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On-Line

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Published by Chuck Hains & Sally Beer

United Democratic Headquarters Opening a Huge Success!



More than 300 energetic Democrats turned out for the Grand Opening of the **Pasadena Area United Democratic Headquarters** and the 51st birthday of President Barack Obama at **519 S. Lake Avenue, Pasadena** on August 4! And they had a whopping good time. (UDH is located in the former Smith and Hawken store with parking in the back off Hudson Street.)

We are now officially ready to work the phones, register voters, sell memorabilia and get the Democratic message out. Stop by to volunteer, to check out all the Democratic merchandise, to see what's on the "Needs" wall that you might provide, or just to say "hello". We guarantee you'll have a good time.

The telephone is 626 796-2262 (79OBAMA).

Go to the UDH website | www.PasadenaDemocrats.co for updates.

Toby Osos

We are saddened by the June 19 death of the amazing **Toby Osos**, a life-long social justice advocate and a longtime ACT Member, just after her 92nd birthday. Toby marched to Selma with the YWCA, was national president of the Young Democrats, brought Eleanor Roosevelt to speak in Pasadena in 1958, and met with John Kennedy at the 1960 Convention. (She was a delegate to four Democratic National Conventions) and was active in the UNA, NAACP, ACLU and numerous other social justice organizations.

A celebration of her life was held at All Saints Church on August 4. At her request, any memorial contributions may be sent to the YWCA Pasadena-Foothill Valley, 1200 N. Fair Oaks Ave., Pasadena CA 91101.

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Friday Morning Discussion Group Has New Location and Time

The Friday Morning Progressive Discussion Group meets on first and third Fridays at **CoCo's Bakery Restaurant, 77 N. Lake Avenue, Pasadena** (west side of Lake, below Union) at **9 a.m.**

Everyone is welcome. You may order breakfast, coffee, etc. or not. For more information call Inman Moore at 626-795-2201.

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Please Send Your Email Address to Jon

We want Email addresses for all ACT & ADC members. Please send yours to Jon Fuhrman at |jon_fuhrman@charter.net. Many thanks.

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2012 Steering Committee Calendar

The ACT Steering Committee and the Arroyo Democratic Club meet on the first Tuesday, Wednesday, or Thursday of the month in rotation.

Below is the meeting calendar for the remainder of 2012. Please mark your calendars now. Everyone is welcome and urged to attend these meetings. Check out our website at |<http://www.ACTPasadena.org> for meeting locations.

Wednesday, September 5 (out of sequence)

Wednesday, October 3

Thursday, November 1

Tuesday, December 4 (Holiday potluck meeting)

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Welcome New and Returning ACT Members:

Jeff Penichet, Los Angeles

Special Thanks to Our Sustaining Members

Nancy and Dick Esbenshade, Pasadena
Stephen Thorsett and Rachel Dewey
Thorsett, Salem, OR.



Wonderings and Wanderings

By Inman Moore



Guns were everywhere when I grew up in Mississippi. The state was largely rural and every household owned guns. There was usually a .22 rifle, and at least one shotgun. More often than not, there would be a rifle and several shotguns, ranging from a 410, the smallest bore, to 20 and 12 gauge, the larger ones. The guns were not for protection. The guns were for hunting. Regular hunting parties were scheduled with quite a number of men and boys involved. Hunters usually went hunting for: birds (largely quail and wild turkeys), rabbits, squirrels, bobcats, and deer.

When I was ten years old, I asked for and received a 410 shotgun for Christmas. Ironic isn't it? Guns for Christmas presents! But there you have it, and it was not unusual in those times. At ten years of age, I was out alone in the swamp hunting squirrels. Boys didn't feel they were true males until they owned a gun. Indeed very small boys often had Daisy Air Rifles which shot metal pellets at a velocity strong enough to kill a bird.

Today, America is mostly urban. We often don't really know our neighbors. Many people have become fearful, and many households own guns. Guns are no longer largely owned for hunting, but for protection. And gun manufacturers and gun shops are racking up off the chart sales. These sales are greatly enhanced by the National Rifle Association. The NRA is for everyone owning a gun. They say that teachers should take guns into the classroom for protection. Bank tellers should all be armed. When you leave home you should be armed. When you go to the theatre you should be armed. When you drive you should, by all means, be armed. Indeed, to listen to the

NRA, every able bodied adult in America should own a gun. The only ones excluded are felons and mentally unbalanced.

The NRA turns a deaf ear to all the reasons why every American adult should not walk around armed. Here is one scenario. Supposing a burglar enters your home to steal. But you have a gun and you confront the burglar and he shoots first. Or, you get "lucky" and kill the burglar. That burglar has a family and they all live close by. You will be looking over your shoulder for the rest of your life thinking the family might come after you for revenge. Another sadder scenario has the supposed "burglar" being your son who is thought to be out of town and you mistakenly kill him. Or suppose you are in the bank and the teller shoots at a bank robber and hits you. Suppose every time you go to the movies you wonder if a gun fight is going to erupt. Even at a church service, could violence happen? Talking about fearful, we don't know the meaning of fear if every time we walk out the door we are armed and everyone we meet is armed. Talk about violence on the streets and freeways of our country!! Have you ever been angry when a driver cuts in front of you at a traffic signal? While armed would you in a fit of anger shoot the culprit? You might say "no." But frankly, in a fit of rage, many of us do irrational things.

It is time we in America grow up and leave our protection to the police and other proper protection authorities. In my late twenties, after serving in the Navy in World War II, finishing graduate school, and settling down in my professional life, I still owned three guns from my earlier years: a .22 rifle, my old 410 shotgun, and a 20 gauge shotgun. I got rid of all my guns. It is one of the best things I have ever done. And you know? I really don't feel unprotected and I am not looking over my shoulder fearful that the next moment will be my last.

Political Notes



Sunday, August 5.

Well, we're in the thick of it now. Only 93 days until the election, the conventions start in a few weeks, the debates are set, and there will probably be a new poll every single day between now and election day.

Don't pay too much attention to the polls until late October. While many people have pretty much already made up their minds, the key factor is who will actually go to vote. Pollsters pull their hair out trying to figure out how most accurately to predict that single key factor, with only modest success. Some simply poll all registered voters -- interesting data, but not really on point. Some try to get respondents to self-categorize -- very likely to vote, somewhat likely to vote, and so on. Some use past voting history to supplement respon-

dents' own assessment of whether they're likely to vote.

It is clear that, in 2008, President Obama benefited greatly -- both in the primaries and in the general -- from a substantially increased turnout. Early voting, absentee voting, strong voter registration drives were all aggressively used to boost turnout, and they probably helped swing North Carolina and Indiana into the Obama camp.

So turnout will be a key factor in determining how Democrats up and down the ticket fare. Most pundits assess enthusiasm as somewhat diminished compared to 2008, which might hurt Democratic chances in marginal races. Further, they point to the huge numbers of Obama 2008 donors who have yet to commit to the 2012 campaign.

