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QUALIFICATION OF VOTERS AT BOND ELECTIONS

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necessarily, on that account, bad. Indeed, it has sometimes even been argued that no tax is a tax except an old tax.

It is argued that the tax is unequal, because the poor man pays as much as the rich man. This might be a valid argument if the poll tax stood all by itself. But the poll tax is one of many taxes and among the others are those which fall only upon the rich man and make his share commensurate with his ability.

It is argued again that the poll tax is not uniformly enforced and that some escape. That, however, is not an argument against the poll tax as such, but merely an argument for the better enforcement of the law. In 1900 the poll tax yielded \$404,000. Since then the administration has so improved that it is yielding, as above stated, about \$850,000 per annum, or considerably more than double. The mere fact that a given institution is not well administered is no argument for its abolition; some of our schools are not as successful as they might be, and some

of our streets have chuck-holes in them, but that is no reason why the government should abandon the support of the schools or of the streets.

Every citizen, whether rich or poor, should pay some tax, and should thus be made conscious in a direct way of his responsibility for the support of the institutions under which he lives. There are many persons in California who pay no other direct tax than the poll tax. Among these are many aliens, and a large number of unorganized, migratory and seasonal laborers, whose presence is a menace, especially to organized labor, for they do not maintain the standards of living nor the standards of work which are essential to the support of the living or union wage.

The poll tax is a just tax. It bears heavily on no one. It is the only tax paid by certain aliens and by certain unorganized laborers. The revenues are necessary. Its defects can be cured by a more vigorous, uniform administration.

CARL C. PLEHN.

QUALIFICATION OF VOTERS AT BOND ELECTIONS.

Initiative amendment adding section 7 to article II of constitution.

Provides that no elector may vote on question of incurring bonded indebtedness of state or political subdivision thereof, unless he is owner of property taxable for payment of such indebtedness and assessed to him on last assessment roll.

The electors of the State of California present to the secretary of state this initiative petition, asking that the proposed constitutional amendment hereafter set forth be submitted to the electors of the State of California for their approval or rejection:

Proposition to amend article II of the Constitution of the State of California by the addition of a new section to said article, to be designated and numbered as section seven (7) of said article, relating to the right of suffrage in respect to the incurring of any bonded indebtedness of this state or of any county, city and county, municipality or other political subdivision of this state.

The people of the State of California do enact as follows:

A new section is hereby added to article II of the Constitution of the State of California, to be numbered section 7, and to read as follows:

PROPOSED LAW.

Section 7. No elector shall have the right to vote on any question of incurring any bonded indebtedness of this state or of any county, city and county, municipality, or other political subdivision of this state, unless he shall be the owner of property liable to be taxed for the payment of such indebtedness and assessed to him on the last assessment roll.

ARGUMENT IN FAVOR OF QUALIFICATION OF VOTERS AT BOND ELECTIONS.

Every man, woman and child in California is mortgaged for \$40.00, for an average period of thirty years.

The annual burden of taxation for interest and sinking fund is approximately \$3.00 per capita.

The voting of public bonds has become a political matter, and it is the purpose of the California State Realty Federation in advocating the foregoing constitutional amendment to remove it from the sphere of politics and make it an economic matter.

There are in California 879,242 taxpayers. The property of every taxpayer would enhance in value if the law confined the creating of public debts to the property owners affected. More people would buy homes in California instead of investing their earnings in other ways. Voting of bonds in reclamation and irrigation districts

in California is confined to the property owners affected, and the limitation has operated with great success. Investigation has confirmed the fact that such bond issues are more economic to the taxpayers than are those of the cities and counties of the state.

This matter is essentially a practical one, and the experience of other states is the best practical guide to its solution.

The state of New York furnishes the best illustration of the advantages of a property qualification. See New York Consolidated Laws of 1909, page 1402, which require upon public bonds issued thereunder, substantially the following recital: "The issue of this bond is duly authorized by a vote of the taxpayers." Public bonds in New York are issued with an interest rate of 3½ per cent, notwithstanding the fact that that state has the heaviest per capita indebtedness of any state in the union, while in California, with practically one half the per capita indebtedness of New York, our public bonds can not be sold at an interest rate of less than 6 per cent except in exceptional cases.

Arizona, the most recent acquisition to the union, provides (see Constitution of 1912):

"Section 13. Questions upon bond issues shall be submitted to the vote of property taxpayers, who shall also in all respects be qualified electors of the state affected by such question."

There are altogether forty-two states in the union which require property qualifications in bond elections.

The advantages of adopting this amendment may be summarized as follows:

First—General merit of restricting vote to electors affected.

Second—Definite electorate with which to deal on all questions involving bond issues.

Third—Elimination of incentive to politicians, demagogues, newspapers, etc., to appeal to class prejudice in economic matters.

Fourth—Reduction in taxation by preventing unnecessary and extravagant bond issues, and the introduction of business methods in public bond issues.

Fifth—Promotion of stability of California credit.

Sixth—Prevent the depreciation of California property

Seventh—Inducement to investment in real estate, which high taxes now prevent.

