



# COLAB SAN LUIS OBISPO WEEK OF APRIL 16 - 22, 2017

## **THIS WEEK**

**Evidentiary Hearings in the Application of PG&E to Retire** the Diablo Canyon Power Plant (Case A.16-08-006)

When: Wednesday, April 19, 2017, 10:00 AM - 4:00 PM

CPUC Hearing Room A, 505 Van Ness Ave., San Francisco; also available via webcast

# NO MAJOR POLICY ITEMS ON BOS

# LAST WEEK

# OAK TREE PROTECTION ORDINANCE APPROVED UNANIMOUSLY

## LEGISLATURE INCREASES AUTO FUEL TAXES AND FEES

# SLO COLAB IN DEPTH

### (SEE PAGE 7)

### AFTER THE NEW GAS TAXES, JUST SAY NO! By Mike Brown

Democrats Doing What They Do Best By Andy Caldwell

> Gas tax hike recalls Gray Davis By Jon Coupal

### **THIS WEEK'S HIGHLIGHTS**

Board of Supervisors Meeting of Tuesday, April 18, 2017 (Scheduled)

This is a light meeting and there do not appear to be any items of major policy concern on the agenda.

## LAST WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, April 11, 2017 (Completed)

**Item 23 - Oaks Ordinance.** The Board unanimously voted **to approve an** ordinance prohibiting the clear cutting of oak trees in oak woodlands. There were 36 public speakers, of

whom 25 were in support and 11 were opposed. Supporters included the California Native Plant Society, several professors emeritus, Andrew Christi of the Sierra Club, and a representative of the Northern Chumash Tribal Council. Individuals involved in agriculture, land preparation, fighting wildfires, and property rights groups were opposed. The SLO County Farm Bureau seemed to take a technical approach, attempting to clarify some provisions and have others removed.



A spokesperson for the Northern Chumash group offered the Board a program where tribal members would serve as consultants to applicants seeking permits under the program. It is not known if any are licensed arborists, range management experts, or botanists. Similar shakedowns are common during development of land.

Some of the key concerns include:

1. Other than the emotional appeal, is the ordinance actually necessary?

2. It appeared that substantial support came from the Adelaida area. Could the Board have tried a pilot program in that area for a few years to test how things actually work under such an ordinance before imposing it on the entire inland area of the county.

3. What will obtaining permits actually cost in terms of County processing fees plus the experts that applicants may have to hire to help get their applications through?

4. How will the County staff monitor the very large area in which the Oaks occur? Much of it cannot be seen from public roads or from neighboring property. Will there be aerial surveillance or will the County monitor satellite photos over some periods of time?

5. There was much testimony by the public as well as some rhetoric by some Board members that protecting Oaks is a matter of huge public interest. If this is so, why is the cost of the program imposed solely on the property owners? In some cases they will actually be victims, not beneficiaries. If the Board and the people are so gung ho, why don't they fund the program and the costs of obtaining permit?

Moreover, if the program is a matter of high public interest, why doesn't the County start a program to acquire oak woodlands as preserves? Let the people vote if they want to preserve the woodlands and justly and fairly pay for the program. `

6. Is having a ranch with Oak trees a privilege conferred by the government, which can be regulated in any way that the majority determines is in vogue at any given time?

**Background:** The Planning Commission recommended that the ordinance be approved. It was generated as a result of the clear cutting of 350 acres of oaks and other trees by a subsidiary of the Resnick Agricultural Corporation, which is blamed for water exploitation in Kern County. The area where the cutting took place is characterized by traditional small scale agriculture carried out by families. The area is also characterized by marginal fractured rock aquifers.

Here the proposed ordinance is to be applied to the entire unincorporated county wherever oak woodlands normally occur. No data has been presented that similar clear cutting has been a problem generally. There is some assertion that over the decades the areas covered by oak woodlands have been eroded. Again, no analysis has been presented.

#### California State Legislature 2017 Session (April 6, 2017)

Senate Bill 1, a \$5.2 billion per year tax bill passed the State Senate by a vote of 27/11. It passed the Assembly by 54/27. Assemblyman Cunningham voted against it. Please see the articles in the SLO County in Depth section, starting on page 7 below. Senator Monning voted for the bill. It awaits the Governor's signature. The Governor helped push the bill and has been making supportive statements.

