

1 [Statewide ballot initiative to require voter approval before state government may take local  
2 tax funds]

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4 **Resolution supporting a statewide ballot initiative to require voter approval before**  
5 **state government may take local tax funds**

6 WHEREAS, state government annually seizes over \$800 million in city property tax  
7 funds (ERAF) statewide, costing cities over \$6.9 billion in lost revenues over the past 12  
8 years and seriously reducing resources available for local public safety and other services  
9 and,

10 WHEREAS, in adopting the state budget this year the Legislature and Governor  
11 appropriated local vehicle license fee backfill and redevelopment property tax funds that are  
12 needed to finance critical city services such as public safety, parks, street maintenance,  
13 housing and economic development; and,

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15 WHEREAS, the deficit financing plan in the state budget depends on a local property  
16 and sales tax swap that leaves city services vulnerable if the state's economic condition fails  
17 to improve and,

18 WHEREAS, the adopted state budget assumes an ongoing structural budget deficit of  
19 at least \$8 billion, putting city resources and services at risk in future years to additional state  
20 revenue raids; and,

21 WHEREAS, it is abundantly clear that state leaders will continue to use local tax funds  
22 to balance the state budget unless the voters limit the power of the Legislature and Governor  
23 to do so; and,

1           WHEREAS, the voters of California are the best judges of whether local tax funds  
2 should be diverted, confiscated, shifted or otherwise taken to finance an ever-expanding state  
3 government; and,

4           WHEREAS, the General Assembly of Voting Delegates of the League of California  
5 Cities at its September 10, 2003 meeting voted to sponsor a statewide ballot initiative to  
6 empower the voters to limit the ability of state government to confiscate local tax funds to  
7 fund state government; and

8           WHEREAS, the League has requested that cities offer support for a November 2004  
9 ballot initiative that will allow voters to decide whether state government may appropriate local  
10 tax funds to fund state government operations and responsibilities now, therefore, be it

11          RESOLVED, that the San Francisco Board of Supervisors hereby expresses its strong  
12 support for a statewide ballot initiative to allow voters to decide whether local tax funds may  
13 be taken, confiscated, shifted, diverted or otherwise used to fund state government  
14 operations and responsibilities; and be it further

15          RESOLVED, that the City and staff be authorized to provide impartial informational  
16 materials on the initiative as may be lawfully provided by the city's representatives. No public  
17 funds shall be used to campaign for or against the initiative; and be it further

18          RESOLVED, that the residents of the City are encouraged to become well informed on  
19 the initiative and its possible impacts on the critical local services on which they rely; and be if  
20 further

21          RESOLVED, that the clerk is hereby directed to send a copy to the Executive Director  
22 of the League of California Cities.

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