Eighth—Prevention of immigrants, following the opening of the Panama canal, mortgaging California for their debts.

Ninth—Allowing the man who pays the debt to contract the debt. FRANCIS CUTTING.

ARGUMENT AGAINST QUALIFICATION OF VOTERS AT BOND ELECTIONS.

First—This amendment proposes a step backward. The world is not moving toward disfranchisement, but toward enfranchisement of those now disfranchised. Even the citizen who has no property has a right to a direct voice in all matters of government.

Second—If voters who have no taxable property should not be allowed to vote on bond issues, which involve taxation, for the same reason they should be prohibited from voting for members of congress, legislators, city councilmen, school trustees and other taxing bodies.

Third—If the proposed amendment is based on correct principles, then it falls short of the logical conclusion that the ballot belongs to property rather than to men and women; and, therefore, the amendment should not only give all resident property owners the ballot, regardless of citizenship, when bond issues are proposed, but should also give non-resident property owners the right to vote on bond issues.

Fourth—The amendment is based on the false idea that no one pays taxes unless he is actually assessed for taxable property. But, as is well known, the owner of property liable to be taxed for bond indebtedness, or for any other purpose, is often able to snift the whole tax to persons

who are not on the assessment roll. The consumer pays the tax, whether it be a tariff tax, a tax for bonded indebtedness, or taxes for ordinary expenses of government.

Many of the so-called "large taxpayers" are merely tax collectors. The merchant gets the tax receipt for taxes paid on his goods, but the tax is added to the price of the goods, and the consumer pays it. The owner of an office building gets the tax receipt, but the tax is added to the rents, and the tenants pay it. The tenants, in turn, shift the tax when they are able to do so. The man who lives in a rented room, eats at a restaurant, and has no other property than a change of clothing, pays taxes when he pays for his room and food and clothing.

Fifth—This amendment would give a vote on bond issues to a property owner who has already sold all of his taxable property, but to whom the property is assessed at the time of the bond election, and would withhold the vote on that bond issue from the purchaser of the property, in case that purchaser is not on the tax roll. Yet, in this case, the seller votes on the bond issue and is not taxed for the bonds; while the purchaser will be taxed for the bonds under this amendment, though he has no vote on the bond issue.

Sixth—The real purpose of this amendment seems to be to put a stop to public ownership of public utilities. The amendment would endanger the issuing of bonds for public ownership. Public ownership is already handicapped by the constitutional provision requiring a two-thirds vote in favor of bond issues for that purpose; and it would be made practically impossible if none but property owners were allowed to vote on bond issues. JAMES H. BARRY.

PROHIBITION.

Initiative amendment adding sections 26 and 27 to article I of constitution.

Prohibits the manufacture, sale, gift, or transportation wholly within the state, of intoxicating liquors; permits any citizen to enjoin violations; makes the showing that the manufacture, use, sale, gift or transportation was for medicinal, scientific, mechanical or sacramental purposes, a defense to civil and criminal actions, and requires regulation by law of such acts for said purposes; prohibits transportation into this state of intoxicating liquors, unless shown to be for such purposes, subject, however, to United States laws; prescribes and authorizes penalties.

The electors of the State of California present to the secretary of state this petition, and request that a proposed amendment of the Constitution of the State of California, by adding to article I thereof, sections 26 and 27, prohibiting the manufacture, the sale, the giving away, and the transportation of intoxicating liquors, as hereinafter set forth, be submitted to the people of the State of California for their approval or rejection, at the next ensuing general election, or as provided by law.

The proposed amendment is as follows:
The people of the State of California do enact as follows:

Article I of the Constitution of the State of California is hereby amended by adding thereto, two new sections, to be numbered respectively section 26 and section 27, in the following words:

PROPOSED LAW.

Section 26. The manufacture, the sale, the giving away, or the transportation from one point within the state to another point within the state, of intoxicating liquor is prohibited. Any citizen of the state may, in his or her own name, maintain an action of injunction in the county where the violation occurs, to restrain such violation, provided, however, that to any criminal or civil prosecution for violation of this prohibition, it shall be a defense if it be shown

that the liquor in question was being manufactured, used, sold, given away, or transported for medicinal, scientific, mechanical or sacramental purposes. The manufacture, sale, giving, or transportation of such liquors for medicinal, scientific, mechanical, or sacramental purposes shall be regulated by law. Any person violating any provision of this section shall be fined for a first offense not less than one hundred dollars nor more than one thousand dollars, and for a second offense shall be fined not less than two hundred dollars nor more than twenty-five hundred dollars and imprisoned in the county jail not less than thirty days nor more than one year, provided, however, that additional penalties may be imposed by law.

Section 27. The transportation into the state of intoxicating liquor, unless it be shown to be for medicinal, scientific, mechanical, or sacramental purposes, is prohibited, subject, however, to the laws of the United States relating thereto. Any person violating any provision of this section shall be fined for a first offense not less than one hundred dollars nor more than one thousand dollars, and for a second offense shall be fined not less than two hundred dollars nor more than twenty-five hundred dollars and imprisoned in the county jail not less than thirty days nor more than one year, provided, however, that additional penalties may be imposed by law.