Yet, the evidence I see seems to contradict that postulate. True, many 2008 donors have not yet given, but Obama has nonetheless raised over \$300 million already, over half from small donors, many of whom are new. Democrats in Nevada, a typical battleground state, have increased their registration edge by 20,000 by beating Republicans 2 - to - 1 in new registrations. Similar registration efforts have been going on in Florida, Ohio and Pennsylvania, and probably other battleground states as well. Right here in Pasadena, yesterday's opening at the United Democratic Headquarters drew a throng of over 300 -- well in excess of what our 2008 opening did. So it looks to me that enthusiasm now -- still pretty early in the game -- is just as high, or higher, than 2008; if that's true, then Democrats should be in for a really good night on November 6.

That would translate into gaining, instead of losing, Senate seats and taking back the House. The Senate, in particular, has some really close races. In Virginia, six months of polling repeatedly shows the two candidates

within the margin of error -- first one leads by a point or two, then the other, the lead seesawing between the two. Here, turnout akin to 2008 means a decisive Democratic win, holding a critical seat where the Democratic incumbent -- James Webb -- is retiring. Turnout akin to 2010 would mean a likely Republican win. Florida, Missouri and Montana all have Democratic incumbents with close races, while Indiana and Arizona have centrist Democrats running against Tea Party Republicans trying to hold Republican seats. Democrats in Nebraska and North Dakota face a steeper hill, but my guess is still that Democrats will end up with 55 or 56 Senate seats compared to

our current 53; most pundits, however, forecast net Democratic losses, perhaps enough to give Republicans control of that house.

A tougher target is taking back the House, since Democrats need to gain 24 seats. Again, turnout akin to 2008 is probably enough to win 30 to 35 seats; turnout like 2010 gives us only 10 - 15 extra seats. And in between ... I had been guessing that we'd take back the House, but I'm hedging my bet now; I think we may come tantalizingly close, but fall just a few seats short.

What could change that picture is really good employment numbers over the next three months. I had thought the numbers would be substantially better by now. Job growth has been stubbornly slow in materializing. So is it finally taking hold? If so, that will be a huge boost to the President's central argument that his economic and tax policies are fairer and more effective than Romney's proposals. The next jobs number comes out the morning after the President's acceptance speech at the Democratic convention; the last number comes out the Friday before the election. Booming numbers will help generate a booming turnout,



and may even win over some of those rare still undecided voters.

Further, bigger turnouts also affect down-ballot races and issues. Here in California, not only are several House races in play, but several key State Senate races could have tremendous impact. Democrats are poised to win a 2/3 margin in the State Senate; winning that margin in the Assembly seems distinctly less likely. Across the country, Republicans gained control of quite a few state legislative chambers in 2010, and Democrats have a chance to reverse those gains this year. These are the Presidential "coattails" which actually are, for

Democrats, less about converting undecided voters than maximizing Democratic turnout. In California, in particular, there is also a raft of really important ballot measures. Voters will have a chance to eliminate the death penalty and reform the three-strikes law. Curiously, early polling shows the death penalty repeal barely losing (46% to 47%) yet the three-strikes reform is way ahead (71% - 20%);

do voters think we're enacting, rather than reforming, the three-strikes law?

Buried among the ballot measures is Prop. 32, innocuously nicknamed the Payroll Protection Act. Actually, it's a recycled version of a measure defeated twice before. It would prohibit unions and corporations from making direct contributions to state candidates (as the federal rules now provide), although presumably both corporations and unions could continue to make independent expenditures. But the key provision would ban unions from using payroll deductions to fund political expenditures, either from the union directly or from union PACs. This is a bare-faced attempt essentially to neuter California unions by drying up their

funds. The law would allow union members "voluntarily" to contribute to union PACs, but the number of union members who would write checks would be minute compared to those now contributing that same amount of money by having it automatically deducted from their paychecks.

It's an interesting question whether the measure is constitutional under the Citizens United ruling by the U.S. Supreme Court. The Court ruled that corporations have a free-speech right to participate in politics, and therefore make essentially expenditures in the political realm. Could the Legislature enact a rule that corporations were not allowed to use any profits from the sale of taxable items for political purposes, but were allowed to use only "other funds" for those purposes? Since essentially all of most corporations' revenues come from the sale of goods, this would be seen as a transparent, back-door attempt to get around the Citizens United ruling. Similarly, since the bulk of union revenues come from payroll deductions, this measure might experience some sharp questions in a federal court.

But regardless of its constitutionality, the labor movement has made fighting this measure their top priority. Looks like they have their work cut out for them -- early polling shows the measure passing with over 60%. Labor will focus heavily on convincing or alerting loyal Democrats to vote no. Right now, at least, nearly as many Democrats and Obama voters support the measure as Republicans and Romney voters. By linking the NO on 32 campaign to the Obama election and Democratic party support, labor should be able to make a sizeable dent in that number. Whether that will be enough to sink the measure is not at all clear.

-- Jon Fuhrman

Summary of Act Recommendations

PROPOSITION 30 - *Temporary Taxes to Fund Education. Guaranteed Local Public Safety Funding. Initiative Constitutional Amendment* (Governor Brown's initiative)

PROPOSITION 38 - *Our Children, Our Future; Local Schools and Early Education Initiative Act* (Molly Munger's initiative).

The Research Committee dealt with these two propositions together because they have similar aims. The Steering Committee voted on their recommendations separately. Prop 30 would raise funds by a combination of a sales tax increase and creation of new high-end income tax brackets. Prop 38 would be funded by an across-the-board, though graduated income tax increase. Prop 30 would help K-12 education as well as community colleges, but not early childhood programs, whereas Prop 38 would directly support Early Childhood and K-12, but not community colleges. There is considerable concern that having both of these propositions on the ballot may jeopardize the chances of either one passing.

The Research Committee recommended a Yes vote on Prop 30 and a No vote on Prop 38 (8-2-2).

The Steering Committee recommended a Yes vote on Prop 30 (14-0-1). On Prop 38, the committee first voted on a motion not to make a recommendation. The motion failed (7-8-0). The committee then voted on a motion to recommend the No position. The motion failed (2-12-1). The committee ultimately voted to recommend a Yes position (8-4-3).

PROPOSITION 31 - *Two-Year Budget Cycle*. The idea of a two-year budget cycle has merit, but some of the management requirements (e.g. performance reviews and goal-setting for State agencies, offsetting spending cuts for emergency expenditures) are unrealistic in an

atmosphere of rapidly-changing political and/or economic realities.

The Research Committee recommended a No vote (12-0-0). The Steering Committee recommended a No vote (13-0-1).

PROPOSITION 32 – *Paycheck Protection.* This purports to limit political influence by both large corporations and labor unions, but its most dramatic effect will be on unions' ability to use automatic contributions by members to support political causes. It's part of a nationwide union-busting effort. Defeat of this proposition is a top priority for labor unions and for the CA Democratic Party.

The Research Committee recommended a No vote (12-0-0). The Steering Committee recommended a No vote (15-0-0).

