

Proposition 30

Initiative Constitutional Amendment

Increases personal income tax on annual earnings over \$250,000 for seven years. Increases sales and use tax by ¼ 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. (12-0009) (Full Text)

GK2012 Position: Opposed - This ballot initiative raises taxes at a time when California families are struggling. Without real reforms, increasing revenues will do little to help our fiscal issues in our state. Additionally, resorting to 'ballot box extortion', by threatening our schools, parks and public safety unless we agree to tax increases, leaves many voters with an impossible choice.

Proposition 31

Initiative Constitutional Amendment and Statute

Establishes two-year state budget cycle. Prohibits Legislature from creating expenditures of more than \$25 million unless offsetting revenues or spending cuts are identified. Permits Governor to cut budget unilaterally during declared fiscal emergencies if Legislature fails to act. Requires performance reviews of all state programs. Requires performance goals in state and local budgets. Requires publication of all bills at least three days prior to legislative vote. Gives counties power to alter state statutes or regulations related to spending unless Legislature or state agency vetoes changes within 60 days. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Decreased state revenues and commensurate increased local revenues, probably in the range of about \$200 million annually, beginning in 2013-14. Potential decreased state program costs or increased state revenues resulting from changes in the fiscal authority of the Legislature and Governor. Increased state and local costs of tens of millions of dollars annually to implement new budgeting practices. Over time, these costs would moderate and potentially be offset by savings from improved program efficiencies. (11-0068) (Full Text)

GK2012 Position: Support - This initiative would give local governments much more opportunity to formulate and cover their budgets. With the ability to keep local revenues

and allow for local school districts to plan better for school funding, the benefits of this initiative far outweigh any negatives.

Proposition 32

Initiative Statute

Restricts union political fundraising by prohibiting use of payroll-deducted funds for political purposes. Same use restriction would apply to payroll deductions, if any, by corporations or government contractors. Permits voluntary employee contributions to employer or union committees if authorized yearly, in writing. Prohibits unions and corporations from contributing directly or indirectly to candidates and candidate-controlled committees. Other political expenditures remain unrestricted, including corporate expenditures from available resources not limited by payroll deduction prohibition. Limits government contractor contributions to elected officers or officer-controlled committees. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Increased state implementation and enforcement costs of up to hundreds of thousands of dollars annually, potentially offset in part by revenues from fines. (11-0010.) (Full Text)

GK 2012 Position: Support - Prohibiting Union and corporate contributions would do a great deal to ridding Sacramento of special interests. Had this Propostion been in effect previous to Mike Gatto running , he would have \$XX. It is time that we tell special interests that the people control the seat of the 43rd Assembly District. It is time that we focus on policies that fix education, business and public safety in our state, rather than commit our limited resources to abusive and unsustainable union contracts and out-of-state corporate securities.

Proposition 33

Initiative Statute

Changes current law to permit insurance companies to set prices based on whether the driver previously carried auto insurance with any insurance company. Allows insurance companies to give proportional discounts to drivers with some prior insurance coverage. Will allow insurance companies to increase cost of insurance to drivers who have not maintained continuous coverage. Treats drivers with lapse as continuously covered if lapse is due to military service or loss of employment, or if lapse is less than 90 days. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Probably no significant fiscal effect on state insurance premium tax revenues. (11-0013.) (Full Text)

GK2012 Position: Support - Maintaining insurance on your vehicle is a requirement by law. It only makes sense that Insurance companies will reward those that follow the law, regardless if the insured maintained the insurance through their company or another. If insurance was not a requirement in the state, this proposition would make no sense. Insurance companies are currently allowed to use an insured's total years driving as a factor in determining premium and so if they were a law abiding citizen in the state, they would have been maintaining insurance during the same period of time. Allowing for insurance companies to essentially have a universal loyalty discount seems like a reasonable reform.

Proposition 34

Initiative Statute

Repeals death penalty as maximum punishment for persons found guilty of murder and replaces it with life imprisonment without possibility of parole. Applies retroactively to persons already sentenced to death. Requires persons found guilty of murder to work while in prison, with their wages to be applied to any victim restitution fines or orders against them. Creates \$100 million fund to be distributed to law enforcement agencies to help solve more homicide and rape cases. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Net savings to the state and counties that could amount to the high tens of millions of dollars annually on a statewide basis due to the elimination of the death penalty. One-time state costs totaling \$100 million from 2012-13 through 2015-16 to provide funding to local law enforcement agencies. (11-0035) (Full Text)

GK2012: Oppose - We should continue to allow for the ultimate punishment to be offered for the most violent and heinous crimes.

