



# NEWS RELEASE

CALIFORNIA SECRETARY OF STATE **BRUCE McPHERSON**

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FOR IMMEDIATE RELEASE  
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## **Two Proposed Initiatives Enter Circulation**

- 1. Minimum Wage. Increases and Future Adjustments. Initiative Statute.*
- 2. Minimum Wage. Increases and Future Adjustments. Initiative Statute.*

SACRAMENTO, CA --- Secretary of State Bruce McPherson announced today that the proponent of two new initiatives may begin collecting petition signatures for the measures. Both measures relate to an increase in minimum wage, and require 373,816 signatures by May 26, 2006. The proponent for both measures is Barry Hermanson of Californians for Fair Wages. He can be reached at 916-484-5888.

The Attorney General's official titles and summaries are as follow:

### **MINIMUM WAGE. INCREASES AND FUTURE ADJUSTMENTS. INITIATIVE STATUTE.**

Increases California's minimum hourly wage to \$7.25, effective January 1, 2007, and then to \$7.75, effective January 1, 2008. Establishes annual automatic adjustment of minimum wage beginning January 1, 2009, to be calculated each year by multiplying the minimum wage then in effect by the percentage of inflation that occurred during the previous year, using the California Consumer Price Index for All Urban Consumers, or its successor index. Directs Industrial Welfare Commission to adopt minimum wage orders consistent with this initiative.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Potential net reduction, but probably not significant, in annual state and local government revenues. Annual state and local governmental costs - primarily in health and child care programs - in the high tens of millions to over \$100 million.

The Secretary of State's tracking number for this measure is 1178 and the Attorney General's tracking number is SA2005RF0111.

### **MINIMUM WAGE. INCREASES AND FUTURE ADJUSTMENTS. INITIATIVE STATUTE.**

Increases California's minimum hourly wage to \$7.50, effective January 1, 2007, then to \$8.25, effective January 1, 2008, and then to \$8.75, effective January 1, 2009. Establishes annual automatic adjustment of minimum wage beginning January 1, 2010, to be calculated each year by multiplying the minimum wage then in effect by the percentage of inflation that occurred during the previous year, using the California Consumer Price Index for All Urban Consumers, or its successor index. Directs Industrial Welfare Commission to adopt minimum wage orders consistent with this initiative.

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Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Potential modest net reduction in annual state and local government revenues. Annual state and local governmental costs - primarily in health and child care programs - potentially in the low hundreds of millions of dollars.

The Secretary of State's tracking number for this measure is 1179 and the Attorney General's tracking number is SA2005RF0112.

For the complete titles, summaries and circulation calendars of each measure, please call the Secretary of State's Press Office at 916-653-6575.