

OFFICIAL BALLOT
MAY 19, 2009 STATEWIDE SPECIAL ELECTION
SAN LUIS OBISPO COUNTY, CALIFORNIA

INSTRUCTIONS TO VOTERS: To vote on a measure, darken the OVAL to the left of the word "Yes" or the word "No". All distinguishing marks or erasures are forbidden and make the ballot void. If you tear, deface or wrongly mark this ballot, return it and get another. **FILL IN THE OVAL LIKE THIS:** ●

MEASURES SUBMITTED TO THE VOTERS

STATE

PROPOSITION 1A - "RAINY DAY" BUDGET STABILIZATION FUND.

Changes the budget process. Could limit future deficits and spending by increasing the size of the state "rainy day" fund and requiring above-average revenues to be deposited into it, for use during economic downturns and other purposes. Fiscal Impact: Higher state tax revenues of roughly \$16 billion from 2010-11 through 2012-13. Over time, increased amounts of money in state rainy day reserve and potentially less ups and downs in state spending.

YES NO

PROPOSITION 1B - EDUCATION FUNDING. PAYMENT PLAN.

Requires supplemental payments to local school districts and community colleges to address recent budget cuts. Fiscal Impact: Potential state savings of up to several billion dollars in 2009-10 and 2010-11. Potential state costs of billions of dollars annually thereafter.

YES NO

PROPOSITION 1C - LOTTERY MODERNIZATION ACT.

Allows the state lottery to be modernized to improve its performance with increased payouts, improved marketing, and effective management. Requires the state to maintain ownership of the lottery and authorizes additional accountability measures. Protects funding levels for schools currently provided by lottery revenues. Increased lottery revenues will be used to address current budget deficit and reduce the need for additional tax increases and cuts to state programs. Fiscal Impact: Allows \$5 billion of borrowing from future lottery profits to help balance the 2009-10 state budget. Debt-service payments on this borrowing and higher payments to education would likely make it more difficult to balance future state budgets.

YES NO

PROPOSITION 1D - CHILDREN'S SERVICES FUNDING.

Temporarily provides greater flexibility in funding to preserve health and human services for young children while helping balance the state budget in a difficult economy. Fiscal Impact: State General Fund savings of up to \$608 million in 2009-10 and \$268 million annually from 2010-11 through 2013-14. Corresponding reductions in funding for early childhood development programs provided by the California Children and Families Program.

YES NO

PROPOSITION 1E - MENTAL HEALTH FUNDING. TEMPORARY REALLOCATION.

Helps balance state budget by amending the Mental Health Services Act (Proposition 63 of 2004) to transfer funds, for two years, to pay for mental health services provided through the Early and Periodic Screening, Diagnosis, and Treatment Program for children and young adults. Fiscal Impact: State General Fund savings of about \$230 million annually for two years (2009-10 and 2010-11). Corresponding reduction in funding available for Mental Health Services Act programs.

YES NO

PROPOSITION 1F - ELECTED OFFICIALS' SALARIES. PREVENTS PAY INCREASES DURING BUDGET DEFICIT YEARS.

Encourages balanced state budgets by preventing elected Members of the Legislature and statewide constitutional officers, including the Governor, from receiving pay raises in years when the state is running a deficit. Directs the Director of Finance to determine whether a given year is a deficit year. Prevents the Citizens Compensation Commission from increasing elected officials' salaries in years when the state Special Fund for Economic Uncertainties is in the negative by an amount equal to or greater than one percent of the General Fund. Fiscal Impact: Minor state savings related to elected state officials' salaries in some cases when the state is expected to end the year with a budget deficit.

YES NO