



NEWS RELEASE

CALIFORNIA SECRETARY OF STATE ALEX PADILLA

AP15:103

FOR IMMEDIATE RELEASE

November 25, 2015

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Proposed Initiative Enters Circulation

Tax to Fund Education, Healthcare, and Child Development. Initiative Constitutional Amendment.

SACRAMENTO – Secretary of State Alex Padilla announced the proponents of a new initiative were cleared to begin collecting petition signatures today.

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

TAX TO FUND EDUCATION, HEALTHCARE, AND CHILD DEVELOPMENT. INITIATIVE CONSTITUTIONAL AMENDMENT.

Permanently establishes the temporary personal income tax increases enacted in 2012 for annual earnings over \$290,000, currently set to expire in 2018. Imposes new personal income tax on annual earnings over \$1 million. Allocates these tax revenues 50% to K-12 education, community colleges, and universities; 40% to healthcare for low-income individuals; and 10% to childcare and child development programs. Excludes these revenues from Proposition 98 funding requirements. Establishes a reserve fund, capped at 20% of the annual revenues, for use during state budget emergencies. Requires annual audit of expenditures. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased state revenues annually beginning in 2019—likely in the \$7 billion to \$15 billion range initially—with amounts varying based on stock market and economic trends. These revenues generally would be spent on education and health programs, with a small portion deposited annually to a reserve fund.** (15-0070.)

The Secretary of State's tracking number for this measure is 1731 and the Attorney General's tracking number is 15-0070.

The proponents of the measure, Cass Trinidad, and Gualvez, Dietmar Grellman, must collect the signatures of 585,407 registered voters (eight percent of the total votes cast for Governor in the November 2014 general election) in order to qualify it for the November 2016 ballot. The proponents have 180 days to circulate petitions for the measure, meaning the signatures must be submitted to county elections officials by May 23, 2016. The proponents can be reached at (925) 283-0581 or bfadem1@aol.com.

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