

PROPOSITION 68 – PARKS, ENVIRONMENT & WATER BOND (JUNE 2018)

POSITION: The Chamber's Energy & Water Committee voted to SUPPORT Proposition 68 on April 5, 2018. The Chamber's Public Policy Committee voted to SUPPORT Proposition 68 on April 10, 2018.

RATIONALE: The Chamber's Energy & Water Committee supported Proposition 68 because it would bring dollars to the San Diego region.

STATUS: Proposition 68 gathered enough signatures to qualify for the June 5, 2018 ballot.

SUMMARY

Proposition 68 would authorize \$4 billion in general obligation bonds for state and local parks, environmental protection and restoration projects, water infrastructure projects, and flood protection projects.

INDUSTRY/IES

The industries that could be directly impacted are: construction, government (water agencies, municipalities), engineering, and tourism.

SUPPORTERS

- Gov. Jerry Brown (D)
- Lt. Gov. Gavin Newsom (D)
- Sen. Kevin de León (D-24)
- Rep. Anthony Rendon (D-63)
- Mayor Antonio Villaraigosa (D), Los Angeles (former)
- California Democratic Party
- San Diego County Water Authority
- Metropolitan Water District of Southern California
- American Heart Association
- American Lung Association
- Association of California Water Agencies
- Audubon California
- Big Sur Land Trust
- California Chamber of Commerce
- California State Parks Foundation
- Environmental Defense Fund
- League of California Cities
- Los Angeles Chamber of Commerce
- Silicon Valley Leadership Group
- Sierra Club California
- The Nature Conservancy
- The Trust for Public Land
- The Wildlands Conservancy
- State Building and Construction Trades Council of California

OPPONENTS

- Central Coast Taxpayers Association
- Howard Jarvis Taxpayers Association

ARGUMENTS IN FAVOR

Proposition 68 will secure the funds necessary to prepare California for droughts, wildfires, floods, and other natural disasters. The Yes on 68 campaign asserts that this measure will “keep toxic pollutants out of our water supplies, clean up groundwater, and protect land around the rivers, lakes, and streams.” In addition, Proposition 68 “creates new recreational opportunities,” protects the state’s natural resources such as our beaches and bays, and finances “local water infrastructure projects.”

ARGUMENTS IN OPPOSITION

According to the official opposition arguments, only \$1.3 billion out of the total \$4 billion will actually go to improving parks. The remaining funds will be doled out to politicians to use on their “pet projects.” In addition, the opponents argue that the funds won’t be distributed evenly across the state, negatively impacting inland and rural communities.

MORE INFORMATION

Proposition 68 requires that between 15 and 20 percent of the funds from the bond would be dedicated to projects in communities with median household incomes less than 60 percent of the statewide average. That 60 percent threshold was around \$40,000 in 2016.

\$725 million would go toward neighborhood parks in park-poor neighborhoods. \$100 million would also be reallocated in unissued bonds that voters approved when Proposition 1 (2014) passed. Money from the state’s General Fund would be used to pay off bonds. The measure also requires non-state matching funds for certain projects, and requires annual audits. The increased bond repayment costs would average around \$200 million each year for the next 40 years.

As of March 30, 2018, total contributions in support of the measure were around \$2 million, and no money has been spent in an opposition campaign.

Here is the breakdown of funds according to the Yes on 68 campaign:

- \$1.6 billion for ensuring California has clean drinking water and securing future water supplies
- \$1.3 billion for creating safe and accessible parks
- \$1.2 billion for protecting natural resources and preparing for natural disasters

The San Diego County Water Authority asserts that Proposition 68 will fund important projects for the San Diego region, including \$200 million for Salton Sea restoration and \$12 million for the San Diego River Conservancy.