



NEWS RELEASE

CALIFORNIA SECRETARY OF STATE **BRUCE McPHERSON**

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Secretary of State Bruce McPherson Assigns Numbers to Measures Certified for the November Gubernatorial General Election

Invites Californians to Submit Ballot Arguments by July 11th

SACRAMENTO, CA – Secretary of State Bruce McPherson today announced proposition numbers for the thirteen measures that will appear on the November 7th Gubernatorial General Election ballot, and called on interested citizens to submit arguments to be included in the state ballot pamphlet. Eight measures qualified for the ballot through the initiative petition process. The other five qualified for the ballot through the legislative process. The deadline for placing initiative measures on the ballot was June 29th.

Elections Code section 13115 establishes the order in which the measures must appear on the ballot: bond measures first, followed by constitutional amendments, other legislative measures, initiative measures, and referenda, with each listed in the order in which they qualify within the category. However, recent legislation was passed by the Legislature providing the specific order and numbering of the legislative measures appearing on November's ballot, as listed below. Initiative measures remain in the order in which they qualified for the ballot.

The Secretary of State has not received ballot arguments at this time and is therefore inviting interested Californians to submit arguments for or against any of the qualified ballot measures. If selected for inclusion, arguments will be part of the materials that go before the public for review during the ballot pamphlet public display period, which is July 25 through August 14. If multiple arguments for or against any measure are submitted, state law provides that for legislative measures, preference be given to arguments written by Members of the Legislature, and for initiative measures, preference be given to those written by the proponents of the initiative, followed in either case by arguments signed by bona fide associations of citizens, and then individual voters. No more than three signers shall appear with any argument or rebuttal to an argument.

Listed below are the measures (with assigned proposition numbers) that will appear on the November ballot:

LEGISLATIVE CONSTITUTIONAL AMENDMENT

- 1A SCA 7 (Res. Ch. 49, 2006) Torlakson. Transportation Funding Protection. Legislative Constitutional Amendment.** Protects transportation funding for traffic congestion relief projects, safety improvements, and local streets and

roads. Prohibits the state sales tax on motor vehicle fuels from being used for any purpose other than transportation improvements. Authorizes loans of these funds only in the case of severe state fiscal hardship. Requires loans of revenues from states sales tax on motor vehicle fuels to be fully repaid within the three years. Restricts loans to no more than twice in any 10-year period. Fiscal Impact: No revenue effect or cost effects. Increases stability of funding to transportation in 2007 and thereafter.

LEGISLATIVE BOND ACTS

- 1B SB 1266 (Ch. 25, 2006) Perata. Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006.** This act makes safety improvements and repairs to state highways, upgrades freeways to reduce congestion, repairs local streets and roads, upgrades highways along major transportation corridors, improves seismic safety of local bridges, expands public transit, helps complete the state's network of car pool lanes, reduces air pollution, and improves anti-terrorism security at shipping ports by providing for a bond issue not to exceed nineteen billion nine hundred twenty-five million dollars (\$19,925,000,000).
- 1C SB 1689 (Ch. 27, 2006) Perata. Housing and Emergency Shelter Trust Fund Act of 2006.** For the purpose of providing shelters for battered women and their children, clean and safe housing for low-income senior citizens; homeownership assistance for the disabled, military veterans, and working families; and repairs and accessibility improvements to apartment for families and disabled citizens, the state shall issue bonds totaling two billion eight hundred fifty thousand dollars (\$2,850,000,000) paid from existing state funds at an average annual cost of _____ dollars (\$_____) per year over the _____ year life of the bonds. Requires reporting and publication of annual independent audited reports showing use of funds, and limits administration and overhead costs. (The Attorney General shall fill in the blanks in this subdivision with the figures provided by the Legislative Analyst for the annual average cost of the bonds and the number of years required to retire the bonds.)
- 1D AB 127 (Ch. 35, 2006) Nuñez. Kindergarten-University Public Education Facilities Bond Act of 2006.** This ten billion four hundred sixteen million dollar (\$10,416,000,000) bond issue will provide needed funding to relieve public school overcrowding and to repair older schools. It will improve earthquake safety and fund vocational educational facilities in public schools. Bond funds must be spent according to strict accountability measures. Funds will also be used to repair and upgrade existing public college and university buildings and to build new classrooms to accommodate the growing student enrollment in the California Community Colleges, the University of California, and the California State University.
- 1E AB 140 (Ch. 33, 2006) Nuñez. Disaster Preparedness and Flood Prevention Bond Act of 2006.** This act rebuilds and repairs California's most vulnerable flood control structures to protect homes and prevent loss of life from flood-related disasters, including levee failures, flash floods, and mudslides; it protects California's drinking water supply system by rebuilding delta levees that are vulnerable to earthquakes and storms; by authorizing a \$4.09 billion dollar bond act.

