

DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE NEWS RELEASE

DB10:019

FOR IMMEDIATE RELEASE
February 2, 2010

CONTACT: Shannan Velayas
(916) 653-6575

Budget-Related Initiative Enters Circulation

*Changes State Budget Process in Several Ways.
Initiative Constitutional Amendment and 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 measure is as follows:

CHANGES STATE BUDGET PROCESS IN SEVERAL WAYS. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

Changes legislative vote requirement necessary to pass state budget from two-thirds to a simple majority. Retains two-thirds vote requirement to raise taxes. Prohibits Legislature from creating expenditures of more than \$25 million unless offsetting revenues or spending cuts are identified. Limits use of onetime revenues to onetime expenditures. Requires Legislators to forfeit salary and expense reimbursement each day budget is late. Requires Governor to prepare two-year budgets. Permits Governor to cut budget unilaterally during fiscal emergencies if Legislature fails to act. Requires performance reviews of all state programs. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Direct increases in state spending—potentially tens of millions of dollars per year—to administer new budgeting process requirements. Potentially significant, but unknown, indirect fiscal effects for the state. Over time, these could include lower annual spending for ongoing state-funded programs and higher one-time expenditures (such as for infrastructure projects, debt reduction, or temporary tax relief).** (09-0098.)

The Secretary of State's tracking number for this measure is 1445 and the Attorney General's tracking number is 09-0098.

– MORE –

DB10:019
February 2, 2010
Page 2

The proponents for this measure, Margaret R. Prinzing and James C. Harrison, 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 – 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 July 1, 2010.

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

###