California State Public Utilities Commission (PUC) Evidentiary Hearing on PG&E's Petition to Close the Diablo Nuclear Power Plant of Wednesday, April 19, 2017 (Scheduled)

It appears that this multi-day meeting (see schedule below) is being held for the assigned hearing officers to receive presentations from the large list of intervenors (over 30) in these proceedings. At some later date the information gathered here will be used make a decision on PG&E's petition.

The stakes are very high for the County, the cities in the County, and the Lucia Mar School District. As part of its phase-out plan, PG&E has committed funding to provide these jurisdictions cash benefits to cushion the economic impacts of the plant closure. These are in excess of \$100 million.

PG&E's plan to close the plant is in part based on its ability to acquire a large quantity of green energy over several decades to replace the nuclear energy. This will be very expensive (billions of dollars), and along with the benefits to the local jurisdictions and its workforce, PG&E will need the PUC to approve large rate increases to purchase this energy. If this request or any other part of the plan is denied, PG&E could simply close the plant in 2018.

There are groups that oppose the rate increases and groups that wish to have the plant closed immediately. Many of these have filed extensive technical pleadings. If the deal falls through, a large and sudden blow to the county's economy could take place. PG&E has repeatedly emphasized some of the deal points:

#### **Agreement Contingencies**

The updated joint proposal remains contingent on a number of regulatory actions, including:

•Approval by the CPUC of the proposed plan for replacement of DCPP with 2,000 gigawatt-hours of energy efficiency installed by the end of 2024 in the DCPP retirement proceeding.

•A CPUC directive for replacement of DCPP with GHG-free resources in the IRP, and that responsibility for and costs of these resources will be addressed as part of that proceeding.

 $\cdot$ *CPUC confirmation that PG&E's investment in DCPP will be recovered by the time the plant closes in 2025.* 

•*CPUC* approval of cost recovery for appropriate employee and community transition benefits as well as recovery of costs associated with PG&E's relicensing activities.

Evidentiary Hearings in the Application of PG&E to Retire the Diablo Canyon Power Plant (A.16-08-006)

When: Wednesday, April 19, 2017 10:00 AM - 4:00 PM

Where: CPUC Hearing Room A, 505 Van Ness Ave., San Francisco; also available via webcast

Description: What: Evidentiary Hearings in the Application of PG&E to Retire the Diablo Canyon Power Plant (<u>A.16-08-006</u>).

When: 10 a.m. – 4 p.m. on:

April 19, 2017, April 20, 2017, April 21, 2017, April 24, 2017, April 25, 2017, April 26, 2017, April 27, 2017, and April 28, 2017

Where: CPUC Hearing Room A, 505 Van Ness Ave., San Francisco; also available via webcast at <a href="http://www.adminmonitor.com/ca/cpuc/">http://www.adminmonitor.com/ca/cpuc/</a>

#### Central Coast Water Board April 6, 2017 Notice to Farmers

Check out the notice that was sent to everyone with irrigated land. Look what our farmers have to do just to comply. Each time this regulation is updated, it becomes worse. Please see the next page.



#### CENTRAL COAST WATER BOARD - AGRICULTURAL ORDER 3-Year Compliance Calendar

The following calendar is an itemized list of Ag Order requirements arranged by ranch tier. Each ranch is assigned a tier of either 1, 2, or 3. Growers should also review the Ag Order and Monitoring and Reporting Programs provided at the Water Board's website. The Ag Order has a term of three years and will be renewed by 2020. Growers can use this compliance calendar to check off requirements during the years 2017-2020. If a cell is blacked out, there is no requirement for that year. http://www.waterboards.ca.gov/centralcoast/water\_issues/programs/ag\_waivers/index.shtml

