



# NEWS RELEASE

CALIFORNIA SECRETARY OF STATE **KEVIN SHELLEY**

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## **Proposed Initiative Enters Circulation**

*State and Local Appropriations Limit. School Funding. State Mandates. Bonds.  
Initiative Constitutional Amendment.*

SACRAMENTO, CA --- Secretary of State Kevin Shelley announced today that the proponents of a new initiative may begin collecting petition signatures for their measure.

The Attorney General's official title and summary is as follows:

STATE AND LOCAL APPROPRIATIONS LIMIT. SCHOOL FUNDING. STATE  
MANDATES. BONDS. INITIATIVE CONSTITUTIONAL AMENDMENT.

- Eliminates local governments appropriations limit.
- Amends state appropriations limit to apply to expenditures from all sources of money; eliminates exemptions.
- Adjusts next year spending if current year spending falls below appropriations limit.
- Permits spending increase during emergency.
- Repeals Proposition 98 revenue transfers above appropriations limit to community college and school districts for instructional improvements, accountability.
- Allocates General Fund revenue above appropriations limit to specific funds/purposes.
- Specifies requirements for state reimbursement of local government mandates.
- Restricts debt issuances and when General Obligation bonds can be voted on.

The summary of the estimate by the Legislative Analyst and Director of Finance of the fiscal impact on state and local governments indicates this measure would have the following major fiscal impacts: potentially major reduction in state spending in 2005-06; state spending restrained below current-law levels in future years, with reductions primarily in nonschool spending; reserve provisions may "smooth-out" state spending over time.

The proponents, Assemblymember John Campbell, Jon Coupal, and Larry McCarthy, must collect 598,105 signatures of registered voters, which is eight percent of the total votes cast for governor in the 2002 gubernatorial election. The 150-day deadline to circulate petitions is August 13, 2004. The initiative proponents can be reached at 916-319-2979, 916-444-9950 or 916-930-3102.

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.