

Chapter 7: Other Governments

Test Bank

Multiple Choice

1. California ranks _____ that contain(s) the highest number of governmental entities in the United States.

- A. as the #1 state
- B. among the top five states
- C. among the top 25 states
- D. among the bottom five states

Answer Location: Introduction

2. California is divided into _____.

- A. 12 very large counties, equal in geographic size and population
- B. 20 counties, all of which are approximately equal in population
- C. 32 counties, whose boundaries were redrawn in 1974 to account for shifting populations
- D. 58 counties, most of which were created in 1879

Answer Location: County Government

3. An unincorporated area is land governed by a _____.

- A. county board of supervisors
- B. town or city council
- C. special district only
- D. regional government only

Answer Location: County Government

4. The two types of cities and counties in California are _____ and _____.

- A. charter; general law
- B. county; townships
- C. unincorporated; incorporated
- D. dependent; independent

Answer Location: County Government | Municipal Governments

5. Suppose you live in an unincorporated area of the state. Who would be your *local* government representative?

- A. a city council member
- B. the city manager
- C. local agency formation commission member

D. a county supervisor on the board of supervisors

Answer Location: County Government

6. Which of the following powers do county boards of supervisors possess?

- A. legislative
- B. executive
- C. quasi-judicial
- D. any of these

Answer Location: County Government

7. What type of political body governs a county?

- A. county council appointed by the governor
- B. board of supervisors
- C. professional county managers with different area specialties
- D. a council-manager system

Answer Location: County Government

8. Counties supply services for which of these public policy areas?

- A. public safety, public assistance, public health
- B. education, transit, vital records
- C. elections and voting, environment and recreation
- D. any of these

Answer Location: County Government

9. What is the largest county (by population) in California?

- A. San Diego
- B. Los Angeles
- C. San Francisco
- D. San Bernardino

Answer Location: County Government | Map 7.1 California, 2017 Population by County

10. The largest source of county revenue is _____.

- A. sales taxes
- B. licenses, fines, and permitting fees
- C. rents and leases
- D. the state

Answer Location: County Government | Figure 7.1 County Revenues and Expenses, 2014–5

11. Other than the state, which provides about one-third of county revenues, the largest

single source of county revenues is _____.

- A. charges for services
- B. federal grants
- C. property taxes
- D. licenses and permits

Answer Location: County Government | Figure 7.1 County Revenues and Expenses, 2014–5

12. How do counties usually pay for the public services that they provide?

- A. The state fully funds all required operations.
- B. Sales taxes and fees charged to users of services.
- C. income taxes
- D. cities

Answer Location: County Government | Figure 7.1 County Revenues and Expenses, 2014–5

13. Do counties receive federal funds?

- A. yes
- B. no

Answer Location: County Government | Figure 7.1 County Revenues and Expenses, 2014–5

14. What are the two largest categories of county expenditures?

- A. public ways and facilities
- B. recreation and cultural services
- C. public assistance and public protection
- D. education and health

Answer Location: County Government | Figure 7.1 County Revenues and Expenses, 2014–5

15. “Municipality” refers to a _____.

- A. county
- B. region
- C. city
- D. any government below the state level

Answer Location: Municipal Governments

16. Suppose you live in an incorporated city or small town. Who would be your *local* government representative?

- A. a city council member
- B. the city manager

- C. local agency formation commission member
- D. a county supervisor on the board of supervisors

Answer Location: Municipal Governments

17. Of 482 incorporated cities in California, about _____ of them operate under general law.
- A. 10%
 - B. 25%
 - C. 50%
 - D. 75%

Answer Location: Municipal Governments

18. A city that forms its own constitution and grants local government supreme authority over municipal affairs is considered a _____.
- A. charter city that operates under the principle of home rule
 - B. general law city
 - C. special district
 - D. constitutional law city

Answer Location: Municipal Governments

19. Most cities in California, about 70%, have a five-person city council that hires a professional _____ to oversee the city's budget and manage municipal operations.
- A. supervisor
 - B. mayor
 - C. city manager
 - D. alderman

Answer Location: Municipal Governments

20. The average city employee in California earns about _____ annually.
- A. \$15,000
 - B. \$30,000
 - C. \$65,000
 - D. \$120,000