INITIATIVE CONSTITUTIONAL AMENDMENTS AND STATUTES

- 83** 1154. (SA2005RF0092) **Sex Offenders. Sexually Violent Predators. Punishment, Residence Restrictions and Monitoring. Initiative Statute.**
- Increases penalties for violent and habitual sex offenders and child molesters. Prohibits registered sex offenders from residing within 2,000 feet of any school or park, and requires lifetime Global Positioning System monitoring of felony registered sex offenders. Expands the definition of a sexually violent predator, and changes the current two-year involuntary civil commitment for a sexually violent predator to an indeterminate commitment, subject to annual review by the Director of Mental Health and petition by the sexually violent predator for conditional release or unconditional discharge.
- Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Unknown net costs to the state, within a few years, potentially in the low hundreds of millions of dollars annually due primarily to increased state prison, parole supervision, and mental health program costs. These costs would grow significantly in the long term. Potential one-time state capital outlay costs, within a few years, in the low hundreds of millions of dollars for construction of additional state mental hospital and prison beds. Unknown but potentially significant net operating costs or savings to counties for jail, probation supervision, district attorneys, and public defenders. The portion of costs related to changes in the Sexual Violent Predators program would be reimbursed by the state. (SA2005RF0092)
- 84** 1185. (SA2005RF0131) **Water Quality, Safety and Supply. Flood Control. Natural Resource Protection. Park Improvements. Bonds. Initiative Statute.**
- Authorizes \$5,388,000,000 in general obligation bonds, payable from the state's General Fund, to fund projects relating to safe drinking water, water quality and supply, flood control, waterway and natural resource protection, water pollution and contamination control, state and local park improvements, public access to natural resources, and conservation efforts. Provides funding for emergency drinking water, and exempts such expenditures from public contract and procurement requirements to ensure immediate action for public safety.
- Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: State cost of about \$10.5 billion over 30 years to pay off both the principal (\$5.4 billion) and interest (\$5.1 billion) costs on the bonds. Payments of about \$350 million per year. Reduction in local property tax revenues of several million dollars annually, about one-half of which would be offset by state payments to schools to make up their revenue loss. Unknown costs, potentially tens of millions of dollars per year, to state and local governments to operate or maintain properties or projects acquired or developed with these bond funds. (SA2005RF0131.)
- 85** 1186. (SA2005RF0132, Amdt. #1-S) **Waiting Period and Parental Notification Before Termination of Minor's Pregnancy. Initiative Constitutional Amendment.**
- Amends California Constitution to prohibit abortion for unemancipated minor until 48 hours after physician notifies minor's parent or legal guardian, except in medical emergency or with parental waiver. Permits minor to obtain court order waiving notice based on clear and convincing evidence of minor's maturity or best interests. Mandates various reporting requirements, including

reports from physicians regarding abortions performed on minors. Authorizes monetary damages against physicians for violation. Requires minor's consent to abortion, with certain exceptions. Permits judicial relief if minor's consent coerced.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Potential unknown net state costs of several million dollars annually for health and social services programs, court administration, and state health agency administration combined. (SA2005RF0132, Amdt. #1-S)

86 1197. (SA2005RF0139, Amdt. #1-NS) **Tax on Cigarettes. Initiative Constitutional Amendment and Statute.**

Imposes additional 13 cent tax on each cigarette distributed (\$2.60 per pack), and indirectly increases tax on other tobacco products. Provides funding to qualified hospitals for emergency services, nursing education and health insurance to eligible children. Revenue also allocated to specified purposes including tobacco use prevention programs, enforcement of tobacco-related laws, and research, prevention and treatment of various conditions including cancers (breast, cervical, prostate and colorectal), heart disease, stroke, asthma and obesity. Exempts recipient hospitals from antitrust laws in certain circumstances. Revenue excluded from appropriation limits and Proposition 98 calculations.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Increase in new state tobacco tax revenues of about \$2.1 billion annually by 2007-08, declining slightly annually thereafter. Those revenues would be used for various health and tobacco-related programs and for children's health coverage. Unknown net state costs potentially reaching the low hundreds of millions annually after a few years due to provisions for streamlining enrollment in the Medi-Cal and HFP. Unknown but potentially significant savings to counties on a statewide basis beginning in the near term for a shift of children from county health coverage to HFP, with unknown but potentially significant costs to the state in the long term for ongoing support of expanded HFP enrollment. Unknown but potentially significant savings in state and local government public health care costs over time due to expected reduction in consumption of tobacco products and due to other factors. (SA2005RF0139, Amdt. #1-NS.)

