

### PROPOSITION 3 – WATER INFRASTRUCTURE & WATERSHED CONSERVATION BOND INITIATIVE (NOVEMBER 2018)

**POSITION:** The Chamber’s Energy & Water Committee voted to SUPPORT Proposition 3 on August 2, 2018. The Chamber’s Public Policy Committee voted to SUPPORT Proposition 3 on August 14, 2018.

**RATIONALE:** The Chamber’s Energy & Water Committee voted to SUPPORT Proposition 3 as the measure would bring dollars to important water projects in San Diego.

**STATUS:** Proposition 3 gathered enough signatures to qualify for the November 6, 2018 ballot.

#### SUMMARY

Proposition 3 would authorize \$8.877 billion in general obligation bonds for water infrastructure, groundwater supplies and storage, surface water storage and dam repairs, watershed and fisheries improvements, and habitat protection and restoration.

#### INDUSTRY/IES IMPACTED

The industries that could be directly impacted are: manufacturing, utilities, infrastructure, construction, and more.

#### SUPPORTERS

- U.S. Rep. Jim Costa (D-16)
- U.S. Rep. John Garamendi (D-3)
- California Chamber of Commerce
- San Diego County Water Authority
- Metropolitan Water District of Southern California
- Numerous conservation groups, agricultural organizations, resource conservation districts, environmental justice organizations, social justice organizations, water agencies and organizations, business, labor, cities, counties, and current and former elected officials.

#### ARGUMENTS IN FAVOR

According to the ballot argument, “Proposition 3 meets California’s urgent and critical need to secure a safe, reliable, and clean water supply by:

- Improving long-term drought preparedness
- Providing safe drinking water to millions of Californians, including those in disadvantaged communities
- Increasing mountain water runoff we can capture and use
- Repairing existing canals that irrigate our food crops
- Repairing Oroville and other dams to keep people safe and hold more water
- Improving water quality in groundwater, rivers, lakes, and streams
- Using purified recycled water for industry and landscaping”

#### OPPONENTS

- Sierra Club

#### ARGUMENTS IN OPPOSITION

The Sierra Club asserts that Proposition 3 is a problematic initiative because it:

- Was written by special interests
- Bypasses legislative oversight
- Opens up the state general fund for use by water agencies
- Appropriates cap and trade revenues to the State Water Project and Central Valley water agencies
- Unnecessarily adds to the state debt when voters just passed a bond measure in June 2018
- Worsens environmental quality

The Sierra Club also cites the problematic use of dams which are funded under Proposition 3.

#### MORE INFORMATION

Total campaign contributions in support are \$2,789,330.71. There has been no money spent on an opposition campaign.

There are allocations specific to San Diego, however, all other funds are competitive statewide. The San Diego-specific allocations include:

- \$40 million for stormwater management for water supply and water quality improvement
- \$40 million for the San Diego River Conservancy
- \$15 million for the San Diego Bay (Coastal Conservancy)
- \$200 million for Salton Sea habitat and dust control
- \$10 million for Tijuana River restoration
- \$35 million for Borrego Valley Groundwater stabilization

In April 2018, the Chamber's Board of Directors voted to support a similar bond measure (Proposition 68) which was passed by the voters during the June 2018 election. Proposition 68 authorizes \$4 billion in general obligation bonds for state and local parks, environmental protection and restoration projects, water infrastructure projects, and flood protection projects. Proposition 68 was more focused on parks whereas Proposition 3 is focused heavily on water.