ARGUMENT AGAINST PROPOSITION 3

At a time when California is already deeply in debt, when its residents' ability to pay off bonded debt is questionable and its credit rating causes bond interest rates to soar, adding bonded indebtedness for anything but the most essential infrastructure is unwise to the point of absurdity.

But even if more bond debt were not an issue, this measure is badly flawed. This nearly $1 billion bond measure is another abuse of the initiative process in that it has been bought and paid for by the special interests (hospitals, their administrators and staffs), who will benefit directly, personally and monetarily from is passage.

And this is not the first time that these same special interests have turned to the initiative process. In 2004 they sponsored a carbon copy of this initiative for $750 million. They are back again, this time for even more. And yet hundreds of millions of dollars from the earlier bond (Prop. 61) remain unspent. Remember, these are not impoverished institutions. Several are part of the well-funded University of California system, and the others have substantial private and foundation support.

This gigantic spending initiative is framed as helping "children's hospitals," using "children" as the justification for circumventing the normal legislative process by which state spending priorities are better determined. Yet a careful reading of the definition of "children's hospital" reveals that 80% of the money may go to any acute hospital so long as it treats children, among other patients. It appears that a driving force behind this measure is to provide a backdoor way of compensating hospitals for treating indigents (including illegal aliens) who don't pay their way through the front door.

While this bond measure represents that the proceeds will be used for capital improvements, the definitions are so loose that it appears funds can flow to finance or reimburse just about any project a creative grant-writer is nimble enough to "sell" to the bond fund decision-makers. And "selling" isn't tough, because the decision-makers are all part of the same team – and nearly $10 million of the bond funds are available for "administrative costs," i.e., paying grant writers and others.

Any one of the acute general hospitals that qualifies under this measure may receive a grant of up to $98 million. Is it any wonder that the hospitals which stand to benefit directly from this measure have been eager to fund the signature-gathering and the campaign for this measure?

Proponents hope you will react emotionally to their framing of this measure: it's "for the children." Don't be swayed by the labeling. You have a chance to

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stop this special-interest abuse of the initiative process and discourage others from misusing it in the future.

And remember who will pay the bill for the bond over the next 30 years: your children and grandchildren. If you really want to help them, don't saddle them with more debt of this kind.

SUBJECT TO COURT
ORDERED CHANGES

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STATEMENT TO BE FILED BY AUTHOR OF ARGUMENT

All arguments concerning measures filed pursuant to Division 9 of the Elections Code shall be accompanied by the following form statement, to be signed by each proponent and by each author, if different, of the argument:

The undersigned proponent(s) or author(s) of the argument **(in favor of/against)** (circle one) ballot proposition # 3 at the **General** election for the State of California to be held on **November 4, 2008**, hereby state that such argument is true and correct to the best of **(his/her/their)** (circle one) knowledge and belief.

1. LEWIS K. UHLER
SIGNATURE — DATE
PRES. NATIONAL TAX LIM. COMM.
ADDRESS — TELEPHONE

2. EDWARD 'TED' COSTA
SIGNATURE — DATE
PRES. PEOPLE'S ADVOCATE
ADDRESS — TELEPHONE

3. JON FLEISCHMAN
SIGNATURE — DATE
PUBLISHER, FLASHREPORT.ORG
ADDRESS — TELEPHONE

Person to contact regarding this argument:

NAME — TELEPHONE

ADDRESS — FAX

E-MAIL ADDRESS

I, _____, **legislative measure author/initiative proponent** (circle one) certify that the above-named authors have been designated by me to submit this argument.

SIGNATURE — DATE

Elections Code Section 9600

SUBJECT TO COURT ORDERED CHANGES