87 1196. (SA2005RF0138, Amdt. #2-S) **Alternative Energy. Research, Production, Incentives. Tax on California Oil. Initiative Constitutional Amendment and Statute.**

Establishes \$4 billion program to reduce oil and gasoline usage by 25%, with research and production incentives for alternative energy, alternative energy vehicles, energy efficient technologies, and for education and training. Funded by tax of 1.5% to 6%, depending on oil price per barrel, on producers of oil extracted in California. Prohibits producers from passing tax on to consumers. Program administered by California Energy Alternatives Program Authority. Prohibits changing tax while indebtedness remains. Revenues excluded from Proposition 98 calculations and appropriation limits.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: New state revenues annually - depending on the interpretation of the measure's tax rate provisions - of either about \$200 million or about \$380 million from the imposition of a severance tax

on oil production, to be used to fund a variety of new alternative energy programs. Reductions of unknown amounts in: local revenues from property taxes paid on oil reserves, potentially partially offset by state payments to schools to make up their revenue loss; state revenues from income taxes paid by oil producers; and, potentially, state and local revenues from gasoline and diesel excise and sales taxes. (SA2005RF0138, Amdt. #2-S.)

88 1189. (SA2005RF0126) **Education Funding. Real Property Parcel Tax. Initiative Constitutional Amendment and Statute.**

Provides additional public school funding for kindergarten through grade 12 by imposing a \$50 tax on each real property parcel; exempts certain elderly and disabled homeowners. Funds must be used for class size reduction, textbooks, school safety, Academic Success facility grants, and a data system to evaluate educational program effectiveness. Provides for reimbursement to government entities to offset anticipated decrease in other tax revenue. Prohibits fund use for school administrative overhead. Requires school district audits and penalties for fund misuse. Excludes funds from Proposition 98 calculations.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Annual revenue of up to \$500 million from a new, statewide parcel tax with the revenue dedicated to specific K-12 education programs (such as class size reduction, instructional materials, school safety, and facility grants). (SA2005RF0126.)

89 1216. (SA2006RF0015) **Political Campaigns. Public Financing. Corporate Tax Increase. Contribution and Expenditure Limits. Initiative Statute.**

Provides that candidates for state elective office meeting certain eligibility requirements, including collection of a specified number of \$5.00 contributions from voters, may voluntarily receive public campaign funding from the Fair Political Practices Commission, in amounts varying by elective office and type of election. Increases income tax rate on corporations and financial institutions by 0.2 percent to fund program. Imposes new limits on campaign contributions to state-office candidates and campaign committees, and new restrictions on contributions and expenditures by lobbyists and corporations.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Increased revenues (primarily from increased taxes on corporations and financial institutions) totaling more than \$200 million annually to pay for the public financing of political campaigns for state elected offices. (SA2006RF0015.)

90 1204. (SA2005RF0146) **Government Acquisition, Regulation of Private Property. Initiative Constitutional Amendment.**

Bars state and local governments from condemning or damaging private property to promote other private projects, uses. Limits government's authority to adopt certain land use, housing, consumer, environmental and workplace laws and regulations, except when necessary to preserve public health or safety. Voids unpublished eminent domain court decisions. Defines "just compensation." Government must occupy condemned property or lease property for public use. Condemned private property must be offered for resale to prior owner or owner's heir at current fair market value if government abandons condemnation's objective. Exempts certain governmental actions.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Unknown, but potentially significant

major future costs for state and local governments to pay damages and/or modify regulatory or other policies to conform to the measure's provisions. Unknown, potentially major changes in governmental costs to acquire property for public purposes. (SA2005RF0146.)

Any voter may submit an argument for or against a measure. Each argument submission must not exceed 500 words and should be typed double-space. The deadline to submit ballot arguments is July 11, 2006, by 5:00 p.m. The arguments may be hand delivered or faxed to the Secretary of State's Elections Division at 916-653-3214; however, if faxed, original copies must be received within 72 hours. Once arguments are selected, they will be exchanged between opposing authors. The authors may then submit rebuttals to these arguments, which are due by July 20, 2006, by 5:00 p.m. A maximum of 250 words may be used for rebuttals.

Additional information on argument requirements and specifications should be directed to the Ballot Pamphlet Program Manager at 916-657-2166.