



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 16-1023, **Version:** 1

Adopt positions on qualified November 2016 ballot measures, as recommended by the Legislative Committee, on Proposition 52 (support), Proposition 53 (oppose), Proposition 55 (support), Proposition 56 (support) and Proposition 67 (support).

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt positions on qualified November 2016 ballot measures, as recommended by the Legislative Committee, on Proposition 52 (support), Proposition 53 (oppose), Proposition 55 (support), Proposition 56 (support) and Proposition 67 (support).

SUMMARY/DISCUSSION:

On November 8, 2016, California voters will consider seventeen (17) qualified ballot measures. On August 26, 2016, the Legislative Committee reviewed these measures and made recommendations to the Board of Supervisors to take positions on five (5) of these measures that are of particular interest to the County as follows:

Proposition 52 - State Fees on Hospitals. Federal Medical Matching Funds. - SUPPORT

Extends indefinitely an existing statute that imposes fees on hospitals to fund Medi-Cal health care services, care for uninsured patients, and children's health coverage. Fiscal Impact: Uncertain fiscal effect, ranging from relatively little impact to annual state General Fund savings of around \$1 billion and increased funding for public hospitals in the low hundreds of millions of dollars annually.

Proposition 53 - Revenue Bonds. Statewide Voter Approval. - OPPOSE

Requires statewide voter approval before any revenue bonds can be issued or sold by the state for certain projects if the bond amount exceeds \$2 billion. Fiscal Impact: State and local fiscal effects are unknown and would depend on which projects are affected by the measure and what actions government agencies and voters take in response to the measure's voting requirement.

Proposition 55 - Tax Extension to Fund Education and Healthcare. - SUPPORT

Extends by twelve years the temporary personal income tax increases enacted in 2012 on earnings over \$250,000, with revenues allocated to K-12 schools, California Community Colleges, and, in certain years, healthcare. Fiscal Impact: Increased state revenues - \$4-9 billion annually from 2019-2030 - depending on economy and stock market. Increased funding for schools, community colleges, health care for low-income people, budget reserves, and debt payments.

Proposition 56 - Cigarette Tax to Fund Healthcare, Tobacco Use Prevention, Research and Law Enforcement. - SUPPORT

Increases cigarette tax by \$2.00 per pack, with equivalent increase on other tobacco products and electronic cigarettes containing nicotine. Fiscal Impact: Additional net state revenue of \$1 billion in 2017-18, with potentially lower revenues in future years. Revenues would be used primarily to augment spending on health care for low-income Californians.

Proposition 67 - Plastic Bag Referendum. - SUPPORT

A “Yes” vote approves and a “No” vote rejects, a statute that prohibits grocery and other stores from providing customers single-use plastic or paper carryout bags but permits sale of recycled paper bags and reusable bags.

Fiscal Impact: Relatively small fiscal effects on state and local governments, including a minor increase in state administrative costs and possible minor local government savings from reduced litter and waste management costs.

OTHER AGENCY INVOLVEMENT:

The CAO-Intergovernmental & Legislative Affairs Division prepared this report with information from the Official Voter Information Guide for the California General Election which will be held on November 8, 2016. The recommendations in this report are consistent with the recommendations being made by the California State Association of Counties (CSAC) Executive Committee to the CSAC Board of Directors, who will consider taking positions on these and other ballot measures at their September 1, 2016 meeting.

FINANCING:

Approval of these recommendations will not result in additional General Fund contributions.

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Attachments: November 8, 2016 California General Election - Official Voter Guide Information on: Propositions 52, 53, 55, 56 and 67