	TIER 1 2 3		Agricultural Order R3-2017-0002			Check box when completed			
1			Requirement	Reference	Due Date	2017	2018	2019	2020
~	~	~	<ol> <li>Enroll - Submit electronic-Notice of Intent (eNOI, if grower has not already done so)</li> </ol>	Order, p23 #55	Ongoing, and within 60 days of control of ranch				
~	~	~	<ol><li>Update electronic-Notice of Intent (eNOI), if change occurs in enrollment information</li></ol>	Order, p23 #55c	Within 60 days of change				
~	~	~	3. Develop Farm Plan and keep it updated	Order, p20 #44	Ongoing				
~	~	~	4. Install backflow prevention devices if you fertigate or chemigate	Order, p18 #31	Immediately				
✓	✓	✓	5. Properly destroy abandoned groundwater wells	Order, p19 #32	Ongoing				
~	~	~	6. Implement management practices to achieve water quality standards; assess effectiveness at attaining water quality standards; then implement improved management practices when necessary	Order, p4 #10 Order, p14 #12 Order, p19 #36	Ongoing				
✓	✓	~	7. Minimize bare dirt and prevent erosion to protect water quality	Order, p19 #37	Ongoing				
~	~	~	8. Maintain any existing riparian vegetation, such as vegetation along creeks, and maintain riparian area, to protect aquatic habitat, minimize discharge of waste, and for streambank stabilization and erosion control	Order, p20 #39	Ongoing				
~	~	~	9. Conduct surface receiving water monitoring and reporting - monitor creeks that may receive farm runoff <sup>1</sup>	Order, p23 #52 MRP, p2 Part 1A,B	Ongoing				
~	~	~	10. Conduct groundwater monitoring and reporting - monitor primary irrigation well and all domestic <sup>2</sup> wells located on ranch parcels. Two rounds of sampling due in 2017 <sup>3</sup>	Order, p22 #51 MRP, Part 2A	1st sample: Mar-June 2nd sample: Sept-Dec Report results within 60 days of sample collection	Due			
	✓	~	11. Submit or update the ranch/farm Annual Compliance Form	Order, p26 #67 MRP, p10 Part 3A	1-Mar		Due	Due	Due
	~	~	<ol> <li>Maintain records for Total Nitrogen Applied reporting<sup>4</sup></li> <li>a. Track nitrogen applied in fertilizers, compost, and other materials</li> <li>b. Track volume of irrigation water used on the ranch/farm</li> <li>c. Annually sample irrigation water nitrogen concentration</li> <li>d. Annually sample soil nitrogen</li> </ol>	Order, p27 #68 MRP, p10 Part 2C	Ongoing				
	~	~	13. Submit a Total Nitrogen Applied report <sup>4</sup>	Order, p27 #68 MRP, p10 Part 2C	1-Mar		Due	Due	Due
		~	14. Conduct individual discharge monitoring, if ranch/farm is tier 3 and has an irrigation or stormwater surface discharge, or as required by Executive Officer <sup>5</sup>	Order, p27 #70 MRP, p13 Part 5A	Ongoing				
		✓	15. Report individual discharge monitoring results (from 14 above)	Order, p27 #71 MRP, p15 Part 5B	1-Mar		Due	Due	Due
		~	16. Implement Certified Irrigation & Nutrient Management Plan if required under 2012 Agricultural Order, or by Executive Officer <sup>5</sup>	Order, p27 #72-73 MRP, p16 Part 6A	Ongoing				
		~	17. Submit Irrigation & Nutrient Management Plan Effectiveness Report <i>if required under 2012 Agricultural Order, or by Executive</i> <i>Officer</i> <sup>5</sup> (from 16 above)	Order, p28 #74 MRP, p17 Part 6B	March 1, 2019			Due	
		~	18. Implement Water Quality Buffer Plan, if ranch/farm is adjacent to surface water impaired by sediment, temperature, or turbidity	Order, p28 #75-76 MRP, p18 Part 7A	Ongoing				
		~	19. Submit Water Quality Buffer Plan Update, if ranch/farm is adjacent to surface water impaired by sediment, temperature, or turbidity (from 18 above)	Order, p28 #77 MRP, p18 Part 7A	March 1, 2019			Due	

1-Growers can comply with specific requirements individually or cooperatively, such as with the Cooperative Monitoring Program.

2-A domestic well is defined as any well that is used or may be used for domestic use purposes, including any groundwater well that is connected to a residence, workshop, or place of business that may be used for human consumption, cooking, or sanitary purposes.

