



Trendlines

A brief survey of ballot initiative activity around the country

February 20, 2009

2009 Ballot Initiative Landscape

In 2009, voters in Colorado, Maine, Ohio and Washington will decide on ballot initiatives in the fall election. It's also possible that in New Jersey and Virginia, where statewide elections for governor will take place, state legislatures could forward referenda to the ballot. Since every state is struggling with budget deficits it is also possible that states could forward budget issues to the ballot seeking voter approval for budget deals that increase revenues and make huge spending cuts.

CALIFORNIA

May 19, 2009 Special Election

As part of California's recent budget deal to deal with a nearly \$42-billion projected deficit by increasing revenues, making deep spending cuts and borrowing, the legislature has put forward several ballot measures for voter approval in a May 19 special election.

The four temporary revenue increases in the budget would last for two years and the ballot proposals would extend them another two years if voters also approve a permanent spending cap. That spending cap would prevent future legislators from raising state spending when California's treasury is flush and instead deposit that money into a rainy-day fund for unexpected deficits. Only when that reserve exceeded an eighth of the state's revenues could legislators use the revenue for other purposes.

Voters will also be asked to borrow some \$5 billion against future lottery revenues that are currently earmarked for education. In the budget deal schools and community colleges took the biggest spending cuts, along with state colleges and universities, where tuition has been steadily rising for years.

The budget deal would also ask for voter approval to take money from mental health services and children's programs, cutting as much as \$830 million from those programs in 2010 plus hundreds of millions annually in the following four years.

COLORADO

- The deadline for filing ballot language is April 24, 2009
- The deadline for filing signatures is August 3, 2009
- 76,047 signatures are needed to qualify

Colorado saw a great deal of initiative activity in 2008. In odd years, however, the state only allows for statewide initiatives that deal with fiscal policy.

The state continues to struggle with the 1992 passage of a controversial TABOR initiative which capped state and local revenue and limited the ability to invest in priorities such as job creation, education, health care, roads and bridges, and police and fire protection.

As a result of the threat to investments in education, voters in 2000 approved Amendment 23, which required funding increases to raise the state's support for public schools to the national average.

In 2005, voters approved a five-year time-out on TABOR, allowing the state to keep the money that exceeds the revenue caps. Referendum C allowed the state to spend an estimated \$5.8 billion in surplus revenue that would have been rebated to taxpayers under the TABOR amendment from 2005 to 2010.

In 2008, a ballot initiative was presented that would have preserved elements of the TABOR measure- the right of citizens to vote on taxes and the constitutional requirement to balance the budget- but also would have created a savings account for public education. The amendment sought to relieve the tension between TABOR and Amendment 23 but it was defeated at the ballot box last November.

With the national economic crisis further impacting state revenues, the TABOR amendment has tied the states hands tightly and investments in vital state and local taxpayer services are increasingly threatened as the state faces a budget shortfall of nearly \$1 billion.

While there is a lot of activity brewing on the ballot initiative front it's too early to tell what will actually appear on the ballot this year and what does will depend a lot on how the state budget debate plays out over the next several months.

As the [Associated Press](#) has reported, "Some legislators opposed to the constitutional limits on the state's taxing and spending think the bad economy might provide an opening to repeal the measure," and that "Some lawmakers would like to see a permanent change." State Sen. Al White says some lawmakers are gauging if there's support to pursue a change.

Governor Bill Ritter has singled out TABOR and encouraged the Legislature to "address TABOR and the constitutional and statutory straitjackets that makes modern, sensible and value-based budgeting an impossibility."

At the end of January, the [Rocky Mountain News](#) reported that a former lobbyist has proposed a ballot initiative that would further cut state revenues. A similar measure failed to get through the legislature last year. Filing the proposal is the first step in a lengthy process to get an item on the ballot.

If the ballot measure passed it would impact all levels of government revenue and investments. State Senator Chris Romer has said that, "This would destroy government as we know it. And it comes at a time when citizens are asking government to provide more solutions, more jobs, more health care. "

The legislature is also considering an effort to extend the TABOR time-out (Referendum C) in order to deal with the state's budget crunch. [The Colorado Springs Gazette](#) has reported that "House Majority Leader Paul Weissman, D-Louisville, is promising to introduce a referendum in late February that could extend Referendum C indefinitely."

A second bill, which would likely begin in the Senate, would allow the state to keep excess tax revenue to backfill holes in the state budget created by cuts made during recessions. As a change in state law rather than the constitution, the measure would require only a majority vote of the Legislature to be placed on the November ballot.

In other developments on the Colorado ballot initiative landscape, Coloradans may be able to vote on a November ballot initiative that advances investments in green jobs and clean energy. The *Rocky Mountain News* reports that State Representative Joe Miklosi, D-Denver, will introduce a ballot measure seeking voter approval to sell \$2 billion in bonds to fund renewable-energy system installation or energy-efficiency upgrades on about 133,000 homes.

"Under the plan, residents could apply for loans of as much as \$15,000 to install solar, wind or geothermal renewable energy systems or energy- efficiency improvements. They could repay the loans in installments of between 10 and 30 years.