PROPOSITION 33 – *Auto Insurance Persistence Discounts.*

This is a rerun of the Mercury General Insurance Co.-sponsored Prop 17 from 2008, which in turn is an attempt to thwart some of Prop 103 from 1988. The idea is that drivers who have faithfully carried insurance for the past 5 years should be entitled to a discounted premium rate – even if they move from one insurance company to another. However, this would most likely result in increased rates for those who, for whatever reason, have not been able to afford insurance (or a car) at some time during the previous five years - usually the poor, minorities, & long-term unemployed.

The Research Committee recommended a No vote (12-0-0). The Steering Committee recommended a No vote (14-0-1).

PROPOSITION 34 – *End the Death Penalty.*

The death penalty would be replaced with life without the possibility of parole, and this would apply retroactively to the 725 inmates already under the sentence. Aside from the moral considerations, it is argued that this

would save the State millions of dollars in costs of incarceration and legal expenses for layers of appeals. Convicts with previous death penalties would be required to work, with the proceeds helping to offset their living expenses.

The Research Committee recommended a Yes vote (12-0-0). The Steering Committee recommended a Yes vote (15-0-0).

PROPOSITION 35 - *Ban Human Trafficking and Sex Slavery.*

This would expand the definition of human trafficking and increase penalties for convictions. It would also require convicted sex offenders to provide internet access and online identification information. Initial committee response was to support it. However, creating criminal law by initiative petition has seldom resulted in balanced justice. This seems to be an emotional overreaction to recent high-profile cases, and the proposition casts too broad a net that could result in labeling borderline minor, one-time offenders for their whole lifetime.

The Research Committee recommended a No vote (12-0-0). The Steering Committee recommended a No vote (14-0-1).

PROPOSITION 36 - *Three Strikes Reform.*

This revises the CA Three Strikes Law to impose a mandatory life sentence only if the third strike felony is "serious or violent." Exception would be if one of the first two strikes was for rape, murder or child molestation. Those currently serving three strikes life sentences could petition for a review and a reduced sentence. Savings to the State could be \$100 million per year.

The Research Committee recommended a Yes vote (12-0-0). The Steering Committee recommended a Yes vote (15-0-0).

PROPOSITION 37 - *Mandatory Labeling of Genetically Engineered Foods.*

This requires labeling of raw or processed foods offered for sale if made from plants or animals that have been genetically altered in specified ways and prohibits their being described as "natural." Supporters argue that consumers have a right to know how the food they purchase has been developed. Opponents argue that all foods have been genetically altered over many years through human selection and labeling only some as "modified" is arbitrary and unnecessary.

The Research Committee recommended a Yes vote (9-2-1). The Steering Committee recommended a No vote (3-11-1).

PROPOSITION 39 - *Tax Treatment for Multi-state Business.*

This simplifies the way multistate businesses are taxed by the State so that business income tax is allocated solely on sales in California.

Currently, a complicated formula allows many out-of-state businesses to avoid paying a fair share to CA. Estimated increase in revenue of \$500 million the first year and \$1 billion thereafter would go 50% to a Clean Jobs Fund and 50% to the General Fund for the first five years.

The Research Committee recommended a Yes vote (12-0-0). The Steering Committee recommended a Yes vote (14-0-1).

PROPOSITION 40 - *Referendum on CA State Senate Redistricting Plan.*

This is a "veto referendum" placed on the ballot by Republicans unhappy with the lines drawn by the CA Citizens Redistricting Commission. In January the CA Supreme Court ruled the commission's lines must be followed for this election. After gathering signatures and officially filing for this referendum, the

Republicans will not campaign on it.

However, the proposition will still appear on the ballot and could be confusing. A Yes vote would support the commission's lines. A No vote would support the Republican challenge.

The Research Committee recommended a Yes vote (12-0-0) to support the new districts as drawn. The Steering Committee recommended a Yes vote (15-0-0).



**From
44th District
Assemblymember
Anthony
Portantino**



Dear Friends,

A lot has happened recently. The state adopted a budget, several of my bills have been progressing and Sofia turned 21 and graduated from college. My mother continues to recover in a rehab hospital where she walked 35 steps and the doctors have been able to break up a blood clot in her lung. Thank you for all of your prayers and well wishes for her recovery. I just got back from the East Coast as I write this.

Senate Pro Tem Steinberg did a laudable job this year working with Governor Brown on the architecture of the state budget. Steinberg made sure the budget was in print early, free from gimmicks and not loaded with policy changes that have no business in a fiscal document. The budget also did not include four billion dollars worth of phantom revenue, like the one from last year. Assembly Budget Chair Bob Blumenfield worked closely with Senator Steinberg to bring the more pure document to the floor.

Although the choices were difficult and painful, they had to be made. So, largely because

of the more open process, my budget vote this year was different than last year. And I think the process changes were due in no small part to the overwhelming support I received last year – both within our district and around the state -- for standing up to the intimidation of Assembly leaders.

Still, I did find myself at odds with the leadership on several trailer bills that I could not support. I don't think facilitating more early release of inmates and putting K-12 education at such a significant risk are good ideas and I voted accordingly. There was one bill that expanded the powers of the Franchise Tax Board to seize assets that, even though I'm not a lawyer, raised legitimate due process questions. But as I've told the Speaker in the past, he didn't elect me - you did. And you didn't elect me to make decisions that might negatively impact our district.

Our Annual Women in Business Luncheon is just around the corner. This year we are honoring 30 terrific women from the San Gabriel and San Fernando Valley. Our keynote address will be provided by Nagin Cox, from JPL's Mars Science Lab team – as Curiosity is scheduled to land just weeks before the luncheon, it promises to be a fascinating address. The event will take place on August 17 at 11:30 am at the Pasadena Hilton. Contact my office if you would like information on tickets.

Once again, I joined with the Pasadena Health Department on National HIV Testing Day to publicly test folks in Old Pasadena. We tested about 80 people during this walk-in testing opportunity. It is so important to make HIV testing a part of routine health screening. Being in Old Pasadena this year introduced the event to a very different and diverse demographic. Although many folks were open and eager to get the free confidential test, there were still many passersby who were made uncomfortable by our presence and goal.

Sadly, 30 years later, there is still much more to do to address the HIV epidemic.

I was quite proud of Sofia as she was able to complete college one quarter early. Jeff Greenfield gave a very funny commencement address that turned many clichés upside down. He told the students to “not follow their dreams as many of their dreams might be illegal.” Bella completed a week of Girl Scout Camp in Hahamongna Park and braved the famous one eyed monster. She also went to her first sleep away camp in Big Bear. I was able to go back East for two weeks with Mom and had my fill of great pizza and pasta.

I was also able to participate in the wonderful Celebration of Life honoring our own Toby Osos. My family joins with so many in our community to send our prayers and well wishes to Toby's family. Toby was an amazing person who will certainly be missed.