Answer Location: Municipal Governments

21. All city and county governments must provide advance notice of all meetings, hold meetings open to all visitors, and publicly disclose the proceedings of all meetings--as required by which state law?
- A. the Ralph M. Brown Act
 - B. the General Law Act
 - C. the Fair Political Practices Act

D. Proposition 13

Answer Location: Municipal Governments

22. The largest single source of city revenues is _____.
- A. fines and forfeitures
 - B. bonds
 - C. property taxes
 - D. charges for services

Answer Location: Municipal Governments | Figure 7.2 City Revenues and Expenses, 2015

23. Generally speaking, what is the largest category of city expenditures?
- A. public safety
 - B. transportation
 - C. public utilities
 - D. general government expenses

Answer Location: Municipal Governments | Figure 7.2 City Revenues and Expenses, 2015

24. _____ fees are charges passed to homeowners by builders who are responsible for funding new infrastructure such as sewers, street lighting, and school construction.
- A. Mello-Roos
 - B. Charter
 - C. Redevelopment
 - D. Brown Act

Answer Location: Municipal Governments

25. Another word for a law passed by a city council is _____.
- A. initiative
 - B. administrative mandate
 - C. proviso
 - D. ordinance

Answer Location: Municipal Governments

26. A city that does not provide its own services but instead enters into an agreement with a neighboring city, private firms, or county to provide essential services is known as _____.
- A. an independent municipality
 - B. a contract city
 - C. an unincorporated city
 - D. a furlough town

Answer Location: Municipal Governments

27. To help plan and set policy with respect to many aspects of city life, from recreation to identifying transportation needs, council members often rely on appointed _____ to assist them with making policy recommendations.

- A. local agency formation commissions
- B. receivers
- C. boards and commissions
- D. business leaders

Answer Location: Municipal Governments

28. The (Ralph M.) Brown Act ensures that public meetings will be _____.

- A. either held open or kept closed at the discretion of the city council
- B. open to the public, but there is no requirement that the time and place be advertised
- C. open to anyone, with advance notice of the meetings, and disclosure of the proceedings
- D. cancelled if at least 10 members of the public do not show up

Answer Location: Municipal Governments

29. If a group of people living in an unincorporated area want to form a city, to which government entity must they appeal?

- A. the state legislature
- B. the secretary of state
- C. a local agency formation commission (LAFCO)
- D. the county board of supervisors

Answer Location: Municipal Governments

30. How do local governments typically finance large construction projects, such as retrofitting hospitals to be safe in earthquakes, fixing aging community facilities, or expanding schools?

- A. by getting jumbo loans from a bank
- B. by selling bonds that must be paid back with interest
- C. by raising taxes to pay for each project
- D. by contracting with developers and then charging fees to users of the facilities

Answer Location: Municipal Governments

31. Which of these categories of expenditures is among the most expensive for both counties and cities?

- A. parks and recreation
- B. education
- C. road maintenance and transportation

D. public protection

Answer Location: County Government | Municipal Governments | Figure 7.1 County Revenues and Expenses, 2014–5 | Figure 7.2 City Revenues and Expenses, 2015

32. Which of these is *not* a special district?

- A. vector control
- B. local agency formation commission
- C. redevelopment agencies
- D. water districts

Answer Location: Special Districts | Municipal Governments

33. If about 70% of the money K-12 schools receive comes from the state's general fund budget, from where does the rest come?

- A. almost solely from the federal government, through the Department of Education
- B. mostly from the federal government, property taxes, and local school bonds
- C. exclusive contracts with private companies and vendors
- D. mostly private donations to school foundations

Answer Location: School Districts

34. School districts are governed by _____.

- A. city councils
- B. county boards of supervisors
- C. five-member boards of education
- D. the state superintendent of public instruction

Answer Location: School Districts

35. Proposition 98 guarantees a minimum funding level for state education; every year, approximately _____ of the state budget is spent on K-14 education.

- A. 5%
- B. 10%
- C. 25%
- D. 40%

Answer Location: School Districts

36. About _____ special districts exist in California, and _____ of them operate independently of counties or cities, with their own elected boards of governors.

