

SPECIAL ELECTION

Dems split on measures that underlie budget pact

Many reluctant to give up the social service funding their party leaders agreed to cut as part of deal

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SANTA CRUZ — Ambivalence may be the nicest way to describe local sentiment toward the budget-reform measures on the May 19 ballot.

The slate of six initiatives, the result of long negotiations between Democratic legislators and the governor, promises to close the state's infamous budget gap but does so by shifting money away from popular county services, namely child health programs and mental health treatment.

"This is a desperate move," said county Supervisor Mark Stone. "On one hand, you're taking away funding for things voters have approved, yet if you don't go along (with the measures) we could have utter chaos. It feels like they're putting a gun to all of our heads and forcing us to support them."



DAN COVRO/SENTINEL

Yana Jacobs, behavioral health program manager with county Mental Health Services, talks with a client outside the 'K' building Wednesday.

For Stone and other Democratic faithful, both in local government and at the helm

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BALLOT MEASURES

Six measures introduced by the governor and Democratic lawmakers aim to close the state's \$42 billion budget gap.

- Proposition 1A: Establishes a spending cap and a reserve fund and extends a number of taxes.
- Proposition 1B: Provides money to schools.
- Proposition 1C: Permits state to borrow up to \$5 billion against future lottery proceeds.
- Proposition 1D: Redirects Proposition 10 money, which was approved by voters to fund child services through cigarette taxes, to other purposes.
- Proposition 1E: Redirects Proposition 63 money, which was approved by voters to fund mental health services, elsewhere.
- Proposition 1F: Prohibits pay raises for state elected officials when a budget deficit exists.

MEASURES

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of social service programs, deciding where to stand on the state measures is a delicate issue.

"I don't want to see the budget deal fall through ... (nor) do I want to see other programs cut, but are we going to sacrifice kids' health?" said Leslie Conner, director of the county's Healthy Kids insurance program, which stands to lose funding.

Few groups have come out against the measures outright. Many are waffling while others are planning a "neutral" stance. Some Democratic lawmakers who supported last month's budget deal, which introduced the May propositions, are also rethinking their views.

"Many people are very

conflicted over what to do with this," said Fred Keeley, a former Assemblyman and board member of budget reform group California Forward. "(But) there will be pressure (in Sacramento) on Democrats to continue supporting this."

The alternative to not passing the measures is restarting budget negotiations, which Keeley said would mean Democrats losing ground in their push to raise revenues and deliver public services, only exacerbating the state's financial mess.

Political observers say the ballot measures need all the help they can get to pass. An early Field Poll showed voters in favor of the propositions, but it also suggested voters know little about them, and time and opposition could dampen support.

"If there is any meaningful opposition, they will

fail," Keeley speculated.

The measures attempt to shore up a \$42 billion budget deficit through a series of tax hikes, funding shifts and borrowing and include sweeteners for concerned taxpayers like a state spending cap and limits on lawmaker pay.

But the measures also carry hits for social programs.

Proposition 1A, which caps state spending, would inevitably mean reductions in health care funding, say medical providers and their sympathizers.

Propositions 1D and 1E, meanwhile, divert money away from voter-approved Proposition 10, which is intended to fund early childhood programs with cigarette taxes, and Proposition 63, which guarantees funding for mental health services.

In Santa Cruz County, mental health administra-

tors anticipate losses up to \$1.5 million next year while children's health providers say the county is likely to lose \$3 million next year. Neither estimate includes matching funds from federal or private agencies that often comes with state money.

"We're looking at huge steps backward and the unraveling of important programs," said Conner, whose group helps insure thousands of county children.

Assemblyman Bill Monning, D-Monterey, said that as bad as the May propositions may be, their failure would be worse and further cuts to public services would be likely.

"I don't think anybody loves the budget that was passed," he said. "It has to be seen as a stepping stone to more substantial budget reform."