



**Council Meeting: August 10, 2010**

**SUBJECT: City Positions Regarding Propositions 22, 23, 25 and 26 on the November 2010 Ballot**

**BACKGROUND**

Staff is providing this report, as requested by Council, to afford the City Council an opportunity to take a public stand regarding particular measures on the November 9, 2010 ballot. The Tentative Council Meeting Agenda Calendar currently reflects an October 5th presentation date for a Report to Council on the November 2010 ballot measures; ten measures have qualified for the November ballot – Propositions 18 through 27. The City Council has requested an early report on Propositions 22, 23, 25 and 26 on the November ballot.

**Consistent with other ballot measures, no public funds have been or will be used to campaign for or against these measures.**

**EXISTING POLICY**

**Council Policy 7.3 C.1:** Represent City policy in intergovernmental activities in accordance with adopted policy guidelines.

**DISCUSSION**

The City Council has requested an early report on Propositions 22, 23, 25 and 26 from the November 2010 ballot. A brief measure summary of the identified items follows; only those measures designated as *City business* include a staff recommendation.

Currently, when a Council-approved City policy exists, Council or staff may initiate advocacy on the issue without further action by Council. This streamlined advocacy process ensures that the City is able to act on legislative matters quickly. As outlined in Council Policy 7.3.13 *Support for Councilmembers; Staff-Council Communications*, relatively little staff analysis is included in this report because it is being presented prior to the release of the Secretary of State's *Official Voter Information Guide* or the Santa Clara County Registrar of Voter's *Voter Information Pamphlet*.

**Proposition 22, Prohibits the State from Taking Funds Used for Transportation or Local Government Projects and Services** – Prohibits the State from shifting, taking, borrowing, or restricting the use of tax revenues dedicated by law to fund local government services, community redevelopment projects, or transportation projects and services. Prohibits the State from delaying the distribution of tax revenues for these purposes even when the Governor deems it necessary due to a severe state fiscal hardship.

A prior request to review this measure resulted in the City establishing a support position in March of 2010. Since the City has already established a support position on Proposition 22 there is no further Council action required on this measure.

**Proposition 23, Suspends Air Pollution Control Laws Requiring Major Polluters to Report and Reduce Greenhouse Gas (GHG) Emissions that Cause Global Warming Until Unemployment Drops Below Specified Level for Full Year** – Suspends State laws requiring reduced greenhouse gas emissions that cause global warming, until California's unemployment rate drops to 5.5 percent or less for four consecutive quarters. Would require the State to abandon implementation of a comprehensive GHG reduction program, including increased renewable energy and cleaner fuel requirements, mandatory emission reporting, and fee requirements for major polluters such as power plants and oil refineries, until suspension is lifted.

A cursory review of existing City policy suggests there are City policies that support continued requirements for major polluters, but there are also City policies that support efforts to reduce unemployment and stimulate the economy. As a result, staff is not recommending a position at this time.

**Proposition 25, Changes Legislative Vote Requirement to Pass a Budget from Two-Thirds to a Simple Majority. Retains Two-Thirds Vote Requirement for Taxes** – Changes the legislative vote requirement necessary to pass the state budget from two-thirds to a simple majority. Provides that if the Legislature fails to pass a budget bill by June 15, all members of the Legislature will permanently forfeit any reimbursement for salary and expenses for every day until the day the Legislature passes a budget bill.

Current City Policy, Legislative Advocacy Position 7.0 (4) was developed by the Department of Finance to “Ensure local governments’ revenue sources are protected and predictable.” Therefore, staff recommends the City SUPPORT this measure as a 2/3 requirement is difficult to achieve and when the State budget fails to pass it has a negative impact on the City’s ability to conduct its business.

**Proposition 26, Increases Legislative Vote Requirement to Two-Thirds for State Levies and Charges. Imposes Additional Requirement for Voters to Approve Local Levies and Charges with Limited Exceptions** – Increases legislative vote requirement to two-thirds for state levies and charges, with limited exceptions, and for certain taxes currently subject to majority vote. Changes Constitution to require voters to approve, either by two-thirds or majority, local levies and charges with limited exceptions.

Staff reviewed existing City policy and, as a result of limited staff analysis, is recommending the City take an OPPOSE position based on Council policy 7.3.2 *Legislative Advocacy Positions* 7.0 (2) “Oppose any legislation that reduces or erodes local revenues or local control.”

**FISCAL IMPACT**

There is no fiscal impact to this report.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

**ALTERNATIVES**

1. Adopt the staff recommendation (see below).
2. Adopt other positions as specified by Council.
3. Take no positions.

**RECOMMENDATION**

Staff recommends:

**Proposition 22:** Since the City has already established a support position on Proposition 22 staff recommends that the Council maintain the established SUPPORT position.

**Proposition 23:** Staff makes no recommendation at this time. There are City policies that support continued requirements for major polluters, but there are also City policies that support efforts to reduce unemployment and stimulate the economy.

**Proposition 25:** Staff recommends the City SUPPORT this measure as a 2/3 requirement is difficult to achieve and when the State budget fails to pass it has a negative impact on the City's ability to conduct its business.

**Proposition 26:** Staff recommends the City take an OPPOSE position based on existing City policy.

Reviewed by:

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Approved by:

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