- A. 500; half
- B. 1,000; half
- C. 4,700; two-thirds
- D. 5,000; none

Answer Location: Special Districts

37. How are most special districts funded?

- A. by the state
- B. through special assessments (fees levied) on property owners
- C. income taxes
- D. sales taxes levied by counties

Answer Location: Special Districts

38. What is *true* about regional planning for issues that affect millions of people living in large areas that encompass many cities and several counties?

- A. There's really no way to plan for any large-scale infrastructure projects, so it doesn't happen.
- B. The governor is in charge of coordinating regional planning because he heads the administrative branch, in which the relevant state planning agencies operate.
- C. Councils of government (COGs such as SANBAG) bring together local elected officials to plan for transportation, housing, water availability, and other types of large-scale, long-term projects.
- D. All planning for regions, or large areas covering the state, must be dealt with by the legislature.

Answer Location: Regional Governments

39. A regional governmental organization that provides a forum for local city and county leaders to plan for future, common needs such as transportation, housing, and water is called a _____.

- A. special district
- B. council of government (COG)
- C. federal agency
- D. LAFCO

Answer Location: Regional Governments

40. The Association of Bay Area Governments (ABAG) is an example of a _____.

- A. school district
- B. special district
- C. council of government (COG)
- D. local agency formation commission

Answer Location: Regional Governments

41. AB 32 has gained much attention for being the world's first law establishing _____.

- A. state-run sustainable salmon fisheries
- B. immigrant rights
- C. regulations on a cap-and-trade system to curb greenhouse gas emissions

D. a tax on fatty foods

Answer Location: Box 7.2 California's Landmark Climate Change Law: AB 32

42. Which piece of legislation makes California the first government to establish a combination of regulations and market mechanisms to curb greenhouse gas emissions?

- A. AB 32
- B. the Ralph M. Brown Act
- C. Proposition 98
- D. the 2010 Budget Act

Answer Location: Box 7.2 California's Landmark Climate Change Law: AB 32

43. Congress wrote what law (in 1988) that restricts the scope of tribal gaming and defers regulatory authority over tribal gaming to the states?

- A. the Brown Act
- B. the Indian Gaming Regulatory Act (IGRA)
- C. the Indian Civil Rights Act
- D. Proposition 5

Answer Location: Tribal Governments

44. How many federally recognized Native American tribes are there in California?

- A. 10
- B. 50
- C. 110
- D. 1,000

Answer Location: Tribal Governments

45. California's Native American tribes are considered sovereign entities; in California they are governed by _____.

- A. their own tribal councils; each tribe has its own council
- B. councils that retain executive, legislative, and judicial powers
- C. one "super-council" that governs all tribes
- D. California state government and the federal government

Answer Location: Tribal Governments

46. The idea that the states and the federal government share authority for governing citizens is _____.

- A. separation of powers
- B. joint powers authority
- C. federalism
- D. collaborative government

Answer Location: Federalism

47. What does the federal government help the state of California pay for?

- A. nothing
- B. medical care, education, low-income housing, transportation, and more
- C. 100% of the cost to house prison inmates who are undocumented immigrants
- D. regional governments because they coordinate policy that involves the federal government

Answer Location: Federalism

48. What are parcel taxes?

- A. taxes on packages that are sent between residents within a county
- B. special commercial-only property taxes that are not subject to Prop 13 limitations
- C. a voter-approved tax based on a property's square footage or other characteristic, used to cover infrastructure projects
- D. paycheck taxes now being raised to cover unfunded liabilities for state employees

Answer Location: Municipal Governments

49. Which of these is a convenient instrument for enticing states to comply with the wishes of Congress?

- A. grants of federal funds
- B. unfunded mandates
- C. Mello-Roos fees
- D. none of these

Answer Location: Federalism

True/False

1. Compared to other states, California has very few governmental entities at the state and local levels combined.

Answer Location: Introduction

2. Regular trash pickup, cemeteries, bus routes, sewage treatment, street lighting are the types of services either provided by or directly managed by state government.

Answer Location: Introduction | Special Districts

3. The number of counties in California changes about every 20 years to accommodate population change.

Answer Location: County Government

4. Counties rely heavily on property taxes to fund their operations.

Answer Location: County Government | Figure 7.1 County Revenues and Expenses, 2014–5

5. On average, about one-third of county expenses are devoted to public protection–related services.

Answer Location: County Government | Figure 7.1 County Revenues and Expenses, 2014–5

6. Unlike the state legislature, county boards of supervisors have legislative, executive, *and* quasi-judicial powers, with the authority to create, pass, and implement local laws, as well as hear decision-making appeals (such as disputed land use decisions, e.g.).

