

January 26, 2010  
Initiative 09-0090

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

**CHANGES METHOD OF CALCULATING STATE SPENDING LIMIT. INITIATIVE**

**CONSTITUTIONAL AMENDMENT.** Changes method of calculating state spending limit.

Subjects certain transportation and other currently excluded expenditures to spending limit.

Eliminates constitutional requirement that revenues received in excess of spending limit be

returned to taxpayers and used for schools, and generally redirects those revenues toward

reducing state debt. Summary of estimate by Legislative Analyst and Director of Finance of

fiscal impact on state and local government: **Revised spending limit likely would alter state**

**spending. In the near future, the percentage of the state budget devoted to K-14 education**

**and debt expenses likely would increase, and the percentage devoted to other areas likely**

**would decrease. Over the longer term, state reserves, tax rebates, and other one-time**

**spending also could increase. (09-0090.)**