



DEBRA BOWEN

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Fifth Corporations Initiative Enters Circulation

Corporate Crime. Reporting Obligations for Executives and Managers. 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 first measure is as follows:

CORPORATE CRIME. REPORTING OBLIGATIONS FOR EXECUTIVES AND MANAGERS. STATUTE. Requires that executives and managers of corporations or limited liability companies report, in writing, any violation by company involving financial fraud, consumer protection, health and safety, environmental protection or labor. Establishes criminal penalties (jail up to one year and/or fine up to \$100,000) for failure to report within 15 days after actual knowledge of violation acquired. Defines manager as having both management authority and significant responsibility for an aspect of business. Defines actual knowledge as information that would convince a reasonable person in same situation that violation exists. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Probably minor local and state enforcement and prosecution costs, partly offset by increased fine revenue. (Initiative 07-0051.)

The Secretary of State's tracking number for this measure is 1283 and the Attorney General's tracking number is 07-0051.

The proponents for this measure, James C. Harrison and Margaret R. Prinzing, must collect signatures of 433,971 registered voters – the number equal to 5% of the total votes cast for governor in the 2006 gubernatorial election – for this measure 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 March 14, 2008.

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

The first four corporations initiatives, put forth by the same proponents, were cleared for circulation on October 3 and signatures for those measures must be collected by March 3, 2008.

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