Answer Location: County Government

7. Counties are subdivisions of the state that exist to fulfill state government programs and mandates.

Answer Location: County Government

8. Counties typically do not have their own public safety and protection forces; they rely on cities to supply police, fire, and emergency services.

Answer Location: County Government | Figure 7.1 County Revenues and Expenses, 2014–5

9. Cities provide essential public services that may overlap or supplement the services that counties provide.

Answer Location: Municipal Governments

10. Cities cannot declare bankruptcy, no matter how dire their finances become.

Answer Location: Municipal Governments

11. City council and county board of supervisors elections are nonpartisan, meaning that candidates' party affiliation does not appear next to their names on the election ballot.

Answer Location: Municipal Governments | County Government

12. Unlike the state legislature, city councils have legislative *and* executive powers, with the authority to create, pass, and implement local laws.

Answer Location: Municipal Governments

13. Elected officials who serve *on some* city councils and county boards of supervisors face term limits, because there is no state law regarding term limits for local officials.

Answer Location: Municipal Governments

14. If a city has a strong mayor form of government, then there is no need to hire a city manager.

Answer Location: Municipal Governments

15. School board members are elected in highly partisan elections; they tend to be hotly contested between Democrats and Republicans.

Answer Location: School Districts

16. The state lottery provides a tiny fraction (about 1.5%) of public schools' funding.

Answer Location: School Districts

17. State lottery funds contribute a large portion of most school districts' annual budget.

Answer Location: School Districts

18. Charter schools are public schools that operate independently of a school district, and are free to all students.

Answer Location: School Districts

19. Charter schools are private schools that operate on public property.

Answer Location: School Districts

20. All told, annual federal expenditures of all types--to individuals, institutions, and governments--in California exceed an estimated \$375 billion.

Answer Location: Federalism

21. More than half of the state's slot machines are in tribal-run casinos located in three Southern California counties (San Diego, San Bernardino, and Riverside).

Answer Location: Tribal Governments

22. Tribal gaming has almost eliminated poverty among Native Americans in California.

Answer Location: Tribal Governments

23. Nationwide, particularly in California, donations by tribes to political campaigns have favored Democrats.

Answer Location: Tribal Governments

24. Gaming compacts that are negotiated between Native American tribes and the governor are typically subject to statewide voter referenda, and sometimes they are rejected by voters.

Answer Location: Tribal Governments

25. Legally, Native American tribes must pay in full for the costs on local governments that their gaming enterprises may impose, such as wear and tear on roads, added police protection and traffic controls, air pollution, or waste disposal.

Answer Location: Tribal Governments

26. No state can collect taxes from tribal nations.

Answer Location: Tribal Governments

27. If any tribal gaming revenue is to be used to cover local infrastructure needs, the amounts must be negotiated by the tribe and local governments and voluntarily agreed upon--not unilaterally imposed by local or state government.

Answer Location: Tribal Governments

28. California's Native American Indian Tribes are sovereign entities and governed internally, but they are subject to federal law.

Answer Location: Tribal Governments | Figure 7.4 Tribes Are Recognized Sovereigns

Short Answer

1. The only California city that is also a county is _____.

Ans: San Francisco

Answer Location: County Government

2. Cities often borrow money by issuing _____ that must first be approved by local voters.

onds

Answer Location: Municipal Governments

Essay

1. Why is there an abundance of subgovernmental entities (such as special districts) in California?

Their abundance reflects historically high demands for services, citizens' willingness to pay specific taxes (for specific services) but not higher general taxes, and strong desires to maintain control over local matters (i.e., there's a generally strong desire to exercise self-rule). Generally, special districts are needed when local governments cannot or will not supply these special services (for all of the preceding reasons).

Answer Location: Introduction

2. What are counties and for what purposes do they exist?

Counties are subdivisions of the state that exist to fulfill state government programs and mandates. They are expected to provide the same kinds of services regardless of population size or geographic area. Services include public safety, public assistance, elections and voting, tax collection, environment and recreation, public health, education, social services, transit, and vital records.

