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Secretary of State Alex Padilla Certifies Measures for the November 6, 2018 General Election Ballot

SACRAMENTO – Secretary of State Alex Padilla announced that 12 measures have qualified for the November 6, 2018, General Election ballot. Three of the measures were placed on the ballot by the Legislature and nine qualified through the initiative process.

Initiatives are eligible to qualify for the ballot after proponents collect and submit valid petition signatures. Initiative statutes require 365,880 valid signatures and initiative constitutional amendments require 585,407 valid signatures. The signatures are collected by the proponents and submitted to county elections officials who then verify the signatures. Initiatives become eligible to qualify for the ballot through either a random sampling of signatures or a full check of signatures.

Ballot order and proposition numbers will be assigned and announced by close of business on June 29, 2018.

For more information on ballot measures, candidate filing requirements, and election deadlines, please visit:

<http://www.sos.ca.gov/elections/upcoming-elections/general-election-november-6-2018/>

The measures qualified for the November ballot are listed below.

Legislative Measures

[SB 3 \(Chapter 365, Statutes of 2017\), Beall. Veterans and Affordable Housing Bond Act of 2018.](#)

[AB 1827 \(Chapter 41, Statutes of 2018\), Committee on Budget. No Place Like Home Act of 2018.](#)

[AB 807 \(Chapter 60, Statutes of 2018\), Chu. Daylight saving time.](#)

Initiatives

Authorizes Bonds to Fund Projects for Water Supply and Quality, Watershed, Fish, Wildlife, Water Conveyance, and Groundwater Sustainability and Storage. Initiative Statute. Authorizes \$8.877 billion in state general obligation bonds for various infrastructure projects: \$3.03 billion for safe drinking water and water quality, \$2.895 billion for watershed and fisheries improvements, \$940 million for habitat protection, \$855 million for improved water conveyance, \$685 million for groundwater sustainability/storage, and \$472 million for surface water storage/dam repairs. Appropriates money from General Fund to pay off bonds. Requires certain projects to provide matching funds from non-state sources; gives priority to disadvantaged communities. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **State costs of \$17.3 billion to pay off principal (\$8.9 billion) and interest (\$8.4 billion) on bonds over a 40-year period. Annual payments would average \$433 million. Annual payments would be lower than this average in the initial and final few years, and somewhat higher in the intervening years. Varying fiscal effects on individual local governments depending on specific projects undertaken, amount of grants and loans received, and amount of local cost-share required.** ([17-0010.](#))

Changes Requirements for Certain Property Owners to Transfer Their Property Tax Base to Replacement Property. Initiative Constitutional Amendment and Statute. Removes the following current requirements for homeowners who are over 55 years old or severely disabled to transfer their property tax base to a replacement residence: that replacement property be of equal or lesser value, replacement residence be in specific county, and the transfer occur only once. Removes similar replacement-value and location requirements on transfers for contaminated or disaster-destroyed property. Requires adjustments to the replacement property's tax base, based on the new property's value. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Annual property tax losses for cities, counties, and special districts of around \$150 million in the near term, growing over time to \$1 billion or more per year (in today's dollars). Annual property tax losses for schools of around \$150 million per year in the near term, growing over time to \$1 billion or more per year (in today's dollars). Increase in state costs for schools of an equivalent amount in most years.** ([17-0013.](#))

Authorizes State Regulation of Kidney Dialysis Clinics. Limits Charges for Patient Care. Initiative Statute. Limits amounts outpatient kidney dialysis clinics may charge for patient care and imposes penalties for excessive charges. Requires annual reporting to the state regarding clinic costs, patient charges, and revenue. Prohibits clinics from discriminating against patients based on the source of payment for care. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **State administrative costs of around \$1 million annually to be covered by increases in license fees on chronic dialysis clinics. State and local government savings largely associated with reduced government employee and retiree health benefits spending on dialysis treatment, potentially up to tens of millions of dollars annually.** ([17-0014.](#))