"The plan would generate employment in the construction and renewable-energy sectors, Miklosi said. "Property values would rise between 8 percent and 10 percent, and the annual cost to homeowners would be offset by decreased utility bills," he said.

MAINE

- The deadline for filing signatures was January 22, 2009
- 55,087 signatures are needed to qualify
- The deadline to declare qualification for ballot is February 23, 2009

To date, three citizen initiatives have been submitted for the November 2009 ballot in Maine. All three of the proposed ballot questions were developed by the *Maine Heritage Policy Center* and put on the ballot by another conservative group, *Maine Leads of Augusta*.

Maine Leads gathered signatures for a revenue cap measure being referred to as TABOR 2. Maine voters rejected a similar proposal in 2006. This provision would place revenue caps on state, county, municipal and school budgets. It would restrict necessary investments in job creation and the economy and impact the rebuilding of roads, bridges and schools.

The group has also submitted signatures for an excise tax reduction. Excise taxes are an important source of revenue to Maine's municipalities. With the economic downturn, local communities have seen their revenues decline as new car purchases, and new registrations have slowed. If adopted by the voters, the excise tax rate changes would go into effect in January 2010 and motor vehicle excise tax collections at the local level would experience a 40% reduction.

If the reduction went into effect this fiscal year, the aggregate municipal impact would be a loss of \$88 million, which is a staggering amount of revenue to take away from the maintenance and repair of local roads and bridges. This proposal will either lead to sharp increases in property tax rates or significant reductions in road and bridge construction and repair, or some degree of both.

The third measure being advanced by the two conservative groups is a health care measure that picks up where a 2008 citizen initiative left off.

Last November special interests advanced a citizen initiative that gutted a source of funding for Maine's comprehensive, universal health care program. The 2008 initiative overturned legislative action to raise revenue for expanding health care coverage for working families and their children by raising a tax on beer, wine and the syrup used in soft drinks. In an effort to protect a few extra pennies added to the cost of beer, wine, and soda, the special interests who supported the initiative have threatened 18,000 working families with the loss of their health coverage, which would mean thousands of kids losing the preventive care they need.

When collecting signatures for the ballot question scheduled to appear on the November 2009 ballot in Maine, signature gatherers asked one simple question: "Do you want to allow out of state insurance companies to sell policies in Maine to make health insurance more affordable for the people of Maine?" However, this 31 page proposal is not that simple. In fact, it was highly misleading to characterize the proposal as the signature gatherers did.

If passed, the proposal would repeal consumer protection and access expansion laws and would eliminate the application of laws in Maine's insurance code from insurance companies.

Maine has been national leader on health care reform but this initiative moves in the wrong direction and appears to be nothing more than a big insurance wish list. Among the low-lights:

- ✓ Allowing out-of-state insurance companies to sell health insurance policies in Maine that do not have to comply with most of Maine's consumer protection laws.
- ✓ Segregating seniors or those with pre-existing conditions into high risk pools. High risk pool policies typically charge much higher rates (here the company could charge up to 50% more) and offer fewer benefits.
- ✓ Permit individual health insurance carriers to increase their premium rates without prior approval from the Bureau of Insurance. This would allow insurance companies to spend one-third of every premium payment from consumers on non-medical care items such as profits, CEO salaries, broker commissions, lobbying, and marketing.
- ✓ Allow insurance companies to discriminate against older people, people with pre-existing medical conditions, people who live in rural areas, or people who work in certain industries or occupations when setting rates in individual or small group policies in Maine.

OHIO

- The deadline for filing signatures is July 1, 2009
- 418,408 signatures are needed to qualify

In Ohio, there have been [media reports](#) that Penn National Gaming, Inc. is looking at proposing a ballot measure in November that would authorize casino-style gambling at Ohio's seven racetracks and up to four additional sites.

Already, representatives of the Ohio Council of Churches, the East Ohio Conference of the United Methodist Church and the West Ohio Conference of the United Methodist Church have come out against the possibility of a new gambling proposal, saying a draft proposal sets aside a meager percentage of gambling revenue for government -- 30 percent.

In 2008, an effort to expand gambling in Ohio lost. The constitutional amendment sought to build a casino near Wilmington in Southwest Ohio and distribute to all Ohio counties a tax on the casino.

It is likely that Ohio voters could be asked to weigh in on a number of ballot initiatives in the fall as groups react to the state budget and use the summer months to collect signatures to place measures on the ballot for the November election.

WASHINGTON

- The deadline for filing signatures is July 3, 2009
- 241,153 signatures are needed to qualify

Tim Eyman, Washington's "professional initiative salesman" is back at in 2009. Eyman has filed a revenue cap initiative (I-1033). Eyman needs about 241,000 valid voter signatures by July 3, 2009 to get I-1033 on the ballot.

The Northwest Progressive Institute has called I-1033 a "a cynical attack on our common wealth." The institute added that I-1033 would devastate Washington economy "by imposing artificial limits on how much money goes into our schools, police and fire protection, libraries, parks, pools, our transportation system, and every other public service the government provides."