3-Growers can comply with specific requirements individually or cooperatively, such as with the Central Coast Groundwater Coalition.

4-If any of the following crops are grown on a tier 2 or 3 ranch, you must track and report total nitrogen applied for all crops grown on that ranch: beet, broccoli,

cabbage, cauliflower, celery, Chinese cabbage (Napa), collard, endive, kale, leek, lettuce (leaf and head), mustard, onion (dry and green), spinach, strawberry, pepper (fruiting), and parsley. Total Nitrogen Applied Instructions are on the Water Board website.

5-Contact Water Board staff if you are unsure whether or not a requirement applies to your ranch/farm.

http://www.waterboards.ca.gov/centralcoast/

# SLO COLAB IN DEPTH

In fighting the troublesome, local day-to-day assaults on our freedom and property, it is also important to keep in mind the larger underlying ideological, political, and economic causes and forces

### AFTER THE NEW GAS TAXES, JUST SAY NO! By Mike Brown

Surprise, surprise - County Supervisors Arnold and Compton and the Central Coast Taxpayers' Association were absolutely right in opposing the 2016 Measure J countywide sales tax increase. At the time, they said, this is a State responsibility. Let's see if the Governor and the Legislature actually come up with something before we shoot ourselves in the foot with a new local tax.

And guess what? The Legislature just approved a new \$52.4 billion dollar dedicated ten-year transportation funding program (Senate Bill 1). In addition to billions for State highway maintenance, the plan contains dedicated annual funding for local streets and roads.

According to the Senate Appropriations Committee, this bill is expected to generate an amount equivalent to \$52.4 billion in transportation revenues over a ten-year period, approximately \$26.6 billion of which would be dedicated for local expenditures and \$25.8 billion for state purposes. Overall revenues are estimated at \$2.78 billion in 2017-18, \$4.55 billion in 2018-19, and \$4.88 billion in 2019-20. Revenues are generally expected to increase annually thereafter, once all revenue sources are fully implemented and specified adjustments are made each year by the CPI, eventually reaching approximately \$6.5 billion by 2026-27.

In a somewhat devious and obfuscatory fashion the program is presented as having a ten-year life. But the bill actually does not contain a sunset clause on the new taxes at year ten, or ever. Thus, and unless a future Legislature rescinds or modifies the tax increases, they will continue indefinitely.

In effect, the program is not simply a huge \$52.4 billion transportation program for ten years but a massive and unending confiscation of the people's resources. The taxes could generate hundreds of billions over the decades. Worse yet, by adding the new taxes, the Sacramento politicians can use existing revenues, which are also increasing, to fund more staff, more raises, more out of control pension costs, more pet projects and patronage.

Back down here at the County level, imagine, if Measure J had passed? SLO County taxpayers would now be double burdened with a new ½ cent sales tax plus increases in the State gasoline tax, diesel fuel tax, and vehicle license fees. Some of the cities already had voter-approved tax overrides, which, had Measure J passed, would have meant that their citizens would be triple taxed.

The County itself, as a government entity, will be better off under the State program than Measure J. The Measure J tax would have provided the County with \$50.1 million over the nineyear life of the tax for its local roads in the unincorporated areas. According to SLOCOG estimates, SB 1 will provide the County an average \$13.2 million per year, which over nine years, is \$118.8 million. Under the State SB 1 formula the cities will gain less than they would have received under Measure J. For example, the City of San Luis Obispo will receive \$14.2 million over 9 years under the state program. It was to have received \$20.2 million under the Measure J program.

Similarly, the City of Paso Robles will receive \$9.5 million over 9 years from the SB 1 allocation. It was slated to receive \$13.9 million under Measure J. The other cities will receive proportionally less. These differences are primarily due to the State allocation formula having a stronger weighting for lane miles than Measure J. This benefits the County.

On the other hand, the State program contains a number of urban oriented greenhouse gas reduction, complete streets (lights, benches, trees, bike lanes, etc.), urban design and construction programs, and transit type projects tailored for cities. These should be right up their alleys – figuratively and literally.

