



**BOB FALCONER**

Executive Vice President  
rfalconer@cangc.org

**JACK WICK**

Regulatory Consultant  
jackwick@cangc.org

**ADDRESS**

3947 Lennane Drive  
Suite 150  
Sacramento, CA  
95834-1973

**PHONE**

800/748.6214  
916/928.3900

**FAX**

916/567.0505

**EMAIL**

association@cangc.org

**WEBSITE**

www.cangc.org

**UPCOMING EVENTS**

February 26, 2004  
**Just a Slice of Orange County!**  
Tom's Tour visits four  
Orange County nurseries:  
Bordier's Nursery  
Garden Art International  
Armstrong Garden Centers  
Roger's Gardens

Visit [www.cangc.org](http://www.cangc.org) to  
download the registration form

**CANGC COMMENTS ON WATER PLAN**

CANGC has submitted comments on a recently proposed amendment to the California Water Plan taking objection to a staff recommendation that California should move toward landscapes that thrive on minimal or no supplemental water. Such a suggestion implies that landscapes are not worth the water to sustain them and totally overlooks the many attributes of landscaping.

There were many positive recommendations supported by CANGC such as increasing the efficiency of irrigation systems, uses of recycled and gray water and implementing irrigation audits to conserve water.

**UPCOMING INITIATIVES** • California business has a lot riding on two ballot initiatives in the coming year. Below is a report on recent actions on both propositions.

**Coalition Launches Website to Stop Prop. 56**

A California Chamber of Commerce led coalition has launched a website to make clear that the true intent of Proposition 56, the "blank check initiative," is to make it easier to raise taxes.

Proposition 56 on the March 2004 ballot reduces the legislative vote requirement to raise taxes. This central provision of the initiative would make it significantly easier to raise taxes, but is deceptively wrapped in popular ideas, such as punishing legislators for a late budget, as a diversion aimed at gaining public support.

"Our opposition needs to have a laser-like focus so voters clearly understand that this initiative threatens to raise taxes for every single Californian," said Chamber President Allan Zaremborg. "The real goal of Proposition 56 is to make increasing taxes significantly easier by eliminating the two-thirds vote requirement."

The California Taxpayers' Association (Cal-Tax) says that Californians pay \$130 billion in regular state and local taxes every year, an amount that is more than enough to fund California priorities – quality schools, public safety, highways and safety net programs for the poor. This year, Cal-Tax reports, the Legislature proposed tax and fee increases totaling more than \$65 billion, many of which could have passed easily if fewer votes were needed.

Californians Against Higher Taxes is a broad and diverse coalition opposing the Blank Check Initiative. The California Chamber of Commerce is heading the coalition. CANGC opposes Prop. 56 along with Cal-Tax, The Seniors Coalition, Howard Jarvis Taxpayers Association, California Independent Grocers Association, California Farm Bureau Federation, California Space Authority, California Manufacturers

and Technology Association, California Restaurant Association, California Travel Parks Association, Nisei Farmers League, Regional Hispanic Chamber of Commerce among others.

Visit [www.noblankchecks.com](http://www.noblankchecks.com) to view Proposition 56 text, an analysis of the measures potential costs to taxpayers, sample letters to the editor against Proposition 56, information about joining the coalition, and more resources.

**Coalition Appeals Decision to Give Californians the Right to Vote On Healthcare Tax**

Californians Against Government Run Healthcare (CAGRHR), a coalition of business groups led by the California Chamber of Commerce, yesterday asked the Third District Court of Appeal in Sacramento to overturn the decision of a local judge that would prevent Californians from voting on a referendum against Senate Bill 2 (Burton). The legislation would cost consumers and businesses more than \$7 billion per year in higher health insurance costs. Judge Lloyd Connelly blocked the certification of the referendum, despite the fact that more than 624,000 California voters signed petitions to place the measure on the ballot.

On December 1, CAGRHR submitted more than 624,000 voter signatures on petitions to stop the \$7 billion health care tax and give voters the right to decide if they want this costly law. Secretary of State Kevin Shelly found that sufficient signatures had been obtained to place the referendum on the March 2004 ballot, but did not certify the measure pending a ruling by the court on a legal challenge filed by the proponents of SB 2.

SB 2 would require employers with 20 or more workers to pay for health insurance for their employees or pay a huge tax to create a massive new government bureaucracy to manage the health care system for workers. Beginning in 2006, businesses with 200 workers or more would have to provide coverage for employees and their dependents, including domestic partners. Employers with 50 to 199 workers would pay for coverage for employees only beginning in 2007, while businesses with 20-49 workers would pay for employee coverage when a tax credit is enacted. A recent study by the Los Angeles Area Economic Development Corporation estimates the costs of SB 2 at more than \$7 billion for California's businesses and workers.

CAGRHR includes the California Chamber of Commerce, California Restaurant Association, California Taxpayers Association, California Retailers Association and the California Business Properties Association, among others.