Proposition 35

Initiative Statute

Increases criminal penalties for human trafficking, including prison sentences up to 15-years-to-life and fines up to \$1,500,000. Fines collected to be used for victim services and law enforcement. Requires person convicted of trafficking to register as sex offender. Requires sex offenders to provide information regarding Internet access and identities they use in online activities. Prohibits evidence that victim engaged in sexual conduct from being used against victim in court proceedings. Requires human trafficking training for police officers. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Potential one-time local government costs of up to a few million dollars on a statewide basis, and lesser additional costs incurred each year, due to the new mandatory training requirements for certain law enforcement officers. Minor increase to state and local governments on the costs of incarcerating and supervising human trafficking offenders. Unknown amount of additional revenue from new criminal fees, likely not to

exceed the low millions of dollars annually, which would fund services for human trafficking victims. (11-0059) (Full Text)

GK2012 Position: Support - No brainer

Proposition 36

Initiative Statute

Revises three strikes law to impose life sentence only when new felony conviction is serious or violent. Authorizes re-sentencing for offenders currently serving life sentences if third strike conviction was not serious or violent and judge determines sentence does not pose unreasonable risk to public safety. Continues to impose life sentence penalty if third strike conviction was for certain non-serious, non-violent sex or drug offenses or involved firearm possession. Maintains life sentence penalty for felons with non-serious, non-violent third strike if prior convictions were for rape, murder, or child molestation. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: State savings related to prison and parole operations that potentially range in the high tens of millions of dollars annually in the short run, possibly exceeding \$100 million annually in the long run. Increased state and county costs in the millions to low tens of millions of dollars annually in the first few years, likely declining substantially in future years, for state court activities and county jail, community supervision, and court-related activities. (11-0057) (Full Text)

GK2012 Position: Support - reasonable reform, reasonable solution.

Proposition 37

Initiative Statute

Requires labeling on raw or processed food offered for sale to consumers if made from plants or animals with genetic material changed in specified ways. Prohibits labeling or advertising such food as “natural.” Exempts foods that are: certified organic; unintentionally produced with genetically engineered material; made from animals fed or injected with genetically engineered material but not genetically engineered themselves; processed with or containing only small amounts of genetically engineered ingredients; administered for treatment of medical conditions; sold for immediate consumption such as in a restaurant; or alcoholic beverages. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Potential increase in state administrative costs of up to one million dollars annually to monitor compliance with the disclosure requirements specified in the measure. Unknown, but potentially significant, costs for the courts, the

Attorney General, and district attorneys due to litigation resulting from possible violations to the provisions of this measure. (11-0099) (Full Text)

GK2012 Position: Oppose: The last thing we need in this state is more regulation. Requiring that food producers post an additional label on their food, which in reality could affect their profits, could drive business from the state and reduce business and sales tax revenues.

Proposition 38

Initiative Statute

Increases personal income tax rates for annual earnings over \$7,316 using sliding scale from .4% for lowest individual earners to 2.2% for individuals earning over \$2.5 million, ending after twelve years. During first four years, 60% of revenues go to K-12 schools, 30% to repaying state debt, and 10% to early childhood programs. Thereafter, allocates 85% of revenues to K-12 schools, 15% to early childhood programs. Provides K-12 funds on school specific, per-pupil basis, subject to local control, audits, and public input. Prohibits state from directing or using new funds. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Increased state personal income tax revenues beginning in 2013 and ending in 2024. Estimates of the revenue increases vary from \$10 billion to \$11 billion per fiscal year beginning in 2013-14, tending to increase over time. The 2012-13 revenue increase would be about half this amount. Until the end of 2016-17, 60 percent of revenues would be dedicated to K-12 education and 10 percent would be provided to early care and education programs. These allocations would supplement existing funding for these programs. In 2017-18 and subsequent years, 85 percent would be provided to K-12 education and 15 percent to early care and education. General Fund savings on debt-service costs of about \$1.5 billion in 2012-13 and \$3 billion in 2013-14, with savings tending to grow thereafter until the end of 2016-17. In 2015-16 and subsequent years with stronger growth in state personal income tax revenues, some of the revenues raised by this measure—several hundred million dollars per year— would be used for debt-service costs, resulting in state savings. (11-0100) (Full Text)

GK2012 Position: Causiously Opposed: While raising taxes is the last thing we need to do right now, if you maintain the goal of sending funds to the classroom, this initiative certainly does that. These funds would be in addition to Prop 98 required funding while Prop 30 allows for those funds to be used to backfill Prop 98 requirements. GK would rather see reforms and reduced regulation of education, and remains opposed to raising taxes at all.

Proposition 39

Initiative Statute

Requires multistate businesses to calculate their California income tax liability based on the percentage of their sales in California. Repeals existing law giving multistate businesses an

option to choose a tax liability formula that provides favorable tax treatment for businesses with property and payroll outside California. Dedicates \$550 million annually for five years from anticipated increase in revenue for the purpose of funding projects that create energy efficiency and clean energy jobs in California. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Approximately \$500 million in additional state General Fund revenues in 2012-13 and \$1 billion each year thereafter from requiring a single sales factor formula for corporate taxes, with about half of the additional annual revenues from 2013-14 through 2017-18 supporting energy efficiency and alternative energy projects. Increased Proposition 98 minimum funding guarantee for K-14 schools of roughly \$225 million annually from 2012-13 through 2017-18 and by roughly \$500 million each year thereafter, as a result of additional state General Fund revenues. (11-0080) (Full Text)

GK 2012 position: Not needed- This initiative will not be fought for.

Proposition 40

Referendum

State Senate districts are revised every ten years following the federal census. This year, the voter-approved California Citizens Redistricting Commission revised the boundaries of the 40 Senate districts. This referendum petition, if signed by the required number of registered voters and filed with the Secretary of State, will: (1) Place the revised State Senate boundaries on the ballot and prevent them from taking effect unless approved by the voters at the next statewide election; and (2) Require court-appointed officials to set interim boundaries for use in the next statewide election. (11-0028) (Full Text)

GK2012 Position: Not Needed- Initiative is no longer being forwarded.