November 16, 2012
Initiative 12-0015

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

TAXES TO FUND CALIFORNIA PUBLIC UNIVERSITIES AND COMMUNITY COLLEGES. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

Imposes new taxes on gasoline and diesel fuel ($0.025 per gallon), alcohol ($0.05-$1.65 per gallon), and cigarettes ($0.0125 each); raises vehicle license fees by 0.5% of vehicle market value. Allocates new revenues 80% to University of California and California State University, 20% to California Community Colleges. Maintains state funding for higher education at or above 2009-2010 levels and student financial aid at or above 2010-2011 levels. Caps student tuition and systemwide fees at 2009-2010 levels. Creates joint commission to recommend cost efficiencies in higher education. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Additional state tax revenues from increases in various taxes of about $2.2 billion annually that would be dedicated to public universities and colleges. Depending on whether the new state tax revenues are sufficient to replace lost tuition and fee revenues (due to lower student tuition and fee levels), unknown effect on total funding for public universities and colleges. Depending on whether the new state tax revenues are sufficient to satisfy increased state spending requirements on public universities and colleges, unknown effects on other parts of the state budget and the state General Fund.** (12-0015.)