

1935

AUTHORIZING STATE'S BORROWING MONEY IN ANTICIPATION OF TAXES AND REVENUES

Follow this and additional works at: http://repository.uchastings.edu/ca_ballot_props

Recommended Citation

AUTHORIZING STATE'S BORROWING MONEY IN ANTICIPATION OF TAXES AND REVENUES California Proposition 2 (1935).
http://repository.uchastings.edu/ca_ballot_props/341

This Proposition is brought to you for free and open access by the California Ballot Propositions and Initiatives at UC Hastings Scholarship Repository. It has been accepted for inclusion in Propositions by an authorized administrator of UC Hastings Scholarship Repository. For more information, please contact marcusc@uchastings.edu.

The adoption of this constitutional amendment will enable the state to participate in the national public works program so that the amount provided by the state bonds may be increased materially. The projects contemplated are located in all sections of the state and will afford a very considerable relief of unemployment.

The signers of this argument, representing all sections of the state, urge you to "VOTE YES."

THOS. F. SCOLLAN,
Nineteenth Senatorial District,
Sacramento County.

WALTER H. DUVAL,
Thirty-third Senatorial District,
Ventura County.

CHRIS N. JESPERSEN,
Twenty-ninth Senatorial District,
San Luis Obispo County.

WILLIAM F. KNOWLAND,
Sixteenth Senatorial District,
Alameda County.

W. P. RICH,
Tenth Senatorial District,
Yuba County.

EDGAR W. STOW,
Thirty-first Senatorial District,
Santa Barbara County.

RALPH E. SWING,
Thirty-sixth Senatorial District,
San Bernardino County.

AUTHORIZING STATE'S BORROWING MONEY IN ANTICIPATION OF TAXES AND REVENUES. Senate Constitutional Amendment 18. Adds section to Constitution. Approves and legalizes legislature's act entitled "An act relating to the borrowing of money by the State in anticipation of taxes and revenues, and making an appropriation." Authorizes State's borrowing, as in said act provided, for general fund appropriations, up to fifty per cent of taxes and revenues paid into general fund during preceding fiscal year; requires money so borrowed with interest be paid from general fund within one year of date borrowed; if default, indebtedness continues payable from general fund.

YES

NO

(For full text of amendment, see page 6, Part II)

Argument in Favor of Senate Constitutional Amendment No. 18.

Under the present financial condition the State of California finds it necessary to register warrants issued against the general fund. These warrants carry five per cent interest from the date they are registered until paid.

The adoption of Senate Constitutional Amendment No. 18 will permit the state to borrow money from banks at one per cent or less in anticipation of the collection of taxes and revenues, which are payable into the general fund in the state treasury.

Ample safeguards are placed around such borrowings. Not more than fifty per cent of the amount of all taxes and revenues paid into the general fund during the preceding fiscal year may be borrowed by the state and all such borrowings must be repaid within one year.

The adoption of this amendment will not result in increasing the debt of the state.

Expenditures are limited to appropriations made by law. The proposed borrowings would merely afford a cheaper and more efficient method of taking care of a debt which would otherwise be handled through the more costly and laborious registered warrant method.

Savings in interest charges alone would amount to more than \$1,500,000 in the next two years. In addition, there will be savings in the cost of registering and advertising the redemption of hundreds of thousands of registered warrants if this amendment is adopted.

This is strictly an economy measure and each voter is urged to "VOTE YES."

WALTER H. DUVAL,
Thirty-third Senatorial District,
Ventura County.

DAN E. WILLIAMS,
Twenty-sixth Senatorial District,
Sonoma County.

<p>AUTHORIZING STATE'S BORROWING MONEY IN ANTICIPATION OF TAXES AND REVENUES. Senate Constitutional Amendment 18. Adds section to Constitution. Approves and legalizes legislature's act entitled "An act relating to the borrowing of money by the State in anticipation of taxes and revenues, and making an appropriation." Authorizes State's borrowing, as in said act provided, for general fund appropriations, up to fifty per cent of taxes and revenues paid into general fund during preceding fiscal year; requires money so borrowed with interest be paid from general fund within one year of date borrowed; if default, indebtedness continues payable from general fund.</p>	<p>YES</p>	
<p>2</p>	<p>NO</p>	

Senate Constitutional Amendment No. 18—A resolution to propose to the people of the State of California, an amendment to the Constitution of said State by adding to Article XIII thereof, a new section to be numbered 17, relating to the power of the Legislature to provide for the borrowing of money to meet appropriations made by law, in anticipation of the collection of taxes and revenues.

Resolved by the Senate, the Assembly concurring. That the Legislature of the State of California at its regular session commencing on the seventh day of January, 1935, two-thirds of the members elected to each of the two houses of the said Legislature voting therefor, hereby proposes to the people of the State of California, that the Constitution of said State be amended by adding to Article XIII thereof a new section to be numbered 17, and to read as follows:

(This proposed amendment does not expressly amend any existing section of the Constitution, but adds a new section thereto; therefore, the provisions thereof are printed in BLACK-FACED TYPE to indicate that they are NEW.)

PROPOSED AMENDMENT TO THE CONSTITUTION.

Sec. 17. Notwithstanding any other provision of this Constitution, the State may borrow money to meet appropriations from the general fund in the State treasury in anticipation of the collection of taxes and revenues which by law are payable into the general fund in the State treasury, up to fifty per cent of the amount of all taxes and revenues paid into the general fund during the preceding fiscal year. All moneys borrowed in anticipation of taxes and revenues together with interest thereon shall be paid from the general fund within one year from the date such money is borrowed by the State, but if not so paid, shall, nevertheless, continue to be payable from the general fund.

The provisions of an act entitled "An act relating to the borrowing of money by the State in anticipation of taxes and revenues, and making an appropriation," passed at the fifty-first session of the Legislature, are hereby confirmed, ratified and declared to be fully and completely effective; but said act may at any time be amended or repealed by the Legislature.

<p>RECTOR DAM PROJECT. Assembly Constitutional Amendment 90. Adds new section to Constitution. Authorizes State to contract with Rector Dam Authority for water for any State agency supported wholly or partly by public funds and pledging of State's credit therefor in amount not exceeding the sum the authority</p>	<p>YES</p>	
<p>3 heretofore or hereafter agrees to pay the Federal government, over not exceeding fifty years, for any loan accepted by said authority. Declares power to enter such contract contingent upon a Federal loan or grant to authority for project; authorizes authority to accept such grant or loan and to construct and maintain project.</p>	<p>NO</p>	

Assembly Constitutional Amendment No. 90—A resolution to propose to the people of the State of California an amendment to the Con-

stitution of said State by adding to Article XVI thereof a new section to be numbered 12, relating to the Rector Canyon Dam project.