

December 29, 2011
Initiative 11-0068

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

STATE BUDGET. STATE AND LOCAL GOVERNMENT. 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)