

Date: December 13, 2007
Initiative No. 07-0069

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

BONDS. DRINKING WATER. WATER CONSERVATION AND WATER PROTECTION.

STATUTE. Authorizes \$6,835,000,000 in bonds paid from state's General Fund for water related projects. Allocates approximately 29% to statewide water supply reliability projects including conservation, reclamation, distribution, storage and restoration. Allocates approximately 35% to Sacramento-San Joaquin delta sustainability projects including ecosystem improvements. Allocates approximately 16% to statewide conservation and pollution cleanup projects including ecosystem and urban watershed protection and restoration. Allocates approximately 16% statewide to prevent or reduce contamination of groundwater that serves as a source of drinking water. Allocates approximately 4% to statewide water recycling projects.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: State cost of about \$13.3 billion over 30 years to pay off both the principal (\$6.8 billion) and interest (\$6.5 billion) costs on the bonds. Payments of about \$445 million per year. Unknown, eventual costs, potentially in the low hundreds of millions of dollars per year, to state and local governments to operate or maintain projects developed with these bond funds. (Initiative 07-0069.)