



**California Federation of Teachers**  
American Federation of Teachers, AFL-CIO

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*In case you missed it...*

## **San Jose Mercury News**

# **Opinion: Taxes vs. axes and the California state budget**

**By Marty Hittelman**  
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In his most recent pronouncements on how to balance the state budget, Gov. Arnold Schwarzenegger declared that taxes are "off the table." He allows for just two avenues to address the deficit — cuts and borrowing. More borrowing would seem to be "off the table" unless somehow the state's bond ratings allow it. This leaves the draconian cuts to education, health care, public safety and other vital services proposed by the governor.

Since California, on its own, would be the seventh or eighth largest economy in the world, the state does not lack for wealth, even now. It does lack a set of reasonable priorities for the use of that wealth.

The governor's anti-tax rhetoric, bolstered by a state GOP wedded to a no-tax

policy, is pushing our state toward collapse. And due to constitutional requirements for two-thirds legislative approval for budgets and taxes, the shrinking Republican legislative caucus continues to impose its ideology on the rest of us.

The party may be leading its dwindling ranks off an electoral cliff behind the "no taxes" banner, but it shouldn't have the right to take the rest of us with it. There are alternatives.

An oil severance tax would raise \$1 billion a year. California is the only one of 21 oil-producing states that does not tax oil when it comes from the ground. This would raise considerably more money than the governor's proposed fees for new offshore oil drilling — without the threat of ecological disaster.

The oil severance tax is only one of the choices the state can make between corporate greed and human need. Repealing the corporate tax breaks included in the latest budget agreement is another. According to the Legislative Analyst's Office, these "tax rate adjustments" allow hugely profitable multistate and multinational companies to reduce their taxes to the state by a couple billion dollars a year.

Another choice is to restore the top income tax bracket on the richest 1 percent of Californians, which would raise several billion dollars a year.

Instead, the governor proposes to eliminate health care for more than 900,000 low-income children. Cuts directed at seniors, the chronically ill, the disabled and children in poverty will destroy our safety net.

The governor would cut many billions of dollars from our K-12 public education system. School bus services are to be eliminated in scores of districts. Increased class sizes, a reduced school year and fewer librarians, nurses and counselors are likely results.

A billion dollars more is proposed to be axed from our universities. Proposed cuts in community college funding coupled with increased fees will lead to several hundred thousand students without classes at just the time the unemployed are seeking retraining and our economy needs an educated workforce.

So why are taxes off the table, when just about everything that makes California a great place to live is on the chopping block?

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California must set priorities. Will we support our most fragile populations or will we be dedicated to helping our wealthy become even wealthier? Will California rejoin the civilized world or will we promote a state of greed?

I vote for the civilized approach: progressive taxes, which ask those who have the most, and will be least hurt, to share for the good of all.

*MARTY HITTELMAN is President of the California Federation of Teachers. He wrote this article for the Mercury News.*

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