



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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Controlled Substances Tax Initiative Enters Circulation

Tax on Controlled Substances. Initiative Statute.

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponent of a new initiative may begin collecting petition signatures for his 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 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 measure is as follows:

TAX ON CONTROLLED SUBSTANCES. INITIATIVE STATUTE. For three years beginning January 1, 2013, imposes a tax of \$.0025 per pill upon drug manufacturers and importers that make initial sale of a Schedule II, III, or IV controlled substance in California. Provides revenue to fund California Department of Justice's program to monitor prescription and dispensation of controlled substances, administration costs, outreach, education, and investigation of abuses. Requires any person that manufactures Schedule II, III, or IV controlled substances in California, or imports them into California, to register with the California Department of Justice for purposes of tax compliance. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased state revenues of approximately \$7 million annually from a new tax on prescription drugs. The revenues would be used to increase spending on a prescription drug database maintained by DOJ.** (11-0045)

The Secretary of State's tracking number for this measure is 1523 and the Attorney General's tracking number is 11-0045.

The proponent for this measure, Robert Pack, must collect signatures of 504,760 registered voters – the number equal to five percent of the total votes cast for governor in the 2010 gubernatorial election – in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for this measure, meaning the signatures must be collected by April 19, 2012.

The initiative proponent can be reached at (925) 918-0843.

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