



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE NEWS RELEASE

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Tax Initiative Enters Circulation

Tax to Fund Education, Preschools, and Child Care. Initiative 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:

TAX TO FUND EDUCATION, PRESCHOOLS, AND CHILD CARE. INITIATIVE STATUTE. Increases personal income tax rates for annual earnings over \$7,316 with a sliding scale that increases the tax rate from .4% for lowest individual earners to 2.2% for individuals earning over \$2.5 million. Tax increase ends after twelve years. Allocates new revenues 85% to K-12 schools and 15% to preschools and child care. Provides K-12 funds on school-specific, per-pupil basis, subject to local control. Requires local education budgeting to be school-specific. Requires oversight, audits, and public input. Prohibits state from directing or using new funds. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased state personal income tax revenues beginning in 2013 and ending in 2024. Estimates of the revenue increases vary from \$10 billion to \$11 billion per year initially, tending to increase over time. The revenues would be dedicated to K-12 education (85 percent of the funds) and early care and education programs (15 percent) and would supplement existing funding for these programs. In years with stronger growth in state personal income tax revenues, some of the revenues raised by this measure—several hundred million dollars per year—would be used to pay education debt service costs, resulting in state savings. (11-0088)**

The Secretary of State's tracking number for this measure is 1569 and the Attorney General's tracking number is 11-0088.

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The proponents for this measure, Roberta B. Johansen, James C. Harrison and Molly Munger, 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 proponents have 150 days to circulate petitions for this measure, meaning the signatures must be collected by July 12, 2012.

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

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