An interesting and ironic side light is that the portion of the 12 cent per gallon increase attributable to gasoline for boats and off-highway vehicles will be transferred to the State Parks and Recreation Fund to be used for off highway vehicle and boating programs. The lefties who supported the tax can be thanked for helping secure the future of the Oceano Dunes Vehicle Riding Area.

#### Sample annual expenditures are outlined below:

- \$1.49 billion for state highway maintenance and rehabilitation.
- \$1.48 billion for local streets and road maintenance and rehabilitation.
- \$769 million for transit purposes.
- \$400 million for state bridge and culvert repair and maintenance.
- \$300 million for trade corridor improvements.
- \$250 million for congested corridor improvements.
- \$200 million for "local partnerships" for local agencies that have adopted local sales tax measures for transportation purposes.
- \$100 million for the Active Transportation Program.

- \$82.4 million for Regional Transportation Improvement Plans.
- j) \$27.5 million for Interregional Transportation Improvement Plans.
- k) \$25 million for local planning grants (SB 375 planning).
- \$25 million for Freeway Service Patrols.
- \$7 million for transportation research at state universities.

Of course these funds don't come for free. The new law increases a number of transportationrelated taxes and fees on the general public, business, and agriculture as follows:

- Gasoline excise tax: \$0.12/gallon
- Diesel excise tax: \$0.20/gallon
- Diesel sales tax: 4%/gallon
- Road Improvement Fee for zero-emission vehicles, as defined: \$100/year
- Transportation Improvement Fee (TIF): the fee will be based on the market value of the vehicle with the fee range described below:

- \$25 per year for vehicles with a market value \$0- \$4,999

- \$50 per year for vehicles with a market value \$5,000 -- \$24,999

-\$100 per year for vehicles with a market value \$25,000 -- \$34,999

-\$150 per year for vehicles with a market value \$35,000 -- \$59,999

- \$175 per year for vehicles with a market value \$60,000 and higher

The wording requires that the tax rates and fees specified in this bill be adjusted annually based on the Consumer Price Index (CPI).

Keep in mind that prior to SB 1 passing, California already had some of the highest taxes and fees in the nation related to transportation:

**GAS TAX:** California already had the nation's 7th highest "gas pump" tax at 56.6 cents/gallon (November, 2016). But add in the unique 10-12 cent CA "cap and trade" cost per gallon, and CA is in the top 3 states (with PA and WA). National average is 48.9 cents. Yet CA has the 9th worst highways.

**CAP AND TRADE TAX:** CA has now instituted the highest "cap and trade" tax in the nation – indeed, the ONLY such U.S. tax. Even proponents concede that it will have zero impact on global warming.

**FINES AND FEES:** CA driving tickets are incredibly high. For example, the fine for a red-light camera ticket is \$490. In the next highest state (Washington) the fine is \$124 - \$250. In most states it is around \$100.

**TRANSPORTATION COSTS:** CA has 2nd highest annual cost for owning a car – \$4,112, or \$370 higher than the other 49 states' average.

**SALES TAX:** CA has the highest state sales tax rate in the nation, at 7.5% (does not include local sales taxes).

The Legislature declared that California faces an estimated \$137 billion deferred maintenance backlog over the next 10 years at the state and local level that will grow by billions every year. The 10-year \$52 billion dollar plan does not even cover half of this and will not actually catch up as the maintenance deficit grows every year.

Accordingly and even with SB 1, the Legislature and Governor could take steps to further bolster transportation infrastructure by better managing the regular State Budget and prioritizing transportation infrastructure.

In this regard, the proposed 2017-18 State Budget totals \$179 billion. Actually the State will expend \$284 billion, of which \$105 billion comes from Federal transfer payments such as welfare, Media-Cal-Obama Care, etc., which are administered by the State but not counted in the Budget. Of the \$179 billion nominal budget, \$54.5 billion is locked up in dedicated special funds that must be expended for specific programs as stipulated by the Legislature or the voters. An additional \$2.4 billion is from dedicated bond funds, leaving a \$122.5 billion general fund of which \$51.3 billion is mandated for local public education by Proposition 98. The remainder, \$71.2 billion for everything else, includes the prisons, universities, highway patrol, environmental protection, administration, and transportation, which currently receives \$16.4 billion. At first glance it might not seem that transportation expenditures could be expanded. But a little budget restraint here and there could generate substantial funding. Sample steps could include:

1. Stop the growth of state staffing. As best as we can calculate from the proposed Budget and a series of state Finance Department supplemental tables, the average fully loaded annual cost of a State employee is \$119,661 with salaries, benefits, and pension contributions. (Neither the Budget document nor the Comprehensive Annual Financial Report present this vital data.) In just 5 years, between the adopted FY 2013 Budget and the proposed FY 2018 Budget, the State staffing increased from 346,320 to 362,690 authorized positions, an increase of 16,370. At \$119,661 per employee, this added \$1.9 billion to the recurring annual budget.

2. The State budgets fully loaded positions as if they were all filled every workday for a full year Thousands have to be vacant at any time due to normal turnover, recruiting time, promotions and retirements. What is the actual savings each year, which could be projected and used for roads, bridges, and building maintenance? There has to be a huge amount of unreported slush in the system due to this situation alone.

3. What is the lost time rate (employees absent from work) due to sickness, workers compensation, and other unscheduled absences? There is no data presented in the budget or Finance Department historic or current information. Absent that information, the Governor, the Legislators, management, and the public have no idea if the State agencies and universities have to be overstaffed to make up the difference.

Until transparency is provided in what should be routine management practices such as the three fundamental tools listed above, the Legislature should approve no new taxes or fees. The public should vote no on any ballot propositions that increase taxes. The public should vote against incumbents and candidates at all levels of government who do not track or use such data for budgeting and management, and who don't include it in public documents. Such a civic reform would reduce the need for the relentless push for more and more government employees, more and more salary and benefit increases, and more and more taxes and fees.

All that is needed is that the voters just say no!

Data and calculations used in this article were extracted from the adopted Senate Bill 1; The Governor's Proposed 2017-18 Annual Budget; California State Department of Finance website: Summary Schedules and Historical Charts; The California State Legislature Information website Bill Analysis Section; SLOCOG agenda reports; and the State of California FY 2016 Comprehensive Annual Financial Report.

Mike Brown is the Government Affairs Director of the Coalition of Labor Agriculture and Business (COLAB) of San Luis Obispo County. He had a 42-year career as a city manager and county executive officer in 4 states including California. He can be reached at <u>mike@colabslo.org</u>.

### Democrats Doing What They Do Best By Andy Caldwell

Here is what Governor Jerry Brown told the media after securing enough votes in our State Legislature to raise taxes by over \$5 billion per year for the next ten years: "I appreciate being a Democrat and what the Democrats did. There is a reason why the members of the other party have been going downhill for so many decades. That's because they are doing nothing. We did something to fix the roads of California. Tonight, we're building things."

The hubris, delusion and condescension in his statement is beyond the pale. Of course, if the media in this state were anything but mouthpieces for the Governor and his party, perhaps, the people of California would have a different impression, understanding and appreciation of how irresponsible, trite and dishonest our political class is. The bottom line? It doesn't take a hero, savant, or visionary to raise taxes to cover up a problem related to fiscal malfeasance. Any politician with a group of like-minded colleagues who comprise a super majority in the legislature can pull this off on any given day without a vote of the people and that is just what they did. Jerry Brown pushed this tax measure through, before the Easter recess, lest his fellow travelers got cold feet once they heard from their constituents back home.

Brown would have us believe the higher fuel taxes and fees will increase costs for the average motorist by about \$10 a month, which is not true. Consumers will not only pay the higher costs at the pump, they will also pay higher costs for all the products they consume, as all the things we use and need are delivered by trucks and a significant part of this tax increase is on the trucking industry.

The most abject aspect of the tax increase? The \$50 billion proposal aims to address a \$59 billion backlog in deferred maintenance on state highways, and \$78 billion on local streets and roads. It will only raise a pittance of what we need to fix potholes and repair bridges! And, a significant amount of the money is going to be diverted to public transit and biking and walking trails with nothing going to congestion relief!

