition 52 is very complex. California’s version of Medicaid, known as Medi-Cal, provides health care to 13 million Californians. It is funded by state funds that are matched by federal dollars so that the state and federal government each pay for roughly half of the program. In 2009, when Medi-Cal’s caseload was growing rapidly and the state was making deep budget cuts to safety net programs as a result of the Great Recession, the Legislature created the Hospital Quality Assurance Fee with the support of the private hospital industry. The fee is assessed on private hospitals and is based on the number of patients per day.

The revenue generated by the fee helps the state fund Medi-Cal. Private hospitals pay the fee to the state but then receive federal matching funds in excess of the fees paid to the state. Medi-Cal is arguably underfunded and the fees help to offset their losses. In 2015-2106, the fee generated a net benefit of $3.5 billion for California hospitals. The fee also generates about $900 million in savings to the State’s General Fund, which can be used for other priorities because the Legislature directed that certain children’s health care services, which would otherwise be funded by the General Fund, are paid from the fee.

The fee is set to expire at the end of 2017, though the Legislature has extended the fee four times. And that is how it should be. Proposition 52 would amend the California Constitution to make the fee permanent. In bad economic times it would further limit the Legislature’s ability to pass a budget without making deeper cuts to programs that are not constitutionality protected, namely services to the poor and disabled and support for higher education. The Legislature should retain the flexibility to modify the fee and to determine how the funds will be spent in accordance with changing circumstances. FCLCA recommends voting NO on Proposition 52.


Revenue bonds are a way of raising funds for large projects that require significant capital investment. The state sells bonds to investors and uses the proceeds to fund the project. Because the bonds are paid back by user fees, the State General Fund is not on the hook for the bond payments. Therefore, issuing revenue bonds does not require voter approval. Examples of these projects include toll bridges and airports.

Proposition 53 is the brainchild of wealthy Stockton farmer Dean Cortopassi, who has been an outspoken critic of Gov. Brown’s push to build two tunnels to send water to Southern California. It would amend the California Constitution to require that any state public works project funded by revenue bonds be approved by the voters when the cost of the project exceeds $2 billion. Voters should ask whether it makes sense to require statewide voter approval of local construction projects that do not obligate taxpayers. Proposition 53 would erode local control and undermine representative government. FCLCA recommends voting NO on Proposition 53.


Proposition 54 seeks to improve transparency and accountability in state government. It requires that all bills in their final form must be distributed and available online 72 hours before they can be passed by the Senate or the Assembly. It also requires that all public meetings be recorded and that video recordings be posted online within 24 hours. Videos would be downloadable for at least 20 years. Rather than cluttering the state Constitution with language designed to protect narrow special interests, Proposition 54 uses initiative to enact a new statute that would implement the transparency requirements. FCLCA recommends voting YES on Proposition 54.
Interests, Proposition 54 is a breath of fresh air – the kind of civic-minded thing one likes to see in the state Constitution. **FCLCA recommends voting YES on Proposition 54.**

**Proposition 55: Tax Extension to Fund Education and Healthcare. Initiative Constitutional Amendment. Support.**

When the 2008 recession hit, California was forced to make deep cuts to education and the safety net. In 2012, voters approved Proposition 30 to stop the bleeding. Proposition 30 temporarily raised the state sales tax by half a percentage point and raised the top marginal income tax rates by one to three percent. The regressive sales tax increase will sunset at the end of this year, and barring further action by voters the higher income tax rates are set to expire at the end of 2018.

Though California’s revenue outlook has improved considerably in recent years, the state still faces a structural budget deficit. Proposition 55 would extend the increases to the top marginal income tax rates through the end of 2030. The Legislative Analyst’s Office estimates that would increase revenues from $4 billion to $9 billion annually depending on the economy. About half the revenues would be dedicated to schools and community colleges. A portion of the increased revenues are earmarked for the state’s Medi-Cal program and the state’s rainy day fund, which is used to pay down debt and set aside funds for economic downturns. Because the revenues dedicated to education will count towards the state’s Proposition 98 guarantee (in 1988 California voters passed Proposition 98 to require that roughly half of state tax collections are spent on public education), Proposition 55 would free up some General Fund dollars, which could be used for other priorities.

