

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

HOSPITALS. EXECUTIVE COMPENSATION. INITIATIVE STATUTE. Prohibits hospitals, hospital groups, hospital-affiliated medical foundations and physicians groups, and health care districts from paying annual compensation (salary, perks, paid time off, bonuses, stock options, etc.) or providing severance packages to executives, managers, and administrators in an amount exceeding the salary and expense allowance of the President of the United States (currently \$450,000). Requires annual public disclosure of all executives receiving compensation or severance packages above this amount. Authorizes Attorney General monitoring and enforcement or taxpayer litigation. Penalties for violation include fines, revocation of tax-exempt status, and appointment of Attorney General representative to board of directors of nonprofit corporations. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **State administrative costs in the low millions of dollars annually to enforce the measure, with authority to recover costs through fees assessed on specified hospitals.** (15-0111.)