

Economy a factor in what happens to California's water bond

By John Howard, Capitol Weekly

The most ambitious and expensive water program to confront California voters since the State Water Project was approved more than 50 years ago may wind up getting reduced by billions of dollars, a victim of politics and the economy.

The assumption is that recession-weary voters won't approve a big-ticket bond, so the problem is this: How do you cut back a complex, \$11.1 billion package that was put together – barely – with a fragile agreement in which each piece needed a signoff by rival political forces? If one piece is removed, does the whole structure start collapsing?

“There's a lot of head-scratching right now,” said Assemblyman Jared Huffman, D-San Rafael, the chair of the Assembly water committee.

When the economy is weak, California voters traditionally reject big borrowings. The water bond, approved in 2009, had been planned to be before voters last year. As the recession took hold, nervous lawmakers decided – again, with two-thirds votes – to push the measure back to November 2012.

On paper, at least, November 2012 would appear to be a good choice. Democrats tend to favor bond borrowings more than Republicans, and next November is a presidential election in which a high-than-average turnout of Democrats is likely. Turnout for Democrats also will be driven by a Republican-backed move to block unions from automatically deducting dues from paychecks – a hot-button issue for unions, the core of the Democratic base.

The public has been supportive of water development in the past. A \$5.4 billion borrowing was approved in 2006 as Proposition 84, part of a larger infrastructure-improvement plan. At the time that Proposition 84 went before the electorate, California voters had approved some \$11 billion for water projects during the previous decade.

“The public is well aware that California has a serious water-supply problem,” said Timothy Quinn of the Association of California Water Agencies, “and that it will take investments in infrastructure and local resource development to solve that problem.”

Quinn’s group represents some 450 agencies that together deliver about nine out of every 10 gallons of water delivered to farms, cities and businesses.

But the November ballot also is fraught with peril: A spate of other borrowings and taxes may be on the ballot, too, including Gov. Brown’s \$7 billion-a-year plan to raise sales taxes and impose new levies on the rich, then use the money for schools and public safety.

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