Assemblymember Anthony Portantino represents the 44th Assembly District of California, including La Canada, Pasadena, Altadena, South Pasadena, Eagle Rock, Highland Park, Glassell Park, Temple City, Duarte and parts of Arcadia and Monrovia. He can be reached by Email at:

<http://democrats.assembly.ca.gov/members/a44/>



**From
State Senator
Carol Liu...**



August 2012

It was great to see everyone at the United Democratic Headquarters Opening. It is exciting to be part of such a dynamic organization of activists working together to re-elect our President and put good people

into State and federal office. My Campaign team and I look forward to working with you over the next three months. So little time and so much to accomplish including GET OUT THE VOTE. As always, we will work hard and have fun doing it.

This last month of the Legislative session will be busy. Bill deadlines are looming and I am working to move my bills over the finish line. These include SB 1089, which I co-authored with Assemblymember Portantino to regulate boot camps. The Governor will have 30 days to sign or veto bills we pass at the end of session.

On August 13 I am launching the *Road to Resilience Tour: Overcoming Hunger and Homelessness*. Advocates, researchers, and media representatives will join me to explore the effects of the recession on families and seniors who now face hunger and homelessness in greater numbers than ever. We will visit programs in Burbank and Van Nuys, Fresno, Alameda County, and Sacramento where good work and innovative programs are helping alleviate hunger and homelessness. Each visit will include a round table discussion among local officials, community center service providers, members of the community who receive these services, and the media.

With double-digit unemployment, record numbers of under-employed, and slow economic recovery, the Great Recession has left more than one in six Californians (over 14 percent) living in poverty. In this economy, many are experiencing poverty for the first time due to a job loss, a medical condition, or diminished retirement savings. Any of these events might lead to hunger and homelessness for an individual or an entire family.

Policy makers, service providers, and advocates are challenged to do more with less and to be creative and collaborative in the way services are delivered to those in need. Helping families find a pathway out of poverty will

take ingenuity, commitment, and an unprecedented coordination of effort among all stakeholders and policy makers. My tour is intended to create greater awareness and motivate an informed audience to discuss and put into action plans for making effective changes in California's anti-poverty programs. The tour will culminate with a State Senate Human Services Committee hearing in the Capitol on seniors and hunger issues on August 15th.

Finally, Assemblymembers Gatto and Portantino and I look forward to hosting the 13th Annual Women in Business Awards luncheon on Friday, August 17th. We are honoring 30 deserving women from our Districts. This event is always enjoyed by all.

Senator Carol Liu represents nearly 850,000 people of the 21st District, which includes Altadena, Burbank, Glendale, Pasadena, La Cañada Flintridge, San Gabriel, Temple City, several City of Los Angeles communities and portions of cities and communities stretching West to Reseda. Visit www.senate.ca.gov/LIU.



**From
43th District
Assemblymember
Mike Gatto**

**Recycled Water in
Carwashes is
Common Sense**



Carwashes are among the biggest retail users of water. And unlike restaurants or schools or homes, the water used in carwashes is meant to get dirty. So does it make sense to wash a dirt-encrusted Jeep with drinking water? That's the premise behind my Assembly Bill 2230. It would require that 60% of the water in new carwashes come from recycled sources.

Now I'm not saying AB 2230 is utopian, but it does start from a question, of how we would design our water laws in 2012 (as opposed to 1912), given the current state of affairs. We live in a time where everyone has changed our habits so as to conserve our state's precious resources. And water-recycling technology has advanced to such a point that there is little difference between the water it produces and the water that comes from a tap. Carwashes, by their very nature, can play an important role too. They can use the same water again and again. Filtration technology can remove the dirt and detergents and turn it into water that is just fine for rinsing or washing a car.

The idea for this bill came from my father, Joe Gatto, a Silver Lake resident, who was on the forefront of things like organic farming and conservation, years before the modern environmental movement. He taught me to never take more than I needed, and to do everything possible to conserve resources for everyone. But at his core, my father is a pragmatist, who likes common-sense solutions that appeal to even the most skeptical. I believe the inarguable logic and pragmatism behind this bill is why it has received such strong, bipartisan support in both the Assembly and Senate.

Assuming the bill continues to proceed and is signed by the Governor, it will save enough water in its first year to meet the needs of all of tens of thousands of households. Think of that: by this simple step, we can conserve water equivalent to what Los Feliz and Silver Lake use in an entire year! And that water coming out of the tap will continue to be available for drinking or growing vegetables, especially when carwashes can easily and cheaply use the recycled variety.

Mike Gatto is the Assistant Speaker Pro Tempore of the California State Assembly. He represents the cities of Burbank, Glendale, & parts of Los Angeles,

including Los Feliz, North Hollywood, Silver Lake, Toluca Lake, Valley Glen, and Van Nuys. His website is |asm.ca.gov/gatto. call (818) 558-3043 or E-mail

Mike: |assemblymember.gatto@assembly.ca.gov.



**From
Congressman
Adam B. Schiff...**



WASHINGTON UPDATE
August 2012

Only a Constitutional amendment can overturn Citizens United

A month ago, in a decision all but lost in the tumult over the Supreme Court's ruling on the Affordable Care Act, the Justices overturned a century-old Montana law that prohibited corporate spending in that state's elections. In the bigger scheme of things, the Montana case may have been the more significant decision that week, since corporate influence over a raft of key issues - including healthcare reform - was hanging in the balance.

In the Montana case, the Supreme Court had the chance to revisit its deeply flawed 2010 decision in Citizens United. But despite the urgings of members of the Court itself and a public shell-shocked by the recent torrent of unregulated corporate expenditures, the Court chose instead to double down and reaffirm the conclusion of Citizens United that corporations are people - at least as far as the First Amendment is concerned.

As a legal decision, the Citizens United opinion was remarkable in many ways - in its

willingness to overturn a century of jurisprudence, in its choice to issue as broad a ruling as possible rather than as narrow as the case and Constitution required, and in its reliance on minority or concurring views in prior decisions rather than the prevailing opinions in those same cases. As Justice Stevens pointed out in a striking dissent, nothing had really changed since prior controlling case law except the composition of the Court itself. So much for stare decisis.

But what stood out most about *Citizens United* was not the Court's legal reasoning, but its staggering naivete. As the Court confidently declared, "We now conclude that independent expenditures, including those made by corporations, do not give rise to corruption or the appearance of corruption."

Well, glad that's settled. Unfortunately, the five Justices who joined this opinion must be the last five Americans to feel that way. Certainly none of the evidence before the Court in *Citizens United* or the Montana case compelled a conclusion so at odds with reality.

To be fair to the present Court, they did not invent the distinction between direct contributions (which may be regulated) and independent expenditures (which may not). That flawed distinction goes back more than 35 years to *Buckley vs. Valeo*, where the Court attempted to place limits on both forms of campaign spending. In *Buckley*, the Court felt that there was a compelling state interest in regulating contributions to candidates, but that there was not yet sufficient evidence of a similarly compelling need to regulate independent expenditures. However, the Justices acknowledged the need to revisit that conclusion in the future if events should prove otherwise.

Events have most certainly proved otherwise following *Citizens United*. Since that decision, corporate expenditures have reached in the billions of dollars, and the "independence" of those expenditures - their theoretical separation from the office holders they are intended to influence - is a fiction no one buys anymore. The proliferation of super PACs and their outsized influence on House, Senate, and presidential politics is beyond dispute by all except those five Americans who happen to sit on the Court.

