DEBRA BOWEN
CALIFORNIA SECRETARY OF STATE
NEWS RELEASE

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Two Tax-Related Initiatives Enter Circulation

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponent of two new initiatives may begin collecting petition signatures for his measures.

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 proponent and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the first measure is as follows:

> **TEMPORARY TAXES TO FUND EDUCATION. GUARANTEED LOCAL PUBLIC SAFETY FUNDING. INITIATIVE CONSTITUTIONAL AMENDMENT.** Increases personal income tax on annual earnings over $250,000 for five years. Increases sales and use tax by ½ cent for four years. Allocates temporary tax revenues 89 percent to K-12 schools and 11 percent to community colleges. Bars use of funds for administrative costs, but provides local school governing boards discretion to decide, in open meetings and subject to annual audit, how funds are to be spent. Guarantees funding for public safety services realigned from state to local governments. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased state revenues over the next five fiscal years. Estimates of the revenue increases vary--for 2012-13, from $4.8 billion to $6.9 billion; for 2013-14 through 2015-16, from $5.5 billion to $6.9 billion on average each year; and for 2016-17, from $3.1 billion to $3.4 billion. These revenues would be available to (1) pay for the state's school and community college funding requirements, as increased by this measure, and (2) address the state's budgetary problem by paying for other spending commitments. Limitation on the state's ability to make changes to the programs and revenues shifted to local governments in 2011, resulting in a more stable fiscal situation for local governments.** (11-0090)

The Secretary of State's tracking number for this measure is 1553 and the Attorney General's tracking number is 11-0090.

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The Attorney General's official title and summary for the second measure is as follows:

> **TEMPORARY TAXES TO FUND EDUCATION. GUARANTEED LOCAL PUBLIC SAFETY FUNDING. INITIATIVE CONSTITUTIONAL AMENDMENT.** Increases personal income tax on annual earnings over $250,000 for five years. Increases sales and use tax by ½ cent for four years. Allocates temporary tax revenues 89 percent to K-12 schools and 11 percent to community colleges. Bars use of funds for administrative costs, but provides local school governing boards discretion to decide, in open meetings and subject to annual audit, how funds are to be spent. Guarantees funding for public safety services realigned from state to local governments. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased state revenues over the next five fiscal years. Estimates of the revenue increases vary--for 2012-13, from $4.8 billion to $6.9 billion; for 2013-14 through 2015-16, from $5.5 billion to $6.9 billion on average each year; and for 2016-17, from $3.1 billion to $3.4 billion. These revenues would be available to (1) pay for the state's school and community college funding requirements, as increased by this measure, and (2) address the state's budgetary problem by paying for other spending commitments. Limitation on the state's ability to make changes to the programs and revenues shifted to local governments in 2011, resulting in a more stable fiscal situation for local governments.** (12-0001)

The Secretary of State's tracking number for this measure is 1554 and the Attorney General's tracking number is 12-0001.

The proponent for these measures, Edmund G. Brown, Jr., must collect signatures of 807,615 registered voters – the number equal to eight percent of the total votes cast for governor in the 2010 gubernatorial election – for each measure, in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for these measures, meaning the signatures must be collected by June 18, 2012.

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

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