FCLCA supports progressive taxation. We also recognize that our heavy reliance on the progressive personal income tax means that revenue collections are volatile. This is because they depend upon the wellbeing of the wealthiest Californians whose income fluctuates widely with the performance of the stock market. This will not change under Proposition 55. Unfortunately, California’s two-thirds supermajority requirement makes it extremely difficult for the Legislature to raise taxes in order to avoid defunding important government programs. Moreover, Gov. Brown has pledged to only support tax increases if approved by a vote of the people. Without Proposition 55, the Legislature would again be required to make sharp budget cuts. **FCLCA recommends voting YES on Proposition 55.**

**Proposition 56: Cigarette Tax to Fund Healthcare, Tobacco Use Prevention, Research. Initiative Constitutional Amendment and Statute. No recommendation.**

Proposition 56 would raise the state excise tax by $2 on a pack of cigarettes and also increases the excise tax on other tobacco products. It also imposes a new excise tax on electronic cigarettes. The LAO indicates that the measure would raise between $1.3 and $1.6 billion annually. Most of the funds would be used to support Medi-Cal, which provides health care services for 13 million Californians and to fund various other programs including tobacco prevention programs and research into tobacco-related diseases.

While these are important policy goals, and there is strong evidence that increasing taxes on cigarettes reduces legal purchases, there is uncertainty whether higher taxes results in fewer teenagers taking up smoking. California’s
tobacco taxes are generally lower than those of other states, but according to the Centers for Disease Control (CDC) our prevalence of adult cigarette use is lower than all other states with the exception of Utah. Our prevalence of youth cigarette use is also well below the national average. The good news is that tobacco use continues to decline nationwide.

According to the CDC there is a strong correlation between education, income levels and tobacco use. Tobacco use is considerably lower among people with higher levels of education and higher levels of income. And therein lies the rub.

While FCLCA supports full funding for Medi-Cal, we also favor an equitable tax burden with higher rates on those of greater means. Most of the increased taxes would be paid by those at the lower end of the economic ladder, many of whom are addicted to nicotine. The FCLCA Board did not come to unity over these competing values. FCLCA makes no recommendation on Proposition 56.


In 2001 California voters passed Proposition 21, which gave prosecutors the discretion to try juveniles as young as age 14 in adult court for certain offenses. The decision on whether to prosecute a young person as an adult is one of extreme importance. Whereas the emphasis in the juvenile justice system is on rehabilitation, the adult prison system is very punitive. Science has demonstrated that the juvenile brain is still developing well into the mid-20s. These findings were cited by the U.S. Supreme Court in Roper v. Simmons (2006) when it prohibited the death penalty for crimes committed as a minor. Under Proposition 57, prosecutors will have to convince judges who are one-step further removed from the political process that a young person should be tried as an adult. It will reduce the number of young people tried and convicted as adults.

This measure will also enable persons serving prison terms for non-violent offenses to become eligible for parole after serving their base term instead of requiring them to serve time for enhancements. It makes no sense to hold people in prison who are suitable for parole. The Board of Parole Hearings would carefully consider each prisoner's case before granting or rejecting parole.

In the mid-1970s Gov. Brown signed legislation to create determinate sentencing in California and to state that the purpose of imprisonment is punishment. As a result, most prisoners began serving fixed terms and are automatically released at the end of their term. Earning credits for good behavior and for educational and rehabilitative achievement is an important means for promoting rehabilitation in a system that warehouses prisoners. Proposition 57 grants the California Department of Corrections and Rehabilitation the authority to revamp credit earning for prisoners for good behavior and for rehabilitation and educational achievements. FCLCA recommends voting YES on Proposition 57.