But if the Montana case makes anything clear, it is that this Court has dug in - no amount of unrestrained spending, no appearance of impropriety, or

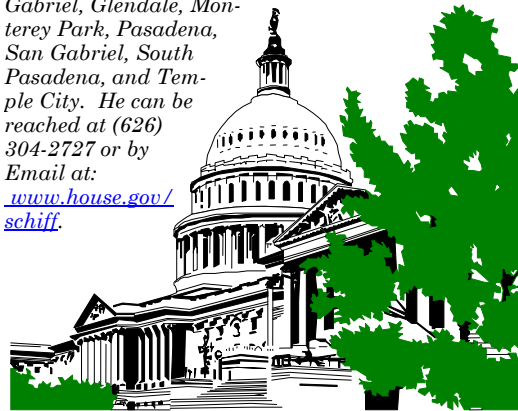
actual corruption of our system is likely to dislodge this newly entrenched precedent from the threat it poses to our democracy. Regrettably, a constitutional amendment is required for that.

Fortunately, one of the nation's preeminent constitutional scholars, Harvard Law Professor Laurence H. Tribe, has drafted one, which I have introduced as H.J. Res. 111. It provides, simply, "Nothing in this Constitution shall be construed to forbid Congress or the states from imposing content-neutral limitations on private campaign contributions or independent political campaign expenditures."

The Amendment also allows - but does not require - public financing of campaigns when states choose to enact such laws, "Nor shall this Constitution prevent Congress or the states from enacting systems of public campaign financing, including those designed to restrict the influence of private wealth by offsetting campaign spending or independent expenditures with increased public funding."

The tidal wave of independent expenditures creates an unmistakable appearance of impropriety, and over time, it cannot help but corrupt. The Court having failed to bear witness to these debilitating changes since *Buckley*, the people have the power to act. Independent expenditures, like direct contributions, should be subject to reasonable limits and should be transparent. And corporations are not people. For if they were, as Justice Stevens points out, how could we deprive them of the right to vote?

Congressman Adam Schiff represents the 29th Congressional District of California, including Alhambra, Altadena, Burbank, East Pasadena, East San Gabriel, Glendale, Monterey Park, Pasadena, San Gabriel, South Pasadena, and Temple City. He can be reached at (626) 304-2727 or by Email at: www.house.gov/schiff.



Pasadena Water and Power's coal problem

Local utility must do more to replace coal with natural gas to meet power needs

(Fifth in an ongoing series on the performance of California utilities)



By | [John Grula](#) reprinted from the Pasadena Weekly with permission.

During a summer when National Public Radio has reported a large upsurge in the number of black lung cases among the nation's coal miners, it is most troubling to learn that well over half of Pasadena Water and Power's (PWP) electricity comes from a single coal-fired power plant located about 100 miles southwest of Salt Lake City. Black lung disease is often fatal and greatly diminishes quality of life, even in its milder forms. It is caused when miners inhale toxic coal dust as they work. Black lung is just one of the many human and environmental hazards caused by the mining and burning of coal for electricity generation and other purposes.

In 2007, 67 percent of PWP's electricity was derived from the burning of coal. In an integrated resource plan released that year, PWP stated, "[T]he citizens of Pasadena have a strong desire to reduce the consumption of coal as power generation fuel. PWP shares this strong desire ... and recognizes that too much coal is burned to meet the needs of the city." Encouraging words, but how much progress has been made since then in reducing Pasadena's coal consumption? By 2010, coal accounted for 54 percent of PWP's electricity supply, but last year that number ticked up again to 58 percent. So, some improvement has been achieved, but clearly we have a long way to go.

To put PWP's heavy reliance on coal into some context, in 2010, the state of California as a whole received only 7 percent of its electricity from coal-fired plants, and even Southern California Edison, the huge, for-profit utility, also derived only 7 percent of its electricity from coal. Clearly, other utilities in the state have found ways to generate or buy electricity that do not rely heavily on coal.

To be fair, PWP is not the only utility in Southern California that derives much of its electricity from

coal. In 2010, Anaheim Public Utilities obtained 61 percent of its electricity from coal-fired plants; Riverside Public Utilities — 46 percent; Los Angeles Department of Water and Power — 39 percent; Burbank Water and Power — 38 percent; and Glendale Water and Power — 30 percent. All of these utilities, including PWP, have long-term contracts with the same coal-fired power plant in Utah, the Intermountain Power Project (IPP). And that's a large part of the problem. PWP and these other utilities entered into ill-advised financial and contractual obligations with IPP decades ago. These obligations make it very difficult and expensive to walk away from IPP and its coal and shift to other power sources such as natural gas.

And that's tragic, because coal is the dirtiest of all the fossil fuels and one of the most hazardous to extract. In addition to causing black lung, most coal mining requires human beings to work under back-breaking conditions in tunnels located hundreds, or in some cases thousands, of feet underground. Natural gas and coal dust explosions that can collapse mines and trap miners underground are a constant danger. In April 2010, 29 miners were killed 1,000 feet below the ground in Raleigh County, W.Va., when an explosion occurred at Massey Energy's Upper Big Branch coal mine. Simply put, coal mining is a barbaric form of exceedingly harsh and dangerous physical labor that has no place in the 21st century.

When coal is burned to generate electricity, the hazards to human health and the environment only multiply. Burning coal produces twice as much carbon dioxide (the main greenhouse gas) per kilowatt-hour generated than does burning natural gas. Coal-fired plants also add toxic mercury and soot into the environment, a dangerous form of air pollution that can cause asthma and contribute to heart disease. Furthermore, coal often contains sulfurous and nitrogenous compounds that are released into the atmosphere when it is burned. These sources of air pollution can combine with water to form sulfuric and nitric acid, or acid rain.

By comparison, burning natural gas is much cleaner, and while some carbon dioxide is produced, soot, mercury and other pollutants are not. For these reasons, and also because it is cheap and abundant, natural gas is now in much greater use for electricity generation. It is currently the source for 42 percent of California's electricity. Unfortunately, it

is the source for only 6 percent of PWP's electricity. While PWP deserves credit for its ongoing efforts to increase its use of renewable energy sources (wind, solar, biomass, etc.), in the short term, it should replace coal with natural gas. The decades-old deal with IPP needs to be revisited, and PWP should redouble its efforts to find a way to extricate itself from using coal.

In the meantime, what can the average Pasadena citizen do about this situation? Reduce your electricity use whenever possible. Turn off unneeded lights, use low-watt fluorescent bulbs and keep your air conditioner's thermostat set to 78 degrees or higher. Consider installing a solar electricity system for your home. Finally, tell your city councilperson you want us out of the coal business once and for all.

John Grula, PhD, is affiliated with the Southern California Federation of Scientists.



Evolution Explains Why Politics Is So Tribal

Morality binds us together into cohesive groups but blinds us to the ideas and motives of those in other groups

Excerpted from Scientific American By
Michael Shermer | June, 2012

Which of these two narratives most closely matches your political perspective?