Answer Location: County Government

3. Name at least three types of county elected officials.

Ans: Varies. Although the names may vary from county to county, the general categories are county supervisor, sheriff, district attorney, auditor/controller, treasurer/tax collector, and clerk/recorder.

Answer Location: County Government

4. List the categories of basic public services that counties provide.

Ans: Public safety, public assistance, elections and voting, tax collection, environment and recreation, public health, education, social services, transit, and vital records.

Answer Location: County Government

5. List at least five types of public services that the state requires counties to provide.

A list might include any of these: courts, jails, probation, public defense, juvenile detention, sheriff, fire, emergency services, housing, homeless assistance, food stamps, state welfare programs, voting processes, voter registration, tax collection, parks, recreation facilities, management of open space, waste removal, recycling, regulation of air quality, water, hospitals, mental health clinics, drug rehabilitation programs, libraries, schools, adoptions, children's foster care, airports, bus and rail systems, bridges, road maintenance, and birth/death/marriage certificates.

Answer Location: County Government

6. How do counties finance their operations?

Counties finance their operations through sales taxes, user fees, state government funds, property taxes, and federal grants.

Answer Location: County Government | Figure 7.1 County Revenues and Expenses, 2014–5

7. What sources of revenue have replaced the property taxes that cities used to depend on to finance their operations, such as providing public services?

Today, cities depend on sales taxes; builder/developer fees; service charges for public utilities, services, and transit; a variety of taxes on hotels, businesses, and property; and state and federal funds transfers/grants. Typically, bonds provide almost the same amount of funding that cities derive from property taxes. Students might also note that in tough economic years when the state “raids” the property tax funds, cities must raise fees, or force others (e.g., builders and developers) to bear the costs of providing new infrastructure, such as roads and schools--and these are typically passed on to new homeowners in the form of “Mello-Roos” fees.

Answer Location: Municipal Governments

8. Explain what is meant by the “California Rule” with respect to public employee retirement benefits.

Ans: State employees’ earned retirement benefits have been shielded by court decisions that amount to a “California Rule”: promised pensions must be honored as ironclad throughout an employee’s career and cannot be reduced without equal compensation. Public workers in 12 other states are now similarly guarded. However, recent court rulings put the sanctity of these contracts in doubt.

Answer Location: Municipal Governments

9. Explain what the “fiscalization of land use” means with respect to city government.

Ans: Making land use decisions based on a project’s net fiscal impact is known as the fiscalization of land use. The concept is that decision makers in a city will determine which projects should be built depending on how much revenue they will generate for a city. In practical terms, cities have incentives to entice and keep retail businesses that can generate sales taxes, because they keep 1% of state sales taxes generated in their jurisdictions. Auto dealerships, shopping malls, and big-box retailers like Wal-Mart are favored over low-income housing and service-based industries that could further stress city resources. In other words, decisions are made without regard to the intrinsic value of or need for a project.

Answer Location: Municipal Governments

10. What are Mello-Roos fees?

Cities can charge homebuilders and developers heavy fees for the construction-related costs of new infrastructure such as new streets, school construction, sewers, street lighting, and so forth. Developers can pass these fees to homebuyers in the form of Mello-Roos fees which can amount to thousands of dollars per home annually, and take the form of a lien placed against each property that will be in effect until paid off (sometimes as long as 40 years). Fees can vary dramatically from area to area, and even house to house.

Answer Location: Municipal Governments

11. What is a special district?

geographic area or domain governed by an autonomous board for a single purpose. These districts deliver a service that a city or county cannot or will not provide. Examples would include mosquito abatement districts, the Metropolitan Water District, air quality management districts, or even school districts.

Answer Location: Special Districts

12. What is a charter school?

charter school is founded/organized by parents, teachers, and/or community groups to provide specialized programs of instruction, such as those with an emphasis on performing arts, sciences, or college preparation. Charter schools are funded by the state but operate outside the jurisdiction of a local school board, and because they are a type of public school they are free and open to all students.

