AMENDED IN ASSEMBLY JULY 1, 2011
AMENDED IN ASSEMBLY MAY 19, 2011
AMENDED IN ASSEMBLY MAY 10, 2011
AMENDED IN ASSEMBLY APRIL 14, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

Assembly Constitutional Amendment

No. 6

Introduced by Assembly Members Gatto and Feuer (Principal coauthor: Senator Pavley)

(Coauthors: Assembly Members Blumenfield, Gordon, Gorell, Hayashi, Huffman, Bonnie Lowenthal, Mendoza, Olsen, *Portantino*, Smyth, and Solorio)

(Coauthor: Senator Coauthors: Senators De León and DeSaulnier)

December 6, 2010

Assembly Constitutional Amendment No. 6—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 8 of Article II thereof, relating to initiatives.

LEGISLATIVE COUNSEL'S DIGEST

ACA 6, as amended, Gatto. Initiative measures: funding source.

The California Constitution provides that the electors may propose statutes or amendments to the state constitution through the initiative process by presenting to the Secretary of State a petition that sets forth the text of the proposed statute or amendment to the Constitution and is certified to have been signed by a certain number of electors.

This measure would require the Legislative Analyst and the Director of Finance to review an initiative measure not later than 15 days after

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its qualification for the ballot, and report the results of the review to the Secretary of State. This measure would prohibit an initiative measure that the Legislative Analyst or the Director of Finance determines would result in a net increase in state or local government costs exceeding \$5,000,000, other than costs attributable to the issuance, sale, or repayment of bonds, from being submitted to the electors or having any effect unless—and—until the Legislative Analyst—and, the Director of Finance—jointly, or both, as applicable, determine that the initiative measure provides for additional revenues in an amount that meets or exceeds the net increase in costs. This requirement would provide for an annual adjustment to the amount of that cost threshold, and would not apply to costs incurred due to a provision of an initiative measure that reduces tax revenues, or due to the administration of such a provision.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

- 1 Resolved by the Assembly, the Senate concurring, That the 2 Legislature of the State of California at its 2011–12 Regular 3 Session commencing on the sixth day of December 2010,
- 4 two-thirds of the membership of each house concurring, hereby
- 5 proposes to the people of the State of California that the
- 6 Constitution of the State be amended as follows:

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- That Section 8 of Article II thereof is amended to read:
- SEC. 8. (a) The initiative is the power of the electors to propose statutes and amendments to the Constitution and to adopt or reject them.
- (b) An initiative measure may be proposed by presenting to the Secretary of State a petition that sets forth the text of the proposed statute or amendment to the Constitution and that is certified to have been signed by electors equal in number to 5 percent in the case of a statute, and 8 percent in the case of an amendment to the Constitution, of the votes for all candidates for Governor at the last gubernatorial election.
- (c) The Secretary of State shall then submit the measure at the next general election held at least 131 days after it qualifies or at any special statewide election held prior to that general election. The Governor may call a special statewide election for the measure.
- The Governor may call a special statewide election for the measure.

 (d) An initiative measure embracing more than one subject may
 - not be submitted to the electors or have any effect.

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(e) An initiative measure may not include or exclude any political subdivision of the State from the application or effect of its provisions based upon approval or disapproval of the initiative measure, or based upon the casting of a specified percentage of votes in favor of the measure, by the electors of that political subdivision.

- (f) An initiative measure may not contain alternative or cumulative provisions wherein one or more of those provisions would become law depending upon the casting of a specified percentage of votes for or against the measure.
- (g) An initiative measure that would result in a net increase in state or local government costs exceeding five million dollars (\$5,000,000), other than costs attributable to the issuance, sale, or repayment of bonds authorized by the measure, as jointly determined by the Legislative Analyst and Director of Finance, may not be submitted to the electors or have any effect unless and until the Legislative Analyst and the Director of Finance jointly determine that the initiative measure provides for additional revenues in an amount that meets or exceeds the net increase in costs.
- (g) (1) Not later than 15 days after the qualification of an initiative measure for the ballot, the Legislative Analyst and the Director of Finance shall review the measure pursuant to this subdivision, and report the results of that review to the Secretary of State. If either the Legislative Analyst or the Director of Finance determines that the initiative measure would result in a net increase in state or local government costs exceeding five million dollars (\$5,000,000), subject to paragraph (2), excluding costs attributable to the issuance, sale, or repayment of bonds authorized by the measure, the measure shall not be submitted to the electors or have any effect unless the Legislative Analyst or the Director of Finance, or both, as applicable, further determines that the initiative measure provides for additional revenues in an amount that meets or exceeds the net increase in costs.
- (2) On January 1, 2012, and annually thereafter, the cost threshold set forth in paragraph (1) shall be adjusted by the percentage increase of the California Consumer Price Index for the immediately preceding calendar year, as reported by the Department of Finance.

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- 1 (3) This subdivision shall not apply to any increased costs to
- 2 state or local government that are incurred pursuant to a provision
- 3 of an initiative measure that reduces tax revenues, or pursuant to
- 4 the administration of any such provision.