Once upon a time people lived in societies that were unequal and oppressive, where the rich got richer and the poor got exploited. Chattel slavery, child labor, economic inequality, racism, sexism and discriminations of all types abounded until the liberal tradition of fairness, justice, care and equality brought about a free and fair society. And now conservatives want to turn back the clock in the name of greed and God.

Once upon a time people lived in societies that embraced values and tradition, where people took personal responsibility, worked hard, enjoyed the fruits of their labor and through charity helped those in need. Marriage, family, faith, honor, loyalty, sanctity, and respect for authority and the rule of law brought about a free and fair society. But then liberals came along and destroyed everything in the

name of "progress" and utopian social engineering.

Although we may quibble over the details, political science research shows that the great majority of people fall on a left-right spectrum with these two grand narratives as bookends. And the story we tell about ourselves reflects the ancient tradition of "once upon a time things were bad, and now they're good thanks to our party" or "once upon a time things were good, but now they're bad thanks to the other party." So consistent are we in our beliefs that if you hew to the first narrative, I predict you read the *New York Times*, listen to progressive talk radio, watch CNN, are pro-choice and anti-gun, adhere to separation of church and state, are in favor of universal health care, and vote for measures to redistribute wealth and tax the rich. If you lean toward the second narrative, I predict you read the *Wall Street Journal*, listen to conservative talk radio, watch Fox News, are pro-life and anti-gun control, believe America is a Christian nation that should not ban religious expressions in the public sphere, are against universal health care, and vote against measures to redistribute wealth and tax the rich.


Why are we so predictable and tribal in our politics? In his remarkably enlightening book, *The Righteous Mind: Why Good People Are Divided by Politics and Religion* (Pantheon, 2012), University of Virginia psychologist Jonathan Haidt argues that to both liberals and conservatives, members of the other party are not just wrong; they are righteously wrong — morally suspect and even dangerous. "Our righteous minds made it possible for human beings," Haidt argues, "to produce large cooperative groups, tribes, and nations without the glue of kinship. But at the same time, our righteous minds guarantee that our cooperative groups will always be cursed by moralistic strife." Thus, he shows, morality binds us together into cohesive groups but blinds us to the ideas and motives of those in other groups.

... the moral hive mind was a result of "shared intentionality," ...

... Our dual moral nature leads Haidt to conclude that we need both liberals and conservatives in competition to reach a livable middle ground. As philosopher John Stuart Mill noted a century and a half ago: "A party of order or stability, and a party of progress or reform, are both necessary elements of a healthy state of political life."

Michael Shermer is publisher of *Skeptic* magazine (www.skeptic.com).

Is There a Red Check on your address Label?

A red check () on your address label on this Phoenix reminds you that we haven't yet received your renewal check for ACT and/or ADC 2012! Please take the time to renew right now. 2012 is already more than half gone!

You can mail your check to ACT and/or ADC, P. O. Box 40074, Pasadena, CA 91114-7074 – or - at
| <http://www.actpasadena.org/>. If you have any questions about your membership contact Jon Fuhrman at
| jon_fuhrman@charter.net or 626-795-5255.



Our grateful thanks go to everyone who has already renewed or joined for 2012. Your support is vital to both organizations.

I'd like to join both groups for one low price! (Checks payable to ACT/ADC)

\$40 Single	\$70 Single Sustaining
\$25 Each additional member per household	\$90 Double Sustaining
\$15 Student or limited income	\$150 Patron
	\$275 Benefactor

I'd like to join ACT (Checks payable to ACT)

\$35 Single	\$60 Single Sustaining
\$20 Each additional member per household	\$85 Double Sustaining
\$15 Student or limited income	\$125 Patron
\$20 Gift Membership (NEW!)	\$275 Benefactor

I'd like to join the Arroyo Democratic Club (Checks payable to ADC)

\$35 Single	\$60 Single Sustaining
\$20 Each additional member per household	\$85 Double Sustaining
\$15 Student or limited income	\$125 Patron
	\$275 Benefactor

Extra Contribution

\$ _____ Political Account (for endorsed candidates and issues)
\$ _____ Operating Account (for organizational costs) \$ _____ **Total enclosed**

Name	Home Phone
Address	Office Phone
City	ZIP
Email address	

Mail to ACT, P. O. Box 40074, Pasadena, CA 91114-7074



Calendar

- Aug 17 Friday Morning Progressive
Friday Discussion Group at CoCo's
9:00 a.m. Restaurant, 77 N. Lake Ave.,
Pasa. Call Inman Moore for info at 626-795-
2201.
NOTE NEW PLACE & TIME.
- Sept 5 ACT Steering and ADC Meeting
Wed. at the home of Jon Fuhrman &
7 p.m. Susan Kane, 3220 E. Sierra
Madre Blvd., Pasadena, CA.
Socializing at 7 p.m.; meeting at 7:30 p.m. All
are welcome and urged to attend.
- Sept 7 Friday Morning Discussion
Friday Group. (Details same as 8/17.)
- Sept 21 Friday Morning Discussion
Friday Group. (Details same as 8/17.)

ThePhoenix Deadline

The Phoenix deadline is the Sunday after the monthly Steering Committee meeting. *The Phoenix* is prepared for mailing on the Thursday after that Sunday.

The deadline for the September *Phoenix* will be **Sunday, September 9**. Please send items to Chuck Hains at 1. *ThePhoenix* will be prepared for mailing on Thursday, September 13 at 7 p.m. at Chuck and Lena's house, 1391 La Solana Drive, Altadena and mailed the next morning. (Volunteer mailers please call Ellen Coles at 626-798-2402 to verify date and time.)

More Detail on the Propositions

Proposition 30. The School and Local Public Safety Protection Act of 2012 is a constitutional amendment supported by Governor Jerry Brown. Proposition 30 would:

- Raise California's sales tax to 7.5% from 7.25%.
- Raise personal income tax rates so that individuals would pay 10.3%, instead of 9.3%, on taxable income between \$250,000 and \$300,000; individuals would pay 11.3% on taxable income between \$300,000 and \$500,000; and they would pay 12.3% on taxable income over \$500,000. Joint filers and heads of households would also pay at higher rates, but the brackets are somewhat higher for them, with the highest rate taking effect on income in excess of \$680,000.
- Based on California Franchise Tax Board data for 2009 the additional income tax would be imposed on the top 3% of California taxpayers.

Estimated annual revenue from Proposition 30 varies from Governor Brown's \$9 billion to \$6.8 billion from the Legislative Analyst's Office (LAO) over the next 7 years. The difference stems from the volatility caused by capital gains income from high-income earners. According to the LAO and Director of Finance these revenues would be available to (1) pay for the state's K-12 and community college funding requirements, mandated by Proposition 98, and (2) address the state's budgetary problem by replacing Prop. 98 funds that will now be used to reimburse cities and counties for public safety costs stemming from the "realignment" in housing state prisoners. This initiative also limits the state's ability to make changes to the programs and revenues shifted to local governments in 2011 which will result in a more stable fiscal situa-

tion for local governments." For more information see the Legislative Analyst's web site: lao.gov.ca under initiatives.

