



**CALIFORNIA**  
**• BUDGET PROJECT •**

**For Use Through:**

April 13, 2005 1:00 p.m.

**Contact:** Jean Ross

(916) 444-0500

**PROPOSED BALLOT