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**CAL-TAX CRITICIZES LEGISLATURE FOR PLAN TO VIOLATE PROPOSITION 13
CONSTITUTIONAL PROTECTIONS AGAINST TAXES RAISED WITHOUT TWO-
THIRDS VOTE**

Larry McCarthy, president of the California Taxpayers' Association, issued the following statement:

“The SB 2 Health Care mandate/Workers Compensation package sets up to be a nightmare for California taxpayers. The package is expected to be amended to include two unconstitutional tax increase schemes.

“The first tax scheme is to disguise a new tax by calling it a fee. The second part of the scheme is to increase tobacco taxes while reducing other taxes as a way to circumvent the constitutional two-thirds vote. Both strategies are blatant attempts to sidestep the Constitution's two-thirds vote requirement for increasing taxes.

“Adding to the nightmare is the fact that the Health Care mandate is a massive, new bureaucratic program that is under-funded and will be an ongoing obligation for taxpayers. This new mandate will scare jobs and investment out of the state.

“It is counterproductive for the California Legislature to spend time hatching such ill-advised tax schemes while jobs and investment are being lost because of Sacramento mismanagement.

“Taxpayers cannot afford to sit back and watch this reckless behavior by Sacramento policy-makers in the last week of the legislative session.”