

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

TEMPORARY TAXES TO FUND EDUCATION. GUARANTEED LOCAL PUBLIC

SAFETY FUNDING. INITIATIVE CONSTITUTIONAL AMENDMENT. Increases

personal income tax on annual earnings over \$250,000 for seven years. Increases sales and use

tax by $\frac{1}{4}$ 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 seven fiscal**

years. Estimates of the revenue increases vary—from \$6.8 billion to \$9 billion for 2012-13

and from \$5.4 billion to \$7.6 billion, on average, in the following five fiscal years, with

lesser amounts in 2018-19. 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.

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