

NO on Proposition 10

Alternative Fuel Vehicles and Renewable Energy. Bonds.

- Proposition 10 will cost taxpayers nearly \$10 billion in long-term debt. The money to repay principal and interest on these bonds will come from the state's General Fund and no longer be available for schools, roads, health care, public safety, or other vital needs.
- The majority of bond proceeds would go to providing rebates to purchasers of alternative fuel and high fuel-economy vehicles. The state will be paying for these bonds long after those cars and trucks are no longer on the road.
- Normally, bonds are used for capital expenditures or for purchase of property for public use that will be used by future taxpayers who will still be paying off the bonds. Use of bond proceeds for the purposes in this measure is not an appropriate use of government bonds.
- Proposition 10 would give rebates of up to \$50,000 to purchasers of cars and trucks that run on natural gas, a fossil fuel, rather than alternatives. The sponsor of this proposition owns a company that is a major supplier of natural gas for vehicles.
- This initiative promises more than it would deliver. For example, there is nothing in the measure that would keep rebated trucks and cars in California after the original purchase. Proposition 10 does not require any improvement in air quality or any reduction in greenhouse gas emissions. Only a relatively small portion of the funds could be used to replace diesel-fueled vehicles, the only health benefit proponents claim.
- Proposition 10 would subsidize efforts that are already well underway and supported by other government programs, such as existing federal tax credits for hybrid vehicles.