



For Immediate Release, September 26, 2006

**CAL-TAX: YES ON 1A (TRANSPORTATION INVESTMENT);
NO ON 90 (EMINENT DOMAIN)**

SACRAMENTO – The California Taxpayers’ Association today (September 26) announced support for Proposition 1A, the Transportation Investment Fund measure on the November 7 ballot. Cal-Tax directors also voted to oppose Proposition 90, the initiative that governs eminent domain acquisition of private property.

Directors of the state’s oldest taxpayer organization, founded in 1926, completed review and endorsement decisions on the 13 statewide ballot propositions at a September 22 board meeting. Cal-Tax previously announced its opposition to four tax-hike proposals, Propositions 86 through 89, and opposition to Proposition 1C, the housing bond. Cal-Tax supports Propositions 1B, 1D and 1E, bond measures for transportation and air quality, education facilities and flood prevention.

In addition to positions on Proposition 1A and Proposition 90, directors at the recent board meeting made no recommendation on Proposition 83 (sex offenders); Proposition 84 (water, flood control and parks bond), and Proposition 85 (parental notification on termination of pregnancy).

Regarding Proposition 90, Cal-Tax President Larry McCarthy said Cal-Tax is concerned about rights of property owners, especially in the wake of a recent U.S. Supreme Court decision. “However,” he said, “this initiative goes too far. It would have unintended consequences, creating opportunities for extensive litigation. This measure lacks focus. This is a sledgehammer when a tack hammer is needed.”

This measure has a serious flaw, which may be unintentional, because it repeals the current authority of public utilities to acquire property by eminent domain. Although public utilities rarely use this authority, it is essential that they have it to acquire property for power facilities and transmission lines. Without eminent domain authority as a back-up, our public utilities could be hamstrung and unable to provide electricity and other utility services to a growing state. If Proposition 90 passes, Californians likely will see higher utility bills.

Addressing Cal-Tax support for Proposition 1A, McCarthy noted that Proposition 42, which Cal-Tax supported, was overwhelmingly approved by statewide voters

in 2002 to spend the sales tax on motor vehicle fuel on transportation projects. However, billions of dollars have been diverted to other government programs. Proposition 1A will make it more difficult to divert these revenues away from transportation projects and enacts specific pay-back requirements when the funds are “borrowed” to balance the state budget.

Here are Cal-Tax positions on the 13 statewide propositions:

- 1A – Transportation Investment Fund. Support.
- 1B – Transportation and Air Quality Bond. Support.
- 1C – Housing Development Bond. Oppose.
- 1D – Education Facilities Bond. Support.
- 1E – Flood Prevention Bond. Support.
- 83 – Sex offenders. No Recommendation.
- 84 -- \$5.4 billion water quality and parks bond. No Recommendation.
- 85 – Parental notification. No Recommendation.
- 86 – Tobacco tax increase. Oppose.
- 87 – Oil tax. Oppose.
- 88 – Parcel tax. Oppose.
- 89 – Corporation tax for campaign public financing. Oppose.
- 90 – Eminent domain. Oppose.

For more information on Cal-Tax ballot proposition positions, go to <http://www.caltax.org/Cal-TaxPositions.pdf>

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