

Prop. 30 working for California

By Jessica Calefati and Josh Richman, San Jose Mercury News

SACRAMENTO – A year ago this week, Californians were still locked in a fierce battle over Proposition 30, Gov. Jerry Brown's ballot initiative that raised income taxes on the wealthy and the sales tax on everyone.

One side argued that the state needed a temporary infusion of cash to keep schools and vital state programs afloat until the economy fully recovered. The other side countered that new tax money would simply line the pockets of school bureaucrats and unionized teachers – and that thousands of overtaxed “job creators” would flee California and throw the state's still-recovering economy into reverse.

But today, few Californians are arguing that Proposition 30, which to the surprise of many political observers sailed to an easy victory in last year's Nov. 6 election, hasn't been a good thing for the state.

It stabilized school funding in California for the first time since the Great Recession began, allowing school districts to avert thousands of teacher layoffs. It helped the Legislature balance its budget for the first time in years without slashing social programs. And it helped a state whose fiscal mismanagement used to be fodder for late-night comedians suddenly become a poster child of sound budgeting that some say Washington, D.C., politicians should model.

“I don't know that taxpayers much appreciated it, but it helped the state cover its costs,” said Joseph Henchman, a vice president at the Tax Foundation, a nonpartisan tax research group based in Washington.

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