The truth is Jerry Brown and company aren't really building anything except in those areas where legislators, who held out voting yes until the last minute, received \$1 billion in pork! Perhaps, if our State Senator Hannah Beth Jackson and Assembly representative Monique Limon had done likewise, we would have received the money to finish the 101 widening.

Regardless, because the state is not building new capacity, this measure does little to address our clogged freeways. The legislature is applying a \$50 billion Band-Aid while our state finances are hemorrhaging due to pension liabilities and misplaced priorities of existing revenue streams. Moreover, this legislation does nothing to address the inefficiencies and overcharges of CalTrans.

When all is said, and done, we will still have the highest taxes, the most congested freeways, and the worst roads in the nation.

Andy Caldwell is the executive director of COLAB of Santa Barbara County and the host of The Andy Caldwell Radio Show weekdays from 3-5 pm on News Press Radio AM1290 and AM1440 KUHL. This article first appeared in the Santa Barbara News Press.

### Gas tax hike recalls Gray Davis

#### **By Jon Coupal**

Writing in 2007, Los Angeles Times editorial writer Robert Greene stated, "The defining issue of the 2003 recall was Gov. Gray Davis' tripling of the car tax, more officially known as the vehicle license fee. The defining issue of Arnold Schwarzenegger's successful campaign to unseat Davis

was his promised rollback of the said car tax." Greene went on to document the relationship of the car tax, the gas tax and the diversion of this revenue from transportation infrastructure to shore up a chronically unbalanced state budget. The contortions and machinations by state officials behind this diversion of funds was difficult to follow. What was not difficult to follow, however, was the public's disdain for the car tax, a fact to which former Gov. Davis will attest.

The transportation tax package just approved by the California Legislature — greased with ample amounts of pork — is a lot more than just an increase in the car registration tax. It also imposes a 12-cents-per-gallon gas tax, and will cost the average California family of four over \$250 annually. If state politicians wanted to inflame California taxpayers, they couldn't have picked a better way to do it. What's next? Standing in Capitol Park to poke hornets' nests?

As discussed in this column last week, the current proposal, calculated to cost California drivers \$52 billion over the next 10 years, is bad for innumerable policy reasons. But it's also bad politics.

Gov. Brown and the legislative leadership secured the necessary two-thirds vote in each house to pass the tax package by buying off a handful of legislators via promises for specific transportation projects in their districts. (The two-thirds vote requirement for tax hikes at the state level is a lesser-known benefit of the iconic Proposition 13, enacted in 1978. But with a Legislature dominated by tax-and-spend liberals, the supermajority threshold was met.)

For those legislators who cast a yes vote for this damaging tax hike, it will be interesting to see how they explain this to their middle-class constituents. During the Gray Davis recall effort, the backlash against the car tax increase was intense. Who can forget "Hasta la vista, Davis?" And, speaking of unforgettable, when massive tax increases were proposed in 2009 in the middle of a debilitating recession, unruly mobs were marching in the street shouting "heads on a stick." The tax hikes just approved are much larger than what Gray pushed. Moreover, they are permanent tax hikes with no sunset, and would be constantly adjusted upward for inflation.

While the two-thirds vote threshold to jam this tax was breached, it did provide an important benefit. Specifically, it helped to reveal the clearest line of demarcation between those who stand with the middle class and those who stand with special interests and big spenders. Had the vote threshold been simple majority, progressive legislative leadership could have "protected" their most vulnerable members by allowing them to vote against the hikes to give the impression that they were fiscally responsible. This is called "lifeboating" by Sacramento political insiders.

But with the supermajority requirement, and the final vote tally so narrow, the ability of leadership to protect vulnerable members is limited. While Democrats in solid-blue coastal districts — think San Francisco or Santa Monica — fear no serious consequences for voting for tax hikes, the same cannot be said for legislators in swing districts. For them, the vote for the largest transportation tax in history will surely be used as a bludgeon by their political opponents.

Just ask Gray Davis.

Jon Coupal is president of the Howard Jarvis Taxpayers Association. This article first appeared in the April 11, 2017 issue of California Political Review.



