



It's a taxpayer **TRAP**

No on Prop. 90 **Taxpayer Trap Hurts Businesses** **and Local Economies**

Taxpayer, business, homeowner, public safety, environmental, local government and community groups are all opposing Prop. 90, a deceptive initiative on California's November ballot that has been dubbed the "Taxpayer Trap" initiative. Proponents want you to believe this measure is about eminent domain reform. But that's just the bait. The trap is hidden within the fine print of the measure – far-reaching provisions that have nothing to do with eminent domain, but that would cost taxpayers billions of dollars and hinder economic growth and job-creation.

Businesses oppose Prop. 90, the Taxpayer Trap, because it will:

- ✗ **Cost all taxpayers billions.** Prop. 90 will require billions of dollars in new payouts because the measure contains a hidden provision that allows virtually anyone to sue claiming a new law or regulation has caused them "economic harm" and impacted the value of their property or business. They can sue no matter how far-fetched the claim and taxpayers will be on the hook to pay the bill!
 - According to William G. Hamm, California's former legislative analyst, **"PROP. 90 could require BILLIONS OF DOLLARS IN NEW TAXPAYER COSTS EACH YEAR, if communities and the state continue to pass or enforce basic laws to protect our neighborhoods..."**

- ✗ **Encourage thousands of frivolous and time-consuming lawsuits that will hinder economic growth and job creation.** These same hidden provisions create a new cause of action that allows a few individuals to sue to stop new housing and new businesses that will benefit the local economy and community. Either the local agency (and taxpayers) will have to pay for these claims or, if the agency can't afford it, then the project simply would not be approved.

"Proposition 90 is so far-reaching that it actually hurts, not helps, California's small businesses. Prop 90's poorly-drafted and far-reaching provisions will result in a flood of frivolous lawsuits that will cost taxpayers billions each year and hinder local growth and economic development."

–Betty Jo Toccoli, president, California Small Business Association

- ✗ **Bring land-use planning and approvals to a halt.** Prop. 90 is so poorly drafted that it will take countless years of litigation and court review to sort it out. The measure's broad scope will ultimately lead to lawsuits to determine what actions are compensable and at what price. As a result, Prop. 90 will stymie the local land-use process as local and state agencies wait for the courts to sort it all out – delaying and increasing the cost of important local projects that create jobs and make communities economically vibrant.
 - In Oregon, where a somewhat similar measure was recently passed, nearly 2,000 claims totaling more than \$3 billion have been filed. Oregon newspapers report the sheer number of these claims has swamped local planning officials, forced them to hire additional staff to deal with the increased claims and has hindered their ability to handle other basic functions like land-use approvals.
- ✗ **Drive up the cost of much-needed infrastructure projects like schools, traffic relief and flood control.** Prop. 90 requires new and unreasonable payouts whenever agencies acquire property for public works. These provisions will drive up the cost of infrastructure projects, cause delays, or even halt work on essential community projects. Taxpayers pay, or citizens lose out on the congestion relief, road repairs, schools, utility services and other infrastructure projects we need.

Paid for by No on 90, Californians Against the Taxpayer Trap, a committee of taxpayers, educators, business, environmentalists, local government and public safety, the League of California Cities (Non-Public Funds), and Californians for Neighborhood Protection, a sponsored committee of the California League of Conservation Voters www.NoProp90.com