In 1998 voters passed Proposition 227, which eliminated most bilingual education in California’s public schools. Today, about one in five California students, or 1.4 million students, in California’s public schools are not yet fluent in English.
Learning in one’s native language while simultaneously learning English can improve academic performance, and being proficient in more than one language improves job prospects in an increasingly globalized economy. In many European countries, students learn three languages.

Proposition 58 creates more choice. It maintains the requirement that public schools must teach students to become fluent in English, but also authorizes school districts – with parental and community input – to establish dual immersion programs for native and non-native English speakers. FCLCA recommends voting YES on Proposition 58.


In the Citizens United v. Federal Election Commission (2010) case, the U.S. Supreme Court held that limits on political spending violate the First Amendment of the U.S. Constitution. The decision opened up the floodgates of independent expenditures by corporations and labor unions and has led to the creation of super PACS, which spend lavishly to influence elections.

One highly suspect element of Proposition 60 is the provision that would allow any California citizen to sue a producer making a film without a condom if the California Occupational Health and Safety Administration (CalOSHA) does not act on a complaint within 21 days. Plaintiffs would receive up to 25 percent of the proceeds from any fine. Distributors and “aiders or abettors” could also be sued.

Workplace safety issues are better handled through existing regulatory agencies. CalOSHA already requires adult film performers to use condoms. In addition to being opposed by the San Francisco AIDS Foundation, the AIDS Project Los Angeles and numerous editorial boards,
Proposition 60 may be the only initiative that is opposed by both the California Democratic and Republican parties. **FCLCA recommends voting on NO on Proposition 60.**

# Give Stock!

Gifts of appreciated securities – stocks, bonds or mutual funds that have grown in value – often carry tax advantages. You might even be able to make a larger gift than you would have otherwise given.

Donating appreciated stock to a charity like the FCL Education Fund avoids capital gains and gives you a charitable deduction for the current value of the asset, rather than what you paid for it.

If you transfer long-term held stock (held more than one year) to a 501(c)(3) charitable organization (rather than selling the stock and giving the cash), in most cases, you do not have to pay the capital gains tax on the appreciated value of the stock, and you can take a charitable deduction for the full current value of the stock on the day you make the donation. (If you transfer stock that has not been held long-term, your deduction is limited to your original cost basis for the stock.)

Because there are individual considerations for each donor: which stock to donate, limitations on charitable deductions, etc., we recommend that you consult your financial advisor/tax professional about making a gift of appreciated securities. It could be a great way to support the work you care about!

Contact us for more information to give your broker: kevan@fclca.org or call (916) 443-3734.
approach employed here could make matters worse. **FCLCA recommends voting NO on Proposition 61.**

**Proposition 62: Death Penalty. Initiative Statute. Support.**

Proposition 62 will abolish California’s death penalty and replace it with a sentence of life without the possibility of parole. Since 1978, according to the LAO, 930 persons have been sentenced to death in California. Fifteen have been executed, 103 have died prior to being executed and 64 have had their sentences reduced by the courts. Seven hundred forty eight remain on death row. The Death Penalty Information Center reports that 156 people have been exonerated from death rows around the country largely due to DNA evidence which established their innocence. DNA evidence is only available in a small percentage of cases, but the growing list of exonerees demonstrates without a doubt that the state often makes mistakes in capital cases.

FCLCA is morally and religiously opposed to the idea that anyone, including the state, has the right to take a human life and supports total abolition of the death penalty. The death penalty is so fraught with error and prone to racial bias that it could never be fixed. Even if it could ever be implemented fairly, state-sponsored killing legitimizes violence and has never been shown to be a deterrent. California should join the growing number of states, now numbered at 20, that no longer use the death penalty. **FCLCA recommends voting YES on Proposition 63.**

**Proposition 64: Marijuana Legalization. Initiative Statute. Support.**

Marijuana use is here to stay, and prohibition has more negative consequences. To illustrate, the underground economy propels illegal drug cartels and introduces young people who experiment with marijuana to a culture of criminality. People of color are prosecuted more severely. Mass incarceration tears apart families and entire communities. For those who have paid their debt to society, having a felony conviction limits their prospects for obtaining employment and access to housing and certain government benefits.

