

Governor declares Prop. 30 victory

By Mike Rosenberg, San Jose Mercury News

Gov. Jerry Brown's tax hike measure, Proposition 30, which is billed as the only hope to prevent more cuts to California schools, was headed for a narrow victory Wednesday morning.



With 64 percent of precincts around the state partially reporting results as of 12:30 a.m., the measure was leading 52.2 percent to 47.8 percent, according to results from the Secretary of State. The difference was about 295,000 votes – the measure's most significant advantage of the night.

Brown declared victory in a rally just before midnight.

"We had a lot of obstacles," the governor said. "We overcame them."

He added: "I know a lot of people had some doubts and some questions: Can you really go to the people and ask them to vote for a tax?' Here we are ... We have a vote of the people, I think the only state in the country that says, 'let's raise our taxes, for our kids for our schools, and for our California dream.'"

Proposition 30 would raise the state's sales tax by a quarter of a cent for four years and increase income taxes for people who make at least \$250,000 by up to 3 percentage points for seven years. It would raise an average of \$6 billion annually for the state's general fund and education to prevent nearly \$6 billion in "trigger cuts," mostly to education, this year.

Los Angeles County, the Bay Area and coastal areas supported

the measure while inland and rural areas rejected it. The biggest support was in liberal San Francisco County, while the largest opposition was in little Modoc County at the northeast tip of the state.

Brown's campaign has raised more than \$40 million, mostly from teachers unions and other labor groups. Some business groups, most school districts, celebrities and the state's major newspapers also endorsed the measure, saying a tax increase was needed to balance the state budget and prevent schools from chopping days or even weeks off the school year.

Anti-tax groups led by Bay Area physicist Charles Munger Jr., son of billionaire businessman Charles Munger, and an Arizona group fought hard to defeat the measure. They argued that the state was wasting money on high-profile projects such as high-speed rail and did not need more tax money.

"We are grateful for all the hard work from thousands of small business owners, taxpayers and many groups from around the state in helping us communicate our 'no on 30' messages to voters," the No on 30 campaign said in a statement. "We now wait for the final votes to be counted and determine the will of voters."

Munger's half-sister, Molly Munger, the author of a competing tax-for-education measure, Proposition 38, also briefly launched attack ads against Proposition 30 last month – and a decline in support for Brown's measure quickly followed in the polls. Munger and Brown spent months feuding over which tax measure was better, and analysts predicted their competing measures could result in both failing.

Another distraction was Brown's pursuit of the identity of the donors behind an Arizona campaign group that gave \$11 million to defeat Proposition 30 and pass Proposition 32, leading to a lawsuit from the California Fair Political Practices Commission, which eventually forced the group to disclose the

donors.

Still, supporters were optimistic.

“I think Prop. 30 will pass because voters understood this is about our schools,” Dan Newman, a spokesman for Yes on 30, said Tuesday night. “They are fed up to the cuts to our schools, with the double-digit tuition hikes, laying off teachers and increasing class sizes.”