



NEWS RELEASE

CALIFORNIA SECRETARY OF STATE

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Five Proposed Initiatives Enter Circulation

1. *State/local spending limits. Vote requirement for fees/charges. School funding. State Mandates. Bonds. Initiative Constitutional Amendment.*
2. *State Mandates. State/Local Spending Limits. Vote Requirement for Fees/Charges. Bonds. Initiative Constitutional Amendment.*
3. *Fiscal Emergency. State Budget. State/Local Spending Limits. Vote Requirement for Fees/Charges. Bonds. Initiative Constitutional Amendment.*
4. *School Funding. Fiscal Emergency. State/Local Spending Limits. Vote Requirement for Fees/Charges. Initiative Constitutional Amendment.*
5. *State Budget. School Funding. Fiscal Emergency. State/Local Spending Limits. Vote Requirement for Fees/Charges. Bonds. Initiative Constitutional Amendment.*

SACRAMENTO --- The Secretary of State's Office announced yesterday that the proponents of five new initiatives have received clearance to begin collecting petition signatures for their measures.

The Attorney General's official titles and summaries are as follows:

STATE/LOCAL SPENDING LIMITS. VOTE REQUIREMENT FOR FEES/CHARGES. SCHOOL FUNDING. STATE MANDATES. BONDS. INITIATIVE CONSTITUTIONAL AMENDMENT.

Effectively limits state and expands local government spending limits. Provides procedure if state exceeds spending limit. Requires certain state fees/charges be enacted by 2/3 vote of Legislature; currently, majority vote required. Requires certain local fees/charges be approved by local electorate; currently, no vote required. Reallocates General Fund revenue above appropriation limit. Specifies requirements for state reimbursement of local government mandates. Prohibits state issuance of general obligation bonds and revenue lease bonds if state's annual debt service exceeds 6% of General Fund.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Potentially significant reduction in the growth in state spending beginning in 2006-07, accompanied by potential reductions in taxes over time.

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STATE MANDATES. STATE/LOCAL SPENDING LIMITS. VOTE REQUIREMENTS FOR FEES/CHARGES. BONDS. INITIATIVE CONSTITUTIONAL AMENDMENT.

Effectively limits state and expands local spending limits. Provides procedure if state exceeds spending limit. Requires certain state fees/charges be enacted by 2/3 vote of Legislature; currently, majority vote required. Requires certain local fees/charges be approved by vote of electorate; currently, no vote required. Reallocates General Fund revenue above spending limit. Prohibits issuance of general obligation/revenue lease bonds if annual debt service exceeds 6% of General Fund. Specifies state reimbursement requirements for local government mandates; prohibits use of certain taxes for reimbursement.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Potentially significant reduction in the growth in state spending beginning in 2006-07, accompanied by potential reductions in taxes over time.

FISCAL EMERGENCY. STATE BUDGET. STATE/LOCAL SPENDING LIMITS. VOTE REQUIREMENT FOR FEES/CHARGES. BONDS. INITIATIVE CONSTITUTIONAL AMENDMENT.

Empowers Governor to make across-the-board reductions in state spending (with exceptions) upon declaration of fiscal emergency if Legislature doesn't address emergency within 45 days. Continues prior fiscal year's budget if new state budget delayed. Effectively restricts state and expands local government spending limits. Requires certain state fees/charges be enacted by 2/3 vote of the Legislature. Requires certain fees/charges be approved by vote of electorate. Specifies requirements for state reimbursement of local government mandates. Restricts state bond issuances.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Potentially significant reduction in the growth in state spending beginning in 2006-07 from the imposition of a new spending limit, accompanied by potential reductions in taxes over time. Various other fiscal impacts on the level and mix of state spending due to other provisions of the measure.

SCHOOL FUNDING. FISCAL EMERGENCY. STATE/LOCAL SPENDING LIMITS. VOTE REQUIREMENT FOR FEES/CHARGES. INITIATIVE CONSTITUTIONAL AMENDMENT.

Amends minimum funding requirement for schools/community colleges, expands opportunities to suspend funding and eliminates reimbursement requirement. Permits Governor to reduce state spending (with certain exceptions) proportionally during declared fiscal emergency. Restricts state/expands local government spending limits. Provides procedure if state exceeds spending limit. Reallocates revenue above spending limit. Requires certain state charges be enacted by 2/3 vote of Legislature. Requires certain local charges be approved by local electorate vote. Specifies requirements for state reimbursement of local government mandates. Restricts state bonds issuance.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Potentially significant reduction in the growth in state spending beginning in 2006-07, accompanied by potential reductions in taxes over time. Slower growth in the minimum funding requirement for K-12 schools and community colleges. Unknown net impact on educational spending from other provisions affecting school finance.

STATE BUDGET. SCHOOL FUNDING. FISCAL EMERGENCY. STATE/LOCAL SPENDING LIMITS. VOTE REQUIREMENT FOR FEES/CHARGES. BONDS. INITIATIVE CONSTITUTIONAL AMENDMENT.

Continues previous fiscal year's budget if new state budget is delayed. Amends the minimum-funding and eliminates reimbursement obligation. Permits Governor to reduce state spending proportionally, with certain exceptions during fiscal emergency. Effectively restricts state and expands local government spending limits. Reallocates revenue above spending limit. Requires certain state fees/charges be enacted by 2/3 vote of Legislature. Requires certain local fees/charges be approved by voters. Restricts state bonds.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Potentially significant reduction in the growth in state spending beginning in 2006-07, accompanied by potential reductions in taxes and fees over time. Slower growth in the minimum funding requirement for K-12 schools and community colleges. Unknown net impact on educational spending from other provisions affecting school finance.

The proponents of all five measures, John Campbell, Jon Coupal and Larry McCarthy, must collect 598,105 signatures of registered voters, equal to eight percent of the total votes cast for governor in the 2002 gubernatorial election, in order to qualify these measures. The 150-day deadline to circulate petitions for these measures is August 8, 2005. The initiative proponents can be reached at 916-444-1502.

For a copy of the complete text, title & summary, and circulation calendar, please contact the Secretary of State's Press Office at 916-653-6575.