Proposition 64 will legalize nonmedical marijuana use by adults aged 21 and older and allows cities and counties to regulate nonmedical marijuana businesses. It creates new taxes on marijuana growing and retail sales and prohibits advertising that is aimed at persons under age 21. Criminal penalties for selling marijuana for nonmedical purposes would be reduced. Persons serving sentences for activities made legal by Proposition 64 would become eligible to have their sentences reduced. Those who have already served their sentence could apply to have their criminal records changed. **FCLCA recommends voting YES on Proposition 64.**

Every election cycle typically has at least one stealth initiative designed to trick or confuse voters who may be not paying close attention. Thanks to Proposition 65, the November General Election will not be an exception. Proposition 65 is bankrolled by American Progressive Bag Alliance, aka the plastic bag manufacturers, which also bankrolled Proposition 67 for the purposes of overturning California’s plastic bag ban. Proposition 65 would redirect the $.10 fee that retailers collect for providing shoppers with reusable bags into a new Wildlife Conservation Fund. Who could oppose that, other than the retailers? The hidden agenda here is turn the big box grocers against Proposition 67. FCLCA recommends voting NO on Proposition 65.


Proposition 66 is a fatally flawed initiative. In its provisions that propose to speed up executions, it demonstrates everything that is wrong with the death penalty. This initiative would require that California’s direct appeal and habeas appeals be completed within an arbitrary five-year period and limits the ability of defendants to present new evidence of innocence. It also requires that habeas corpus petitions be filed first in trial courts (which are typically overburdened and underfunded). Those decisions could then be appealed first to the Courts of Appeal and then to the California Supreme Court. The state would have to expand the number of attorneys to handle appeals by hiring attorneys who lack experience handling death penalty appeals. The LAO notes that Proposition 66 could cost tens of millions of dollars annually for many years.

As noted in our recommendation of Proposition 62, the death penalty is fraught with error and racial bias. It often takes decades for new evidence to come forth and for successful legal challenges to be mounted that prove a prisoner’s innocence. Proposition 66 is destined to create a bureaucratic and costly nightmare that will increase the likelihood of innocent persons being executed.

In recent years, the U.S. Supreme Court has limited the application of the death penalty, and more states have abolished the practice. There is only one way to mend the death penalty, and that is to end it. Proposition 66 takes us in the wrong direction. FCLCA recommends voting NO on Proposition 66.


Californians dispose of 19 billion plastic bags annually, which accumulate on land and harm wildlife and wash down waterways to the ocean. The toxic components of plastic are ingested by marine organisms and eventually contaminate the stocks of fishes that are consumed by humans. As a result, several local government jurisdictions have enacted local bans on single-use plastic bags. In 2014, FCLCA supported and Gov. Brown signed SB 270, by Senator Alex Padilla (D-Los Angeles), to enact a statewide ban on disposable plastic bags.

Through legislative deliberations and compromises the big box retailers eventually removed their opposition to SB 270. The compromise provided that shoppers could either use their own reusable bag or retailers could provide them with reusable bags at a cost of $.10 per bag. The plastics industry has cynically maintained that the fee collected by retailers is just another way of lining their pockets. Before the new law could take effect, however, the plastic bag lobby, operating under the Orwellian “American Progressive Bag Alliance,” hired professional signature gatherers to qualify Proposition 67 for the ballot in order to void the statewide ban on single-use plastic bags. It is past time to make the ban statewide. FCLCA recommends voting YES on Proposition 67.

