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Stop Hidden Taxes Committee to Oppose Flawed Initiative That Would Lower Budget Vote

Sacramento, CA - Stop Hidden Taxes announced today that the group will oppose an initiative (No. 09-0057) that, among other things, would reduce the legislative vote threshold for passing the California state budget from two-thirds to a simple majority. The proposal is bankrolled by public employee unions and is currently being circulated for signatures.

Stop Hidden Taxes, a broad-based campaign committee, also is supporting qualification and enactment of Initiative 09-0093, which would stop the Legislature from imposing hidden taxes on California taxpayers just by calling them fees and passing them with a majority vote instead of the two-thirds vote required for taxes. Signatures are currently being gathered to place this taxpayer protection measure on the ballot.

"However, there are severe problems with Initiative 0057, the so-called 'On-Time Budget Act of 2010,'" stated Teresa Casazza, President of the California Taxpayers' Association and one of the sponsors of Stop Hidden Taxes. "This is a poorly drafted, flawed measure that would allow legislators to enact huge new or increased fees and taxes disguised as fees on products and services consumers use every day, by a majority vote, and to include those in a budget package. The process would eliminate the right voters otherwise would have to stop these new or higher so-called 'fees' through the referendum process. This is a clear attempt to disenfranchise voters from exercising their constitutional right to demand a public vote, via a referendum, on laws they fundamentally disagree with. This is not the time to be giving extraordinary, additional powers to politicians to pass new and increased 'fees' that are exempt from voter scrutiny."

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“I can’t imagine a more threatening scenario for taxpayers than to allow the politicians to enact new or increased ‘fees’ with a 50 percent vote, eliminate the right of taxpayers to stop these via the referendum process and not close the loophole that allows them to call a tax a fee and circumvent the two-thirds vote requirement. This combination would be an open checkbook for the politicians, and is exactly why we need to enact Initiative 09-0093 and defeat Initiative 09-0057,” concluded Casazza.

“In addition to doing away with the right of voters via a referendum to stop new and increased ‘fees’ under the provision of Initiative 0057, the measure is fundamentally misguided,” said Joel Fox, President of the Small Business Action Committee. “The problem is not the two-thirds vote threshold to pass the budget. The problem is politicians unwilling to make the tough decisions necessary to control spending and balance expenditures and receipts. The only thing this measure will accomplish is to encourage more out-of-control spending by making it easier to pass bogus budgets that everyone knows are not balanced.”

“Voters are tired of the gimmicks and games politicians are playing with our budget and our future. We need to hold politicians more accountable for solving our deficits, not less accountable like Initiative 0057 would do. We have little doubt that voters will see through the smokescreen of the ‘on-time budget provisions’ of this measure and realize that this is nothing more than another gimmick to spend more money than we have,” summarized Fox.

The Field Poll recently released results of a survey, taken January 5-17, 2010, which found marginal support for the basic goal of 0057. In the survey ([The Field Poll Release #2329](#)), 47 percent of voters opposed reducing the budget threshold from two-thirds to a simple majority vote, while only 43 percent supported.

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