

Making the Case for Public Investments in California

Chris Hoene

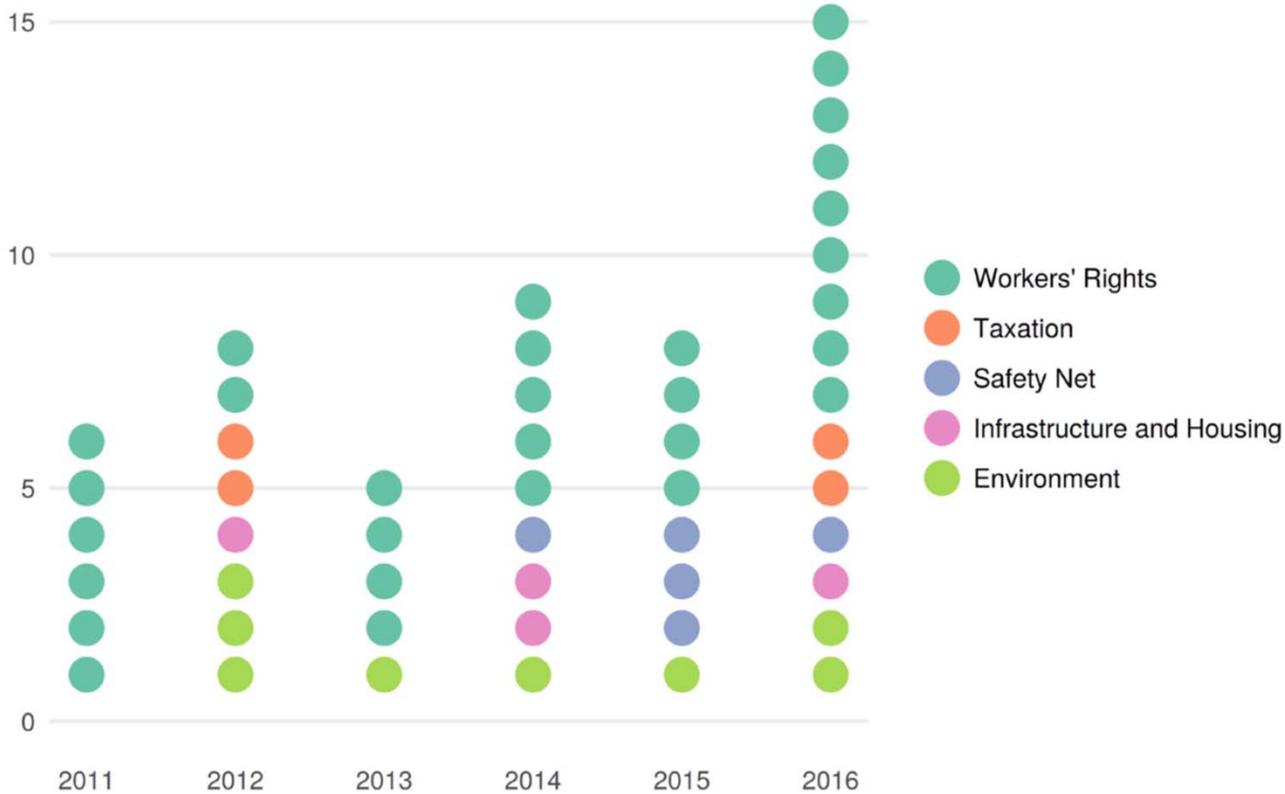
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California Policies 2011-2016

Policies by Category and Year Enacted



1

Recent California Tax Policy Wins

2012 to 2018

- Prop. 30 (2012): Temporary income tax increases on highest earners and temporary sales tax increase.
- Prop. 55 (2016): Extends income tax rate increases to 2030.
- Tobacco tax increase (2016)
- Gas tax and fuel-related fee increases (2017)
- Additional real estate transaction tax (2018)

Prop. 30: Messaging to Win

Governor Brown

- Prop. 30 guarantees funding for education and public safety.
- Prop. 30 is critical to balancing the budget and is a balanced approach.
- Strick accountability measures
- Threat of future cuts.



Prop. 30: Messaging to Shift Consciousness

Students, Teachers, Parents, and Advocates

- Prop. 30 will fund our future (schools, libraries, families).
- The wealthy need to pay their fair share.
- This is the first step to restoring the cuts and rebuilding the California Dream.



