CALIFORNIA SECRETARY OF STATE

NEWS RELEASI

DB10:014

STATE & CALIFORNIA

FOR IMMEDIATE RELEASE January 27, 2010

CONTACT: Shannan Velayas

(916) 653-6575

Two Budget-Related Initiatives Enter Circulation

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponent of two new initiatives may begin collecting petition signatures for his measures.

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 proponent and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the first measure is as follows:

CHANGES METHOD OF CALCULATING STATE SPENDING LIMIT. INITIATIVE CONSTITUTIONAL AMENDMENT. Changes method of calculating state spending limit. Subjects certain transportation and other currently excluded expenditures to spending limit. Eliminates constitutional requirement that revenues received in excess of spending limit be returned to taxpayers and used for schools, and generally redirects those revenues toward reducing state debt. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Revised spending limit likely would alter state spending. In the near future, the percentage of the state budget devoted to K-14 education and debt expenses likely would increase, and the percentage devoted to other areas likely would decrease. Over the longer term, state reserves, tax rebates, and other one-time spending also could increase. (09-0090.)

The Secretary of State's tracking number for this measure is 1442 and the Attorney General's tracking number is 09-0090.

The Attorney General's official title and summary for the second measure is as follows:

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> **CHANGES METHODS** OF CALCULATING PUBLIC **SCHOOL FUNDING AND STATE SPENDING** LIMIT. **ELIMINATES** CONSTITUTIONAL **GUARANTEE** OF **STATE FUNDING INITIATIVE CONSTITUTIONAL COMMUNITY** COLLEGES. **AMENDMENT.** Changes method of calculating minimum funding level for K-12 public schools. Eliminates constitutional guarantee of state funding of community colleges. Changes method of calculating state spending limit. Subjects certain transportation and other currently excluded expenditures to spending limit. Eliminates constitutional requirement that revenues received in excess of spending limit be returned to taxpayers and used for schools, and generally redirects those revenues toward reducing state debt. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Revised spending limit likely would alter state spending. In the near future, the percentage of the state budget devoted to debt expenses likely would increase, and the percentage devoted to most other areas likely would decrease. Over the longer term, state reserves, tax rebates, and other one-time spending also could increase. Possible state funding decreases for community college districts, given this measure's elimination of their constitutional funding guarantee. Possible increase or decrease in state funding for K-12 school districts in any given year, given this measure's changes of their constitutional funding guarantee. (09-0091.)

The Secretary of State's tracking number for this measure is 1443 and the Attorney General's tracking number is 09-0091.

The proponent for these measures, Thomas W. Hiltachk, must collect signatures of 694,354 registered voters – the number equal to eight percent of the total votes cast for governor in the 2006 gubernatorial election – for each measure in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for these measures, meaning the signatures must be collected by June 25, 2010.

The initiative proponent can be reached at (916) 442-7757.

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