Supporters include: |Jerry Brown, |California Democratic Party, |California Teachers Association (CTA), |California State Council of Service Employees (SEIU), |California School Employees Association (CSEA)|American Federation of Teachers (AFT),|California Federation of Teachers (CFT)

Opponents include: Howard Jarvis Taxpayers Association

Proposition 31. Two-Year Budget Cycle.

Summary: Establishes a two-year state budget cycle. Prohibits Legislature from creating expenditures of more than \$25 million unless offsetting revenues or spending cuts are identified. Permits Governor to cut budget unilaterally during declared fiscal emergencies if Legislature fails to act. Requires performance reviews of all state programs. Requires performance goals in state and local budgets. Requires publication of all bills at least three days prior to legislative vote. Gives counties power to alter state statutes or regulations related to spending unless Legislature or state agency vetoes changes within 60 days.

Fiscal impact: Decreased state revenues and commensurate increased local revenues, probably in the range of about \$200 million annually, beginning in 2013-14. Potential decreased state program costs or increased state revenues resulting from changes in the fiscal authority of the Legislature or Governor. Increased state and local costs of tens of millions of dollars annually to implement new budgeting practices. Over time, these costs would moderate and potentially be offset by savings from improved program efficiencies.

Principal financial donors: California Forward (\$1,789,567), Nicolas Berggruen

(\$1,505,087), Lenny Mendonca (\$150,000), Barclay Simpson (\$100,000), Thomas McKernan, Jr. (\$150,000), Julie Packard (\$50,000), Nancy Burnett (\$50,000), Michael Marston (\$50,000).

Proposition 32. Paycheck Protection.

Proposition 32 would:

- Ban both corporate and union contributions to state and local candidates
- Ban contributions by government contractors to the politicians who control contracts awarded to them
- Ban automatic deductions by corporations, unions, and government of employees' wages to be used for politics

The defeat of this proposition is one of the top priorities for the CA State Democratic Party and for unions. The strong feeling is that this is part of the nationwide movement to limit the influence of unions on political races. Currently a union member is asked to "opt in" to allowing annual paycheck deductions by the union for purposes of making political contributions. Under Prop 32, employees could voluntarily contribute to union PACs, but unions are flatly prohibited from using paycheck deductions to collect contributions. This would essentially knock unions out of the political arena.

Supporters: Stop Special Interest Money Now, Gloria Romero (former State Senator), Bay Area Council, George Shultz (former U.S. Secretary of State), Charles Munger, Jr., Richard Riordan (former LA mayor)

Opponents and donors: Stop the Special Exemptions Act, The California Labor Federation, Dave Low (executive director of the California School Employees Association), California Common Cause, California League of Women Voters.

Proposition 33. Automobile Insurance Persistency Discounts Initiative. Attorney General's Description: "Changes Law to Allow Insurance Companies to Set Prices Based on a Driver's History of Insurance Coverage"

This Proposition would allow insurance companies to offer special "loyalty discounts" to customers who have been continually covered by insurance from any company for the past five years. This practice is specifically forbidden by the 1988 Proposition 103 on the grounds that it is de facto discriminatory against lower income citizens who may not have experienced five straight positive earning years that enabled them to afford insurance. They may have a perfect driving record, but would be, in effect, penalized for being poor. Discounts would be offered to qualified drivers who passed the "persistency" test, but this would be at the expense of lower income drivers whose rates would be raised.

George Joseph, Chairman of Mercury General Insurance Company and a multi-billionaire, is personally financing this initiative, as he did the similar Proposition 17 in 2008. He has already donated \$8 million and is expected to double that amount. The following cosmetic changes have been made from Proposition 17 in an attempt to reverse the narrow defeat of the 2008 initiative: it would exempt people whose five years' persistency was interrupted by military service or by temporary unemployment.

Consumer Advocacy, Consumers Union, Consumer Federation of CA and Consumer watchdog all oppose the initiative. Supporters include various insurance industry groups, the CA Republican Party, the Greenlining Institute, former State Senate President Pro Tem Don Perata (D) and Juan Vargas (D) former Chair of CA Assembly Insurance Committee.

Opponents point out that among those paying higher rates under Proposition 33 would be graduating students just entering the workforce, individuals recuperating from long-term illness that kept them from driving for a time, others who have previously used mass transit and have now begun to commute to a job, and the long-term unemployed. They point to instances from other states where similar practices exist that reflect rate increases of from 50% to 100% on individuals with perfect driving records.

Proposition 34. End the Death Penalty.

Proposition 34 would repeal the death penalty and replace it with life imprisonment without possibility of parole. It would apply retroactively to persons already sentenced to death. It would require persons found guilty of murder to work while in prison, with their wages applied to any victim restitution fines or orders against them. It also creates a \$100 million fund to be distributed to law enforcement agencies to help solve more homicide and rape cases. The Legislative Analyst predicts substantial cost savings from eliminating the arduous and time-consuming automatic appeals that death penalty sentences now require. And it eliminates the potential for executing a person wrongly convicted.

Supporters include: League of Women Voters, Gil Garcetti (former LA County DA), John Van De Kamp (former CA Attorney General), a former warden of Chris Kelly, a 2010 candidate for Attorney General of California who helped draft the initiative and has also contributed over \$1.6 million to the effort.

Opponents include: Pete Wilson, the State Sheriff's Association, the State District Attorney's Association, the Police Officers Research Association (PORAC)

Proposition 35. Human Trafficking. Penalties. Sex Offender Registration. Initiative Statute. Proposition 35 would:

- Expand the definition of human trafficking to include forced labor and services unrelated to sex trade.
- Increase penalties for human trafficking, including prison sentences up to 15-years-to-life and fines up to \$1,500,000.
- Require a person convicted of trafficking to register as a sex offender.
- Require sex offenders to provide Internet access and online identity information.
- Prohibit evidence that victim engaged in sexual conduct from being used against victim in court proceedings.
- Require human trafficking training for police officers.

Supporters include: Chris Kelly, a 2010 candidate for Attorney General of California who helped draft the initiative and has also contributed over \$1.6 million to the effort.

No formal opposition as of 7-27-22.

The Research Committee is opposed to criminal laws and penalties being changed by way of initiative. It's a matter better left to the state legislature as the people who go out to vote have very little knowledge of existing laws and their interaction with each other. We already have human trafficking laws on the books which call for substantial prison sentences especially where minors are involved. Enhancements for weapon use, infliction of great bodily harm, etc. are also available. If sex offenses are actually

committed, especially by force or threat, it is unlikely the trafficker will ever see the light of day again. We already have a one strike law for those kinds of crimes. So, the increased penalty part is unnecessary.

