



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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Property Tax Initiative Enters Circulation

Provides Additional School Funding By Increasing Commercial Property Taxes. Increases Homeowners' Tax Exemption. Initiative Constitutional Amendment and Statute.

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponents of a new initiative may begin collecting petition signatures for their measure.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponents and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponents and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the measure is as follows:

PROVIDES ADDITIONAL SCHOOL FUNDING BY INCREASING COMMERCIAL PROPERTY TAXES. INCREASES HOMEOWNERS' TAX EXEMPTION. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Funds K-12 schools, community colleges, and state universities by increasing commercial nonagricultural property taxes by 0.55 percent. Restricts funds' use to class-size reduction, instructional materials, teacher and non-management staff compensation, and training; prohibits use for administrative costs. Requires annual audits. Doubles homeowners' tax exemption from \$7,000 to \$14,000 for residential property. Creates small business tax exemption for first \$1,000,000 in personal property. Reimburses local governments for tax revenue decrease. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased net state revenues of about \$4 billion annually, due to higher taxes on nonresidential real property. These revenues would be spent by K-12 school districts, community colleges, and CSU.** (09-0078.)

The Secretary of State's tracking number for this measure is 1430 and the Attorney General's tracking number is 09-0078.

The proponents for this measure, Roberta B. Johansen and Karen Getman, must collect signatures of 694,354 registered voters – the number equal to 8% of the total votes cast for governor in the 2006 gubernatorial election – in order to qualify it for the ballot. The proponents have 150 days to circulate petitions for this measure, meaning the signatures must be collected by June 7, 2010.

The initiative proponents can be reached at (510) 346-6200.

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