Answer Location: School Districts

13. Explain the purposes and functions of a regional government.

Ans: Regional governments plan, regulate, and coordinate land use and development-related activities across counties and cities by providing a permanent forum in which local leaders (usually elected leaders) can discuss ideas and exchange information. State law grants regional government housing and transportation planning authority, but most do other kinds of planning for future populations across a wide spectrum of common infrastructure-related needs, including food and water availability, public safety, and environmental quality. Most regional governments take the form of councils of government, or COGs. COGs coordinate policy; they cannot dictate or force decisions on local governments. They receive input from research specialists and advisers to help them plan for the future. They propose legislation and review federal grants programs, but do not provide public services. Another form of regional government is a regulatory agency that sets rules for environmentally sensitive activities, such as an air quality management district (AQMDs).

Answer Location: Regional Governments

14. How does the U.S. Congress entice the state government to follow its rules, even with regard to issues over which the states have sole jurisdiction?

Ans: Varies. Congress grants money for projects but requires that the states follow its rules with respect to spending that money; it withholds federal funds unless the state follows federal rules. The state is subject to unfunded mandates, or federal laws requiring the state to provide services, even though no federal funds are provided to help fund those services. Congress can also establish preemptive legislation, federal laws that prohibit the states from passing certain state laws.

Answer Location: Federalism

15. What kinds of governments below the state level provide essential services to residents of California? Describe the kinds of services they provide.

Ans: Students should name counties, cities, special districts, and school districts as providers of essential services. In their answers, students should demonstrate familiarity with a wide range of services. With respect to counties, these include (and are not

limited to) assuring public safety and providing access to justice (courts, jails, probation, public defense, juvenile detention, sheriff, fire, and emergency services); providing public assistance (housing, homeless assistance, food stamps, and state welfare programs); managing elections and voting (voting processes and voter registration); tax collection; maintaining the environment and providing recreation (parks, recreation facilities, open space, waste removal, recycling, air quality, and water); improving public health (hospitals, mental health clinics, and drug rehabilitation programs); providing education (libraries and schools); providing social services (adoptions and children's foster care); providing mass transit (airports, bus and rail systems; bridges, road maintenance); and maintaining vital records (birth/death/marriage certificates). Cities also provide essential public services in the areas of public safety and emergency services; sewage and sanitation; public health; public works, including street maintenance; parks and recreation; libraries and schools; and land use planning. If cities lack their own facilities or resources, they can contract with counties for services, pool their resources in a joint-powers agreement, or contract with private firms. Special districts are geographic areas governed by an elected board for a specific purpose, to meet critical needs that cities and counties lack the will or capacity to address. Typical special districts are single purpose: they are created for one reason only. These include school districts (for education), vector control (eradicating pests and vermin), water districts (such as the Metropolitan Water District), port authorities, street lighting, and so forth. School districts provide education: Created by state law, they are governed by five-member boards that follow the instructions of the state's education code and implement the State Board of Education's mandates. They manage and make policy for their local school system.

Answer Location: County Government | Municipal Governments | Special Districts | School Districts

16. Why are an increasing number of cities laying off public employees and turning to other entities (private firms, other cities or counties) to provide essential services?

Ans: Public employees historically have been guaranteed a pension upon retirement, and the future and current cost projections of those promised payments are high. Faced with a shortage of revenue to pay short-term salaries and also fulfill long-term pension obligations, city officials in some cities seek to pay other entities for services, rather than pay city employees to provide them.

Answer Location: Municipal Governments

17. What is a "strong mayor" form of government?

he mayor's authority exceeds that of the city council members; for example, he or she might have veto power over the council's decisions or actions, be able to hire and fire individuals for certain positions (such as the city manager) at will, and offer an agenda to the public that will be the basis for judging whether the mayor has been an effective representative (she or he will offer a clear agenda and be held accountable for it).

Answer Location: Municipal Governments

18. What is the difference between a charter city and a general law city?

charter city devises its own set of rules and regulations, and does not have to follow

state law regarding the structure and function of municipal government. That “home rule” model contrasts with a general law city, which organizes under state law. (e.g., state law sets limits on how much elected officials can be paid; officials in charter cities can set their own salaries.)

Answer Location: Municipal Governments

19. Provide a few examples of a special district.

Ans: Varies. [Note: This question could require a specific number of examples.]