Division of California into Three States. Initiative Statute. Divides California into three states subject to approval by Congress. Assigns each county to a new state. Upon passage, directs Governor to request that Congress grant approval within twelve months. If Congress approves,

directs Legislature to divide California's assets and liabilities between the new states. Provides that, if Legislature fails to act within twelve months of Congressional approval, debts shall be distributed among new states based on population relative to California population as a whole, and assets within boundaries of each new state shall become the assets of that new state. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Assuming this measure is approved by voters and the federal government and allowed by the courts, all tax collections and spending by the existing State of California would end. California's existing state assets and liabilities would be divided among three new states. These states would make their own decisions about state and local taxes and spending.** ([17-0018.](#))

Establishes New Standards for Confinement of Certain Farm Animals; Bans Sale of Certain Non-Complying Products. Initiative Statute. Establishes new minimum space requirements for confining veal calves, breeding pigs, and egg-laying hens; requires egg-laying hens be raised in cage-free environment after December 31, 2021. Prohibits certain commercial sales of specified meat and egg products from animals confined in non-complying manner. Defines sales violations as unfair competition. Creates good faith defense for sellers relying upon written certification by suppliers that meat or animal products comply with new confinement standards. Requires State of California to issue implementing regulations. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Potential decrease in state and local tax revenues from farm businesses, likely not to exceed the low millions of dollars annually. Potential state costs ranging up to ten million dollars annually to enforce the measure.** ([17-0026.](#))

Eliminates Recently Enacted Road Repair and Transportation Funding by Repealing Revenues Dedicated for those Purposes. Requires any Measure to Enact Certain Vehicle Fuel Taxes and Vehicle Fees be Submitted to and Approved by the Electorate. Initiative Constitutional Amendment. Repeals a 2017 transportation law's tax and fee provisions that pay for repairs and improvements to local roads, state highways, and public transportation. Requires the Legislature to submit any measure enacting specified taxes or fees on gas or diesel fuel, or on the privilege to operate a vehicle on public highways, to the electorate for approval. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Reduced annual state transportation tax revenues of \$2.9 billion in 2018-19, increasing to \$4.9 billion annually by 2020-21. These revenues would primarily have supported state highway maintenance and rehabilitation, local streets and roads, and mass transit. In addition, potentially lower transportation tax revenues in the future from requiring voter approval of such tax increases, with the impact dependent on future actions by the Legislature and voters.** ([17-0033.](#))

Expands Local Governments' Authority to Enact Rent Control on Residential Property. Initiative Statute. Repeals state law that currently restricts the scope of rent-control policies that cities and other local jurisdictions may impose. Allows policies that would limit the rental rates that residential-property owners may charge for new tenants, new construction, and single-family homes. In accordance with California law, provides that rent-control policies may not violate landlords' right to a fair financial return on their rental property. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local

government: **Unknown, but potentially significant, changes in state and local government tax revenues. Net decrease more likely than net increase. Potential increase in local government costs of up to tens of millions of dollars per year in the long term, likely paid by fees on owners of rental housing.** ([17-0041.](#))

Requires Private-Sector Emergency Ambulance Employees to Remain on Call During Work Breaks. Changes Other Conditions of Employment. Initiative Statute. Makes the labor law that entitles hourly employees to take work (meal and rest) breaks without being on call inapplicable to private-sector emergency ambulance employees. Regulates timing of meal breaks for these employees. Exempts employers from potential liability for violations of existing law regarding work breaks. Requires employers to pay for employees to be trained regarding certain emergency incidents, violence prevention, and mental health and wellness. Requires employers to provide employees with certain mental-health services. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Local government net savings likely in the tens of millions of dollars annually due to lower emergency ambulance contract costs.** ([17-0043.](#))

Authorizes Bonds Funding Construction at Hospitals Providing Children’s Health Care. Initiative Statute. Authorizes \$1.5 billion in bonds, to be repaid from state’s General Fund, to fund grants for construction, expansion, renovation, and equipping of qualifying children’s hospitals. Designates 72 percent of funds to qualifying private nonprofit hospitals providing comprehensive services to high volumes of children eligible for governmental programs and children with special health needs eligible for the California Children’s Services program, 18 percent of funds to University of California general acute care children’s hospitals, and 10 percent of funds to public and private nonprofit hospitals providing services to children eligible for the California Children’s Services program. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **State costs of \$2.9 billion to pay off principal (\$1.5 billion) and interest (\$1.4 billion) on bonds over a 35-year period. Annual payments would average \$84 million. Annual payments would be lower than this average in the initial and final few years, and somewhat higher in the intervening years.** ([17-0045.](#))

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