

Date: February 26, 2008
Initiative No.: 07-0102
Amdt. 2-S

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

BONDS. ALTERNATIVE FUEL VEHICLES AND RENEWABLE ENERGY. STATUTE.

Authorizes \$6 billion in bonds paid from state's General Fund, allocated approximately as follows: 48% in cash payments of between \$2,000 and \$50,000 to purchasers of certain high fuel economy and alternative fuel vehicles; 33% in incentives for research, development, and production of renewable energy technology; 9% in incentives for research and development of alternative fuel vehicle technology; 4% in incentives for purchase of renewable energy technology; 3% in grants to eight cities for education about these technologies; and 2% in grants to colleges to train students in these technologies. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: State costs of about \$11.7 billion over 30 years to pay both the principal (\$6 billion) and interest (\$5.7 billion) costs on the bond. Payments of about \$390 million per year. Increase in state sales tax revenues of an unknown amount, potentially totaling in the tens of millions of dollars, over the period from 2009 to beyond 2018. Increase in local sales tax and VLF revenues of an unknown amount, potentially totaling in the tens of millions of dollars, over the period from 2009 to about 2018-19. Potential state costs of up to about \$10 million annually, through about 2018 -19, for state agency administrative costs not funded by the measure. (Initiative 07-0102.)