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California's Brown Pushes Water Bond as Election Nears.

California Governor Jerry Brown is devoting the final days of what may be his last campaign for office promoting two ballot initiatives rather than himself.

Brown, a 76-year-old Democrat, has spent \$10.7 million to help pass water bonds to ease drought and establish a new rainy-day reserve, according to filings through Oct. 23. The governor has used \$3.8 million from his election fund as he faces Republican Neel Kashkari, a former Goldman Sachs Group Inc. (GS) executive, who trails by 21 points in a poll released yesterday.

"Save money, save water, vote for Props 1 and 2," Brown said at a Los Angeles high school Oct. 28 when a reporter asked about his campaign for an unprecedented fourth term.

Brown, who served two terms as governor from 1975 to 1983, has led a fiscal turnaround since he returned for a third term in 2011. The most populous U.S. state, which resorted to IOUs to pay bills in 2009, has gone from a \$25 billion deficit three years ago to a record surplus, thanks to a surge in capital-gains taxes and temporary increases in income- and sales taxes.

Kashkari, 41, a former U.S. Treasury official appointed in 2008 to lead the \$700 billion bank rescue known as the Troubled Asset Relief Program, is making his first election bid. Mary-Sarah Kinner, a spokeswoman for Kashkari, declined to comment on Brown's focus on the ballot measures.

Record Drought

Proposition 1 would authorize \$7.5 billion in general-obligation bonds for water supply infrastructure, drinking water protection and watershed restoration. California has suffered through three years of below-normal rain and snowfall, leaving farmers to fallow fields and some areas to set mandatory restrictions on water use. Proposition 2 would require the state to set aside 1.5 percent of general-fund revenue each year for a reserve to cushion economic downturns.

Two weeks before the election, when other candidates might be campaigning, Brown left the state to attend his 50th reunion at Yale Law School.

"He feels confident that people will support him based on his record and his agenda," said Dan Newman, Brown's campaign adviser. "He campaigns like he governs, and goes to great lengths to avoid unnecessary spending."

Millions Left

The governor had \$6 million more to spend on the propositions and \$21 million left in his campaign coffers as of Oct. 23, according to data from the secretary of state's office. Kashkari has spent \$6.2 million, giving \$3.1 million of his own money, and had \$841,714 in cash on hand in the same period.

The governor has appeared in advertising promoting the two propositions, paying for them out of his campaign fund.

“Propositions 1 and 2 will even out the boom and the bust,” he says in one commercial. “Prop 1 saves water to prepare us for drought. Prop 2 sets aside money to prepare us for economic storms.”

Brown, California’s longest-serving chief executive and the oldest sitting U.S. governor, has also been state attorney general, secretary of state and Oakland mayor. His father, Pat Brown, served two terms as California governor.

While it’s “highly unusual” for a gubernatorial candidate to spend his time and resources this way in the days leading up to the election, “this is a case where he figures he doesn’t have to worry about re-election so he can focus on a couple of issues that will be very important during his next term,” said Jack Pitney, who teaches politics at Claremont McKenna College in Claremont, California.

‘Last Campaign’

“This is probably the last campaign of his life so he’s liberated, he doesn’t have to undergo the same grind as other candidates,” Pitney said. “By this point, pretty much everybody in California knows what he or she thinks about Jerry Brown and a campaign isn’t going to change that.”

After months of prodding from Kashkari, Brown agreed to one debate, which took place last month.

Brown is favored by 54 percent of likely voters, compared with 33 percent for Kashkari, according to a Field Poll released yesterday. The phone survey of 941 likely voters completed Oct. 15-28 had a margin of error of plus or minus 3.4 percentage points.

The Field Poll of likely voters released today found 54 percent support for Proposition 1, to 22 percent against.

Donors to Brown’s propositions campaign include Sean Parker, founding president of Facebook Inc. (FB), who gave \$1 million; L. John Doerr, general partner at venture capital firm Kleiner Perkins Caufield & Byers, who gave \$875,000; and Reed Hastings, Netflix Inc. (NFLX) founder and chief executive officer, who gave \$250,000.

The governor also has enlisted “First Dog” Sutter Brown, a corgi with his own Facebook page, to campaign for the two propositions in a “bark out the vote” effort, according to a news release from the California Democratic Party.

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