

Californians face rival tax measures that involve school funding

By Brooks Barnes, New York Times

LOS ANGELES – First came a competing save-our-schools ballot initiative, backed by a wealthy lawyer who proved more persistent than Gov. Jerry Brown had hoped. Then came a summer of minor financial embarrassments that handed Brown's opponents a narrative to use against him.



Now comes a nagging question: Against that backdrop, is Brown's \$8-billion-a-year proposed tax increase in trouble?

On Nov. 6, California voters will face their usual thicket of ballot measures, 11 in all this time around, ranging from a further crackdown on human trafficking to the mandatory labeling of genetically engineered food. But the most prominent by far is a budget-easing measure being pushed by Brown, who wants voters to approve tax increases to head off even more cuts to the state's already decimated education system – a loss would automatically set off about \$5.5 billion in cuts from public schools and \$500 million from the state's public colleges.

Proposition 30, as the measure is called, would increase statewide sales taxes by one-fourth of a cent and impose an income tax surcharge on Californians who earn more than \$250,000 annually. The sales tax increase would expire after four years, and the income tax component would last for seven years. Some of the new money would go to public safety

programs, like the supervision of parolees.

Stepping up his campaign for the initiative on Aug. 15, Mr. Brown, 74, framed his argument in biblical terms, telling a crowd gathered at a Sacramento high school, "To those who much has been given, much will be required," a reference to the Gospel of Luke. The week before last, campaigning in San Diego, he said that students would see "real suffering" if voters rejected the plan.

A defeat could have consequences for the state and for Brown even beyond forcing deeper cuts in a school system that already ranks 47th in the nation in per-pupil spending. So strenuously has the governor pushed the measure, and so closely has he become linked to it, that a defeat would most likely curb his influence, and might even invite a primary challenge from a younger generation of Democrats. As Brown approaches the end of his career, his broader legacy is also in play.

"This initiative has been defined as seminal to his governorship," said Dan Schnur, director of the Jesse M. Unruh Institute of Politics at USC.

But Proposition 30, supported by California's teachers' unions, has run into two snags, both of which are out of Brown's control.

One is a rival education measure, Proposition 38, which is backed by Molly Munger, a civil rights lawyer who is the daughter of Charles Munger, the billionaire vice chairman of Berkshire Hathaway. Munger's initiative would raise income taxes on nearly all wage earners, although wealthy Californians would bear most of the burden.

Her measure would raise about \$10 billion a year, with the bulk going to schools and some going to pay down state debt. It would expire after 12 years and is supported by the California State PTA.

Brown made various attempts to eliminate competing ballot measures; some political experts say multiple tax-related measures could confuse voters, or at least make them weary of tax issues. But Munger refused to back off, and she has so far poured \$19 million into her campaign. “There’s room for more than one idea about how to fix our schools, and on a topic this important, voters deserve a chance to choose,” Munger said in an email.

Nathan Ballard, a spokesman for Proposition 38, added, “Our TV campaign, focused on making sure voters know Prop. 38 is the only one that sends money directly to schools, will now start rolling out aggressively.”

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