Two parts of the initiative are particularly troubling. One expands the life time registration requirements and extends them to include disclosing internet service providers and other on-line identity information. There are sex offenders who cannot be rehabilitated and they should be locked away, and existing laws already cover those cases. However, there are numerous sexual offenses that are minor and/or situational where the offender is very unlikely to ever re-offend. Many teenage boys who don't understand "no" fast enough have probably committed or came close to committing what would technically be considered a sex offense. Even consensual sex between a 20 year old boy and his 17 year old girlfriend is a sex offense. This law makes no distinction. Lifetime registration as a sex offender literally destroys a person's life and the lives of their family members as well. It's impossible to get a job and where they live is restricted. People who should be reintegrated into society are often homeless and register as transients. Families who would take them in are unable to do so because for example they live across the street from a park.

The second particularly troubling part is that evidence of a complaining witnesses' sexual conduct may sometimes be relevant in sex offense prosecutions to show consent when it is a defense and to impeach credibility. This normally does not come up in identification type cases but in cases where the defense is consent or reasonable belief in consent or that the accusation is being made for spite. Current law now adequately protects the victim. The defense attorney must make a written offer of proof supported by a declaration to the court and prosecutor with respect to the relevancy of

the sexual conduct for the complaining witness in attacking her credibility. The court holds a hearing on the admissibility of the evidence. Sex offenses are very serious crimes and the rights of the defendant have to be considered. Some of them are actually innocent and all of them deserve a fair trial. Therefore we believe a no vote on Proposition 35 is necessary.

Proposition 36. Three Strikes Reform. Proposition 36 would:

- Revise law to impose life sentence only for a third felony that is “serious or violent.”
- Authorize re-sentencing for those currently serving a life sentence whose third strike conviction was not serious or violent and the judge determines the re-sentence would not pose a risk to public safety
- Allow a life sentence if the third strike conviction was for “certain non-serious, non-violent sex or drug offenses or involved firearm possession”
- Uphold the life sentence for felons with a “non-serious, non-violent third strike if prior convictions were for rape, murder, or child molestation

There are currently about 3000 convicted felons serving a life sentence under Three Strikes whose third strike was a non-violent crime and who will therefore be eligible to petition the court for a reduced sentence. The estimated cost savings to the State would be as much as \$100 million a year in prison and parole costs. These would be partially offset by initial added costs (estimated in the tens of millions) to the State and counties for court costs and costs to county jails and community supervision.

Supporters: NAACP Legal Defense and

Educational Fund, Dan Newman, Mike Romano (Stanford law professor who founded the Three Strikes Project in 2006), David Mills (former investment banker), Geri Silva (Families Against California’s Three Strikes), Steve Cooley (LA District Attorney), George Gascon (San Francisco District Attorney)

Opponents: Mike Reynolds (helped draft the 1994 Three Strikes Law)

Proposition 37. Mandatory Labeling of Genetically Engineered Foods. Prop 37

would require labeling on raw or processed food offered for sale to consumers if made from plants or animals with genetic material changed in specified ways. It would prohibit labeling or advertising such food as “natural”. Exempt foods include those that are certified organic, made from animals fed or injected with genetically engineered material but not genetically engineered themselves, processed or containing only small amounts of genetically engineered ingredients, administered for treatment of medical conditions, sold for immediate consumption such as in a restaurant, and alcoholic beverages.

Fiscal impact: There would be a potential increase in state administrative costs of up to \$1 million annually to monitor compliance. There could be unknown but potentially significant costs for the courts and the legal system due to litigation resulting from possible violations.

Supporters of Prop 37 believe that the public has the right to know if they are purchasing food that has been genetically engineered, that other countries are or will soon be doing this, and that there will be little impact on food companies because the disclosures will be added to existing food labels.

Opponents of Prop 37 believe that there is already sufficient regulatory oversight ensuring the safety of genetically engineered

food and preventing the inappropriate labeling of processed food as “natural”; the new requirements would be an unnecessary regulatory burden on food producers and food processing companies; and the negative connotation of the “genetically engineered” tag could have a negative impact on the use of such food worldwide, even though no health risks are known to be associated with the consumption of genetically engineered food.

Proposition 38. Our Children, Our Future: Local Schools and Early Education Investment Act. Attorney

General’s Description: “Tax for Education and Early Childhood Programs Initiative Statute”

Increase in CA Income Tax for those earning \$7,316 and over, with the rate ranging from 0.4% for the lowest income bracket to 2.2% for those earning \$2.5 million and above, although the tax increases at the lowest end are offset by existing credits. Revenues raised will be allocated as follows: during the first four years, 60% to K-12 public education, 30% toward repaying State debt, 10% for early childhood programs; during the next eight years, 85% to K-12 public education and 15% to early childhood programs. Allocations will be made to specific schools and expended by local decision-makers, with no State oversight. It’s estimated that \$10 to 11 billion will be raised in the first years, with increases as the economy improves. After twelve years, the Act will expire, unless extended by voter initiative.

Supporters claim that this Act will restore most of the State cuts to education over the past four years. Also, these funds, allocated to support of education, will be protected from intrusion by other governmental priorities.

Local attorney and long-time ACT member Molly Munger is the creator and major funder of this initiative. She has resisted massive pressure from Governor Brown, whose Proposition 30, “The CA Sales and Income Tax

Increase Initiative,” is also on the ballot, and other powerful political forces aimed at her withdrawing this initiative. There is great concern that the two tax proposals on the ballot will harm the chances of either one winning. There has also been considerable debate about what will be done if both propositions pass.

Supporters include the CA State PTA and the CA Early Head Start Association.

Opponents include Gov. Brown, SEIU and the CA Business Roundtable.

Proposition 39. Tax Treatment for Multistate Business. Under Prop 39, the allocation of corporate taxes to California would be based only on sales made in California; half of new revenue generated would go into a Clean Jobs Fund for the first five years, with the other half going into the general fund; the tax on the sale of intangibles (trademarks, customer lists, digital files) would be increased; and there would be Citizens Oversight committee established to review expenditure of revenue.

Currently, companies doing business in California have a choice of whether to use a “triple-weighted” or a “sales-only” formula for allocating tax revenue to the state. The triple-weighted method considers the amount of payroll paid by the company in CA, the amount of property held in CA, and the amount of sales. This approach leads to lower corporate income taxes for companies based outside California that have significant sales within California. Under Prop 39, companies would be required to use a sales-only allocation method, leading generally to higher corporate income taxes.

The Franchise Tax Board estimates an increase in revenue of \$1 billion annually if Prop 39 passes. The Legislative Analyst’s Office estimates 40,000 jobs will be created in Cali-

fornia. All other states have adopted sales-only methods for assessing corporate taxes.

Proposition 40. Referendum on CA State Senate Redistricting Plan. This is a “veto referendum” placed on the ballot by Republicans unhappy with the lines drawn by the CA Citizens Redistricting Commission. In January the CA Supreme Court ruled the commission's lines must be followed for this election. After gathering signatures and officially filing for this referendum, the Republicans decided not to campaign for it. However, the proposition will still appear on the ballot and could be confusing. A Yes vote would support the commission's lines. A No vote would support the Republican challenge and toss out the current reapportionment plan (which Republicans considered biased in favor of Democrats).



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