Prop. 55: Messaging to Shift Consciousness

Students, Teachers, Parents, and Advocates

- Continuing to fund our future (children, families, prosperity).
- The wealthy need to pay their fair share.
- Rebuilding the California Dream.
- We can't risk going back.



Tobacco and Gas Tax Increases

“It’s about time” – lack of revenues undermine investment

The California Healthcare, Research and Prevention Tobacco Tax Act of 2016

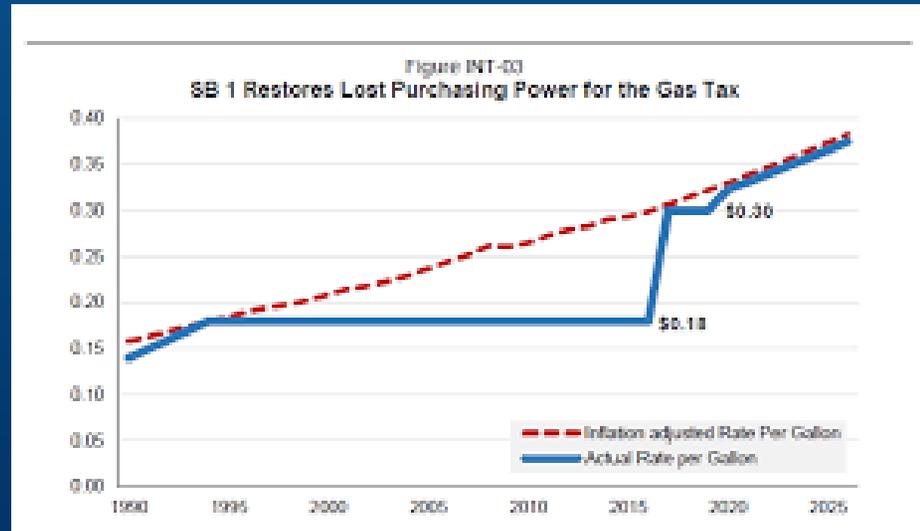


#1 cause of preventable death in California

2 states left in the US that have not increased tobacco taxes since 1998 (including California)

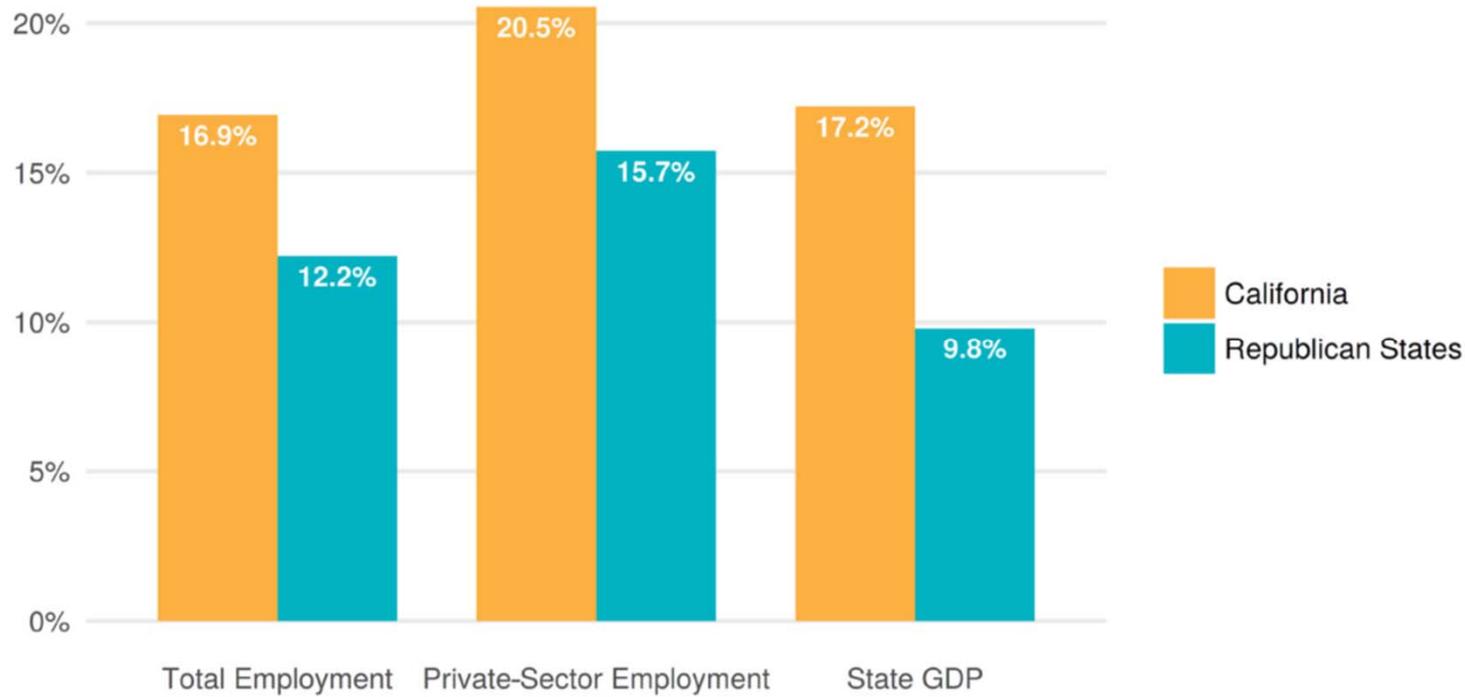
90 Percentage of smokers who start as teenagers.

