

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

**CHANGES METHODS OF CALCULATING PUBLIC SCHOOL FUNDING AND  
STATE SPENDING LIMIT. ELIMINATES CONSTITUTIONAL GUARANTEE OF  
STATE FUNDING OF COMMUNITY COLLEGES. INITIATIVE CONSTITUTIONAL**

**AMENDMENT.** Changes method of calculating minimum funding level for K-12 public schools. Eliminates constitutional guarantee of state funding of community colleges. 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 debt expenses likely would increase, and the percentage devoted to most other areas likely would decrease. Over the longer term, state reserves, tax rebates, and other one-time spending also could increase. Possible state funding decreases for community college districts, given this measure's elimination of their constitutional funding guarantee. Possible increase or decrease in state funding for K-12 school districts in any given year, given this measure's changes of their constitutional funding guarantee.**

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