Ending At Midnight - April 8, 2017



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### **ANNOUNCEMENTS** NOTE THAT THE EVENT BELOW IS JUST ABOUT SOLD OUT



#### TRAINING ON FPPC RULES CONCERNING EMAILS AND PHONE CALLS WITH ELECTEDs



Chuck Bell • Attorney Member of our RPSLO CC

Wednesday, April 19, at 5:00pm Conference Room On Higuera

> San Luis Business Center Conference Room 4251 So. Higuera St., Suite 501 San Luis Obispo, California 93401

Chuck Bell will educate us on the new ruling concerning Elected Officials' emails and phone calls and YOURS.



We all need this information if you are on the Central Committee. Records Request • Phone Call Data • Email Data What can we do and what should we NOT do?

This event is FREE and please join us we have room for about 50+

Questions call Laura Mordaunt at 805.305.0482

or email laura@mordaunt.org





#### KIDS ARE YOU READY FOR A GREAT DAY OUTDOORS? THEN COME JOIN US FOR ARROYO GRANDE SPORTSMAN'S CLUB 21<sup>ST.</sup> ANNUAL KIDS' OUTDOOR ADVENTURE DAY

Enjoy \*fishing, \*archery, \*panning for gold \*an air rifle gallery \*candle making and more!

WHEN: SATURDAY, May 20, 2017 or SUNDAY, May 21, 2017

WHERE: Once Your Application is approved, you will receive a map with directions to our location.

WHAT TIME: YOU MUST BE THERE NO LATER THAN 8:30 A.M. FOR REGISTRATION

HOW DO I GET STARTED? Download the application from our website: www.AGSPORTSMANSCLUB.COM and Mail It To: AGSC

475 Corralitos Rd. Arroyo Grande, CA 93420

Applications must be received no later than, May 9, 2017

WHAT SHOULD I BRING TO THE EVENT? BRING SUNSCREEN, WATER AND A HAT WITH YOU. WE WILL SUPPLY ALL THE REQUIRED EQUIPMENT.

KIDS AND PARENTS WILL BE TREATED TO A HOTDOG BBQ WITH ALL THE TRIMMINGS FOR LUNCH.

FOR MORE INFORMATION, PLEASE CALL: (805) 481-5838 or 534-4040 PLEASE NOTE: LATE REGISTRATIONS WILL NOT BE ACCEPTED.

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# SUPPORT COLAB! PLEASE COMPLETE THE MEMBERSHIP/DONATION FORM ON THE NEXT PAGE

Coalition of Labor, Agriculture and Business San Luis Obispo County "Your Property – Your Taxes – Our Future" PO Box 13601 – San Luis Obispo, CA 93406 / Phone: 805.548-0340 Email: colabslo@gmail.com / Website: colabslo.org

MEMBERSHIP APPLICATION

MEMBERSHIP OPTIONS:

General Member: \$100 - \$249 □ \$\_\_\_\_\_ Voting Member: \$250 - \$5,000 □ \$\_\_\_\_\_

Sustaining Member: \$5,000 +🗆 \$ \_\_\_\_

(Sustaining Membership includes a table of 10 at the Annual Fundraiser Dinner)

General members will receive all COLAB updates and newsletters. <u>Voting privileges are limited to Voting Members</u> and Sustainable Members with one vote per membership.

#### MEMBER INFORMATION:

Name:											
Company:											
Address:											
City.					State:				Zip:		
Phone:			Fax:				Ems	ul:			
How Did	You Hear Radio	About	_		Public	Hearii	ng		Friend		1
COLABN	/fember(s)	Sponso	r(s):								
For those <b>v</b>	vho choose n	ot to join	ON/CONTR a as a member to C	but we	ould like to	suppo	rt C				
	Donations/Co		do not require meml nberships and donat Confidentia	tion will b		tial if the	t is you	ur prefere		formation.	,
PAYMEN	T METH	OD:									
Check 🗖	Visa 🗖	Ma	sterCard 🗖	Dis	cover 🗖		Am	ex <u>N(</u>	<u>OT</u> accepte	ed.	
Cardholde	er Name:				Signat	ture: _					
Card Number:				Ex	p Date: _	1	Bi	lling 2	Zip Code:		_CVV:
					TOD	AY'S	DAT	ſE: _			
											(Revised 2/2017)