Possibilities mentioned in the book include water, hospital, rat and mosquito (vector) control, cemetery, street lighting, trash disposal, fire protection, irrigation, bus and rail transit, and utility. School districts could be considered as a type of special district. Note: Regional governments such as COGs are not special districts. JPAs may be considered special districts, but regional governments that merely plan are not considered special districts.

Answer Location: Special Districts

20. Why have several cities in California declared bankruptcy or are on the verge of doing so?

Ans: Varies. Cities go bankrupt when they cannot generate enough revenue to pay their bills. One reason is simple mismanagement of funds, which includes spending funds intended for other purposes (such as “raiding” pension accounts), or miscalculation such as assuming higher (and sometimes unrealistic) rates of returns on investments and greater tax receipts that did not materialize as the national economy declined. A major reason is the inability to pay what has been promised to current and future retirees. In some cities, employee contracts containing relatively generous pensions and future health-care benefits were negotiated, but moneys to fund those obligations were not secured and those obligations are not being fulfilled (another form of financial mismanagement). These so-called “unfunded liabilities” represent many billions of dollars owed to public employees who will be retiring in the coming years.

Answer Location: Municipal Governments

21. What does the term “nonpartisan election” mean, and which elected positions in California are nonpartisan?

Ans: Nonpartisan elections are those in which a person’s party affiliation will not be listed on the ballot next to a person’s name (the voter lacks the political party cue when voting). All local elections are nonpartisan; this includes city councils and mayors, county boards of supervisors, school boards, special district boards, and superior court judges. [Note: Regional governments are not elected.]

Answer Location: Municipal Governments | County Government

22. What is California’s “cap-and-trade” system and what is its purpose?

California’s Air Resources Board was authorized by AB 32 to implement programs that would reduce greenhouse gas emissions in California. They implemented a cap-and-trade system for regulating GHG emissions that became operational in 2012. In this market-based approach, the state sets an upper limit, or cap, on the aggregate amount of statewide GHG emissions. Polluters were initially given trading credits for the amount

of GHGs they normally produce. Every year, the total cap on statewide emissions declines by 2–3%, providing incentives for polluters to invest in more efficient technologies or to reduce their own emissions, thereby creating for themselves a surplus of carbon trading credits that they can sell at a quarterly online auction.

Answer Location: Box 7.2 California's Landmark Climate Change Law: AB 32

23. What are the main types of federal dollars that flow to California?

Ans: Varies. Federal grants come to the state for infrastructure such as transportation (e.g., highway/freeway construction) and major public service sectors such as housing, education, and health care--public welfare--related areas. California receives limited reimbursement for housing or holding undocumented immigrants in state prison. Individuals also receive payments in the form of student financial aid, income support (tax credits, housing and food assistance, Medicare, and Social Security benefits), civilian and military wages and salaries, and universities benefit from research contracts and grants. (Note that unfunded mandates are not a source of dollars, but rather are a type of mandate that is not supported with money.)

Answer Location: Federalism

24. How does the state of California collect money from tribal governments that run gaming enterprises?

Ans: Local governments can negotiate with local tribes for reimbursement of direct, casino-related costs to cities and counties (e.g., costs related to traffic congestion, public safety, and gambling addiction). The state has negotiated a revenue sharing arrangement with several tribes, such that gaming tribes pay into a fund that results in payments to nongaming tribes. *Note:* The state cannot collect taxes from a tribe without its permission (per a recent court ruling.) Another revenue stream is no longer legal: a flat payment to the state, which Governor Schwarzenegger negotiated in exchange for allowing more slot machines in tribal-run casinos.

Answer Location: Tribal Governments

25. In terms of public policy, what are the costs and benefits of tribal gaming enterprises?

Costs include environmental and social stresses, such as increased traffic congestion near casinos, higher public safety costs, and higher incidences of gambling addiction. (By implication, these have prompted the need for new infrastructure such as roads, waste disposal, and programs to aid people with addictions, e.g.). Gaming has not lifted most tribal members out of poverty, however. On the benefits side, many tribal governments have found new sources of revenue and economic independence that have allowed them to provide new services to their members; the state has benefited from the creation of new jobs and revenue sources. (Some students might cynically refer to the flow of tribal dollars to politicians' campaigns, but this is not a public policy benefit.)

Answer Location: Tribal Governments