

NEWSLETTER FROM DR. BEN YELLEN  
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April 28, 1970

# SCHOOL BOARDS- TAKE ACTION!

This Newsletter is especially addressed to the School Boards of the 75th Assembly District of California. This District is most unusual since it consists of the Eastern 2/3rds of Riverside County and all of Imperial County. The population of this area is about 200,000 but the most remarkable feature of all is that this District has the size of 9½ times the State of Rhode Island or compared to New Jersey is 25% bigger.

The schools all over California are having serious problems getting the money to provide schooling for the children. Taxes are so high that taxpayers are rebelling all over against higher taxes in any form and especially for schools.

Raul Loya of Indio, Calif. is running for Assemblyman of the 75th District. He is a school teacher with an M.A. and is well along to get his doctorate. He is giving his views in honest plain language what he intends to do about Education, Senior Citizens, Enforcement of the U. S. RECLAMATION LAW, the \$14 Millions Electricity Swindle perpetrated by the Imperial Irrigation District with the connivance of the Coachella Valley County Water District on 110,00 residents, and Economic Development.

I STRONGLY URGE ALL VOTERS TO VOTE FOR RAUL LOYA IN THE JUNE 2, 1970 PRIMARY AND IN THE FINAL ELECTION IN NOVEMBER. HE IS THE ONLY CANDIDATE WHO WILL NOT USE EVASIVE WORDS AND WILL "TELL YOU IN PLAIN LANGUAGE HOW IT IS AND WHAT TO DO ABOUT IT".

This Newsletter will tell how the money is to be raised so that the school boards do not go crazy trying to meet the expenses of the schools. This important fact must be known first. In the 75th Assembly District are the Imperial Irrigation District and Bard Irrigation District, both located in Imperial County. There is the Coachella Valley County Water District located in Riverside County and the Palo Verde Irrigation District located mainly in Riverside County but a portion located in Imperial County.

THE OTHER BASIC FACT THAT MUST BE KNOWN IS THAT THESE IRRIGATION DISTRICTS ALTHOUGH IN THEORY LOCAL GOVERNMENTAL AGENCIES, ARE IN PRACTICE CONTROLLED BY BIG ABSENTEE FARM CORPORATIONS WHICH ARE SUBSIDIARIES OF EVEN BIGGER CORPORATIONS WHO HAVE ASSETS OF A HALF BILLION DOLLARS AND GOING TO SEVERAL BILLIONS. THESE IRRIGATION DISTRICTS SWINDLE THE RESIDENTS IN VARIOUS WAYS FOR THE BENEFIT OF THE BIG FARM COMPANIES. THESE IRRIGATION DISTRICTS DO NOT PAY TAXES FOR SCHOOLS, CITIES AND COUNTIES SO THAT THE RESIDENTS HAVE TO PAY EXTRA TAXES TO MAKE UP FOR THE TAXES NOT PAID TO THE CITIES, SCHOOLS, AND COUNTIES. THIS IS WHAT YOU SCHOOL BOARDS ARE BEING TOLD BY RAUL LOYA---HE IS TELLING YOU "HOW IT IS" IN PLAIN LANGUAGE.

Your attention is now drawn to the editorial in THE INDIO DAILY NEWS of April 6, 1970 where you are told the same thing but not in such blunt language. Here is the editorial:

## PAR FOR UTILITIES

An official of the Imperial Irrigation District recently said power rates for residential customers in this area are comparable to rates charged by other power suppliers in Southern California. He also said IID power outages are not as severe as in many parts of the country.

These comparisons may not help take the heat off IID when mid-summer power fluctuations in the Coachella Valley again blow out home air conditioning units, but the report as given by IID General Manager Robert F. Carter was interesting, nevertheless.

Pertinent to any such measuring of IID against other utilities, however, is a factor which was not touched on. That is how much do IID's power customers lose out because this government-owned utility pays no taxes?

Indio gets nothing in taxes directly from IID. Palm Springs last year was paid \$221,199 in taxes by Southern California Edison. In this sum was \$84,380 which went to local schools. Even Indian Wells benefitted from Southern California's taxes--to the tune of \$26,899.

Total paid in taxes in Riverside County last year by Southern California Edison was over \$2.5 millions.

Since IID does not directly help support schools and municipal services and taxpaying utilities do, IID customers should get their power at substantially lower rates than private companies charge.

Or, government-owned utilities such as IID should be made to pay taxes similar to those paid by private firms.

A bill currently in the Assembly proposes an excise tax of 14 per cent of gross revenues, to be paid by utilities such as IID. This is an amount equal to the percentage of revenues paid by investor-owned utilities for school, state and local taxes.

The tax would be collected by the state and distributed except for the state school fund's share, to school districts in the service area of the taxed utility. Schools in the Imperial Irrigation District's power service area would get well over \$1 million.

Since other utilities pay comparable taxes and still turn a profit, IID should be able to do likewise on its present rate structure.

### End of Editorial

On April 14, 1970, the Desert Sands School Board which governs the 10 elementary schools, 1 Junior High School and 1 High School in the combined Indio and Palm Desert areas, unanimously approved Assembly Bill 908 (proposed by Assemblyman William Bagley) which would tax 14% of the gross revenues of the IID. It was estimated that the schools of Indio, Palm Desert, Coachella, Mecca, and Thermal would receive \$1,362,000.

RAUL LOYA AND I ADVISE EVERY SCHOOL BOARD IN THE 75TH ASSEMBLY DISTRICT TO APPROVE A.B. 908 BUT WITH THIS AMENDMENT--THAT THE GROSS REVENUES OF IRRIGATION DISTRICTS THAT ONLY SELL WATER BE ALSO TAXED--NOT ONLY DISTRICTS LIKE THE IID THAT SELL ELECTRICITY AND WATER.

The reason this amendment is needed is that the Coachella Valley County Water District, the Palo Verde Irrigation District and the Bard Irrigation District should be forced to pay the tax to support the schools in their vicinities PARTICULARLY SO SINCE 70 PERCENT OF THE FARMS IN THESE DISTRICTS ARE OWNED BY ABSENTEE LANDOWNERS. THESE DISTRICTS ARE SWINDLING THE PEOPLE IN VARIOUS WAYS FOR THE BENEFIT OF THESE ABSENTEE LANDOWNERS.

It must be realized that in regard to the IID, A.B. 908, even if the electricity and irrigation water revenues are taxed 14%, is not the final answer. The Imperial Irrigation District will still be running the \$14 millions yearly electricity swindle even if taxed by A.B. 908. Raul Loya and I have a lawsuit on file against Secretary Hickel of the Interior Dept. to compel him to set the correct electricity rates for the IID. The IID gets about 50% of its electricity from the Interior Dept. and Federal Law states that the Secretary of Interior must set the IID electricity rates if the Calif. Public Utilities Commission does not do it. So you see THAT RAUL LOYA IS NOT ANOTHER CANDIDATE WHO SAYS HE IS GOING TO DO SOMETHING. HE HAS ALREADY DONE PART OF IT!!!