\$30 Million provided by tax increase for California's oral health programs.



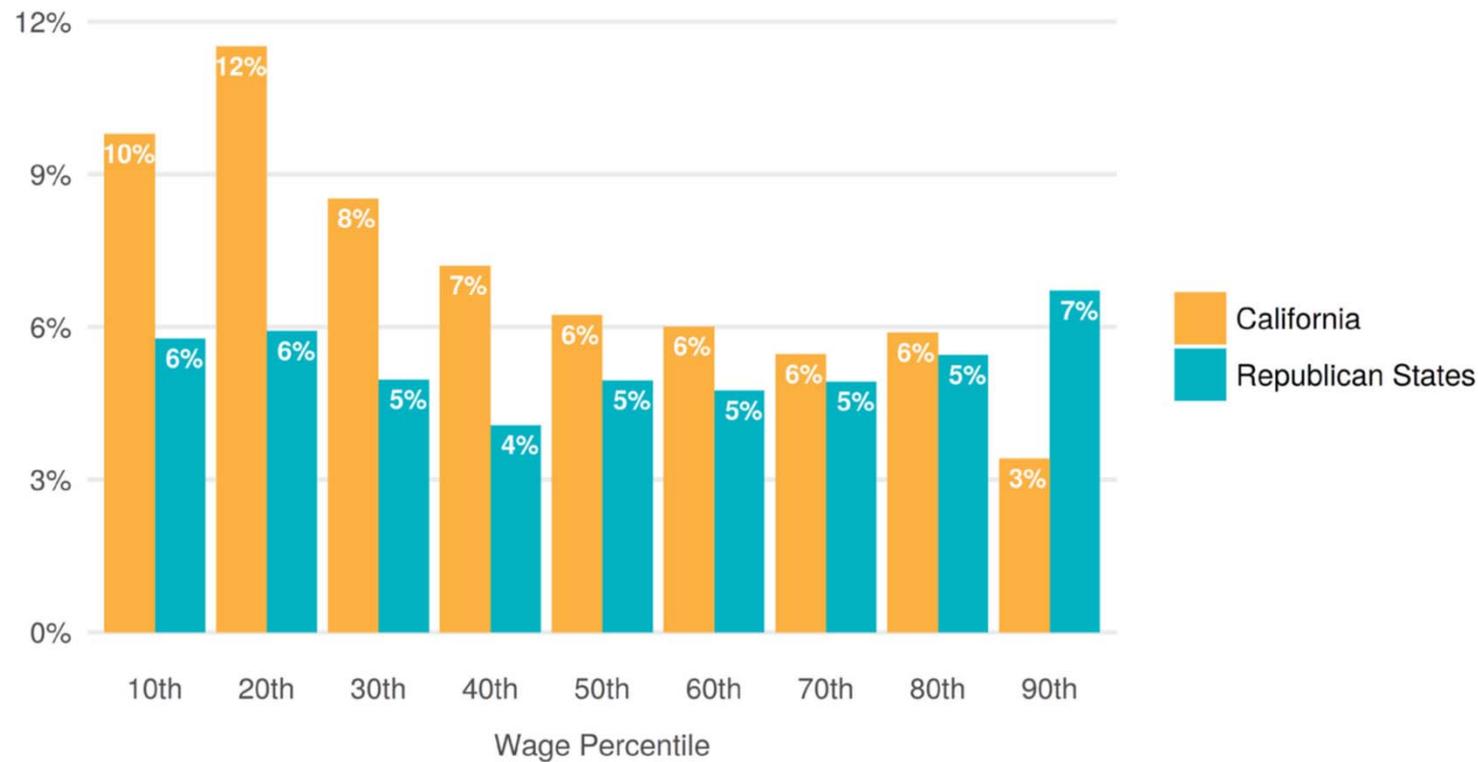
Employment and GDP Growth 2011 to 2016

California vs. Average of Republican-Controlled States



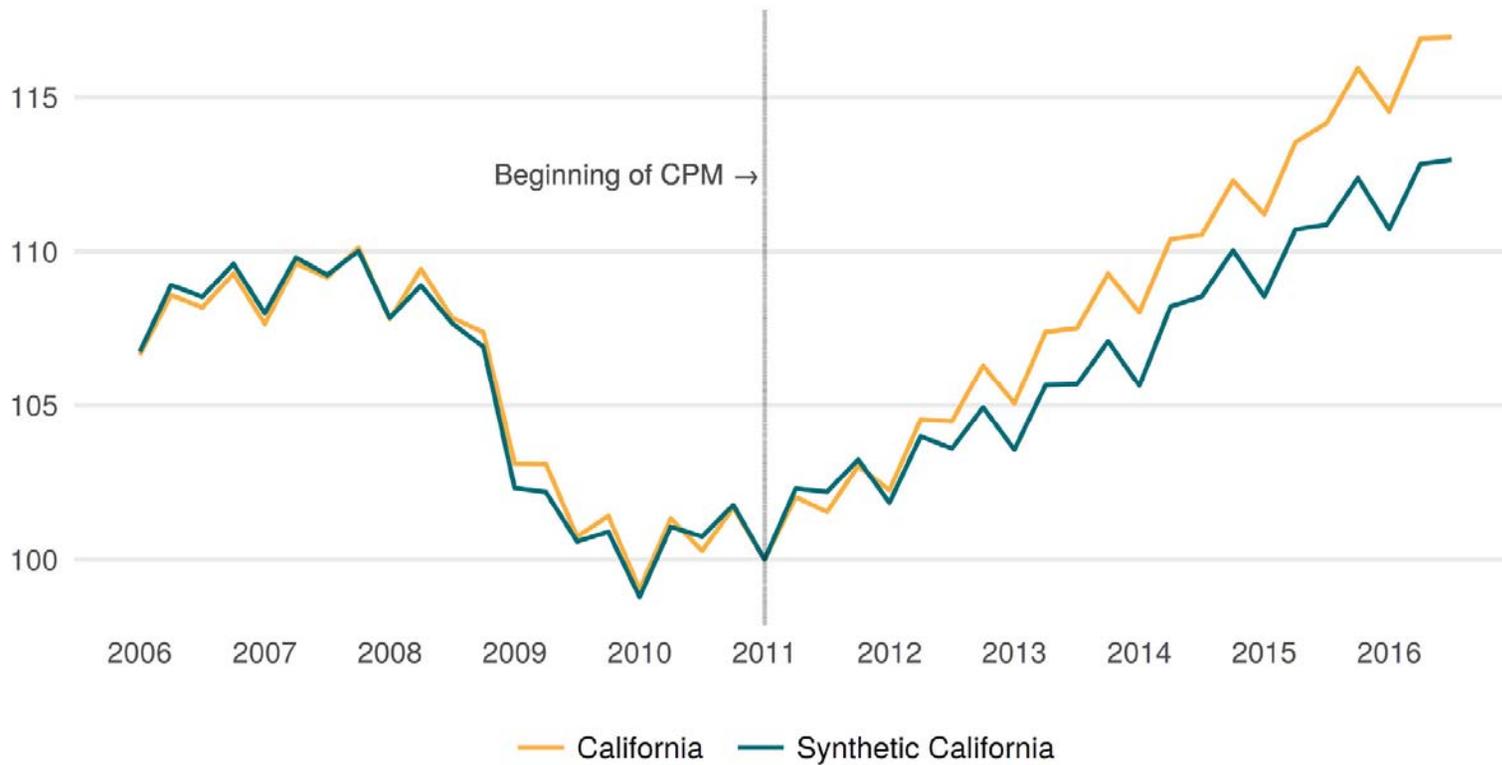
Wage Growth by Percentile 2014 to 2016

California vs. Average of Republican-Controlled States



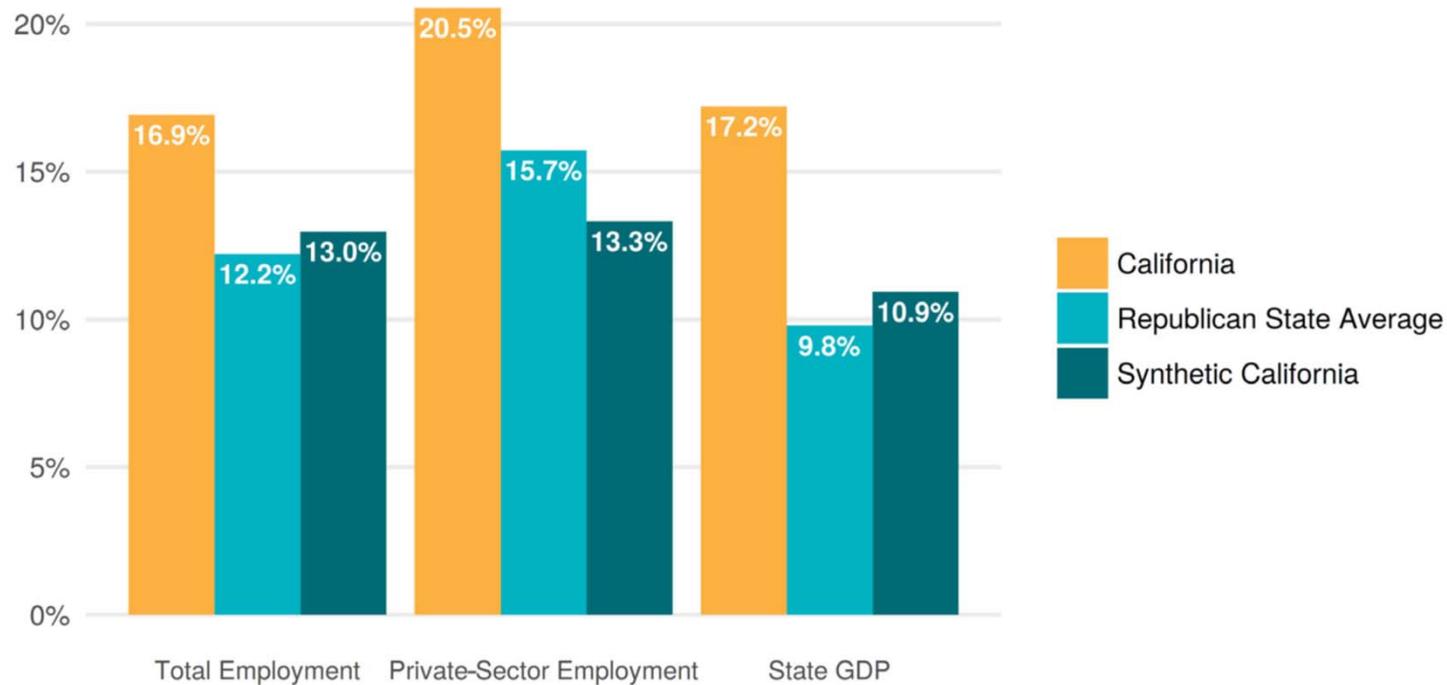
Total Employment Growth Relative to 2011

Total Employment Indexed to 100 for 2011



Employment and GDP Growth 2011 to 2016

CA vs. Avg. of Republican-Controlled States and Syn. CA



What Do We Think We Are Learning?

...so far

- Move from doom to aspiration (unless you're in a crisis).
- Connect government to the California Dream (concrete examples, stories, etc.)
- Recasting heroes, villains, and victims – reversing the post-Prop. 13 narrative.
- Investments are good for the California economy and broaden prosperity.
- Organizing the “new California electorate” is making the difference.

What Do We Think We Are Learning?

...so far

- Formation of long-term alliances between grassroots organizations across the state are the “secret sauce.”
- There are no silver bullets – “achieving progressive, systemic solutions requires serious analysis and multi-year collaborations.”

12



What Happens Next?

Moving backward???

- Gas tax repeal?



REPEAL
—THE—
GAS TAX

What Happens Next?

Moving forward...

- Prop. 13 (property tax) reform?
- Responding, if needed, to federal actions?



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