– Jim Lindburg <JimL@FCLCA.org>
A BUSY YEAR FOR JUSTICE
HIGHLIGHTS FROM 2016

Sen. Holly Mitchell speaks out at a September press conference and rally for her Senate Bill 1157, co-sponsored by FCLCA, to ensure in-person visitation in county jails. Family members, including children and teens, came from as far away as Los Angeles to speak out, asking Gov. Brown to sign SB 1157. Unfortunately, Gov. Brown vetoed SB 1157. He did, however, sign two other FCLCA co-sponsored bills, AB 2590 and SB 759.

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The Legislative Women’s Caucus and a wide coalition of organizations called A Stronger California promoted an ambitious agenda of legislation to support women and families in the 2015-2016 session. FCLCA joined in support of legislation for increased childcare funding, equality in employment, and helped to organize a successful Interfaith Coalition effort to repeal the Maximum Family Grant rule, which had penalized low-income children for over 20 years by denying them aid if their family was receiving assistance prior to their birth.
WAYS TO GIVE THAT BENEFIT YOU AND YOUR FAVORITE CHARITIES

Make a qualified charitable distribution (QCD) from your individual retirement account (IRA).

Have you reached age 70½ and are you required to take a minimum distribution from your IRA?

Perhaps you don’t need all of that distribution to live on and you would also like to make a charitable gift to a cause you believe in, like the FCL Education Fund. Consider making the gift as a qualified charitable distribution (QCD).

What is a QCD?

A QCD permits annual direct transfers to a qualified charity or charities of up to $100,000 of tax-deferred IRA savings. The distribution must be made directly to the charity.

These gifts count toward your Required Minimum Distribution but do not increase your income. This can be beneficial to many people because a higher income can have impacts such as increasing the tax on social security benefits and increasing Medicare insurance premiums.

We recommend that you first contact your financial advisor to see if a QCD makes sense for your specific financial situation. Many IRA custodians have forms and additional information available to help you make a QCD.

The charity must qualify as a 501(c)(3) organization and some charities such as private foundations and donor-advised funds do not qualify for a QCD.

It’s important to make a QCD in the right way. If the funds from the IRA are distributed directly to you first and then you in turn contribute them to the charity, that will not qualify. That’s because taxable IRA distributions made to you must be included in your adjusted gross income and will have other impacts on your tax situation.

You’ll want to contact the charity to make sure you have the correct name and have the custodian of your IRA make the check out directly to the charity. The custodian may send the check to the charity or may send the check to you and you may send the check to the charity. In either case, it’s a good idea to enclose a letter stating who the donor is and that the donation is a QCD. Be sure to get an acknowledgement letter from the charity documenting the donation.

If you would like to make a QCD in support of the work of the FCL Education Fund in informing our supporters and the wider public about the issues that face California and our work to train grassroots activists on how to effectively lobby their legislators, here’s our info:

Formal name: FCL Education Fund   EIN number: 68-0062639  
Address: 1225 8th Street, Suite 220, Sacramento, CA 95814   Attn: Kevan Insko

FCLCA Newsletter  FALL 2016 11
Palo Alto Friends Meeting will host another in an occasional series of chamber music concerts on period instruments to benefit FCLCA at 8 pm on Friday evening, October 28, 2016.

Musicians Katherine Heater, harpsichord, Anthony Martin, violin, and Adaiha MacAdam-Somer, cello, will play trios by Haydn, Pleyel and Mozart, plus a Boccherini Cello Sonata.

Audiences at previous concerts have noted that the intimate space and acoustics of the Palo Alto Meetinghouse are ideal for such small ensembles.

Families with children are encouraged to come, sit close to the musicians to see and hear a live performance of music from a pre-electronic age.

Suggested adult donation is $25; age 16 and under $15.

The Palo Alto Friends Meetinghouse is at 957 Colorado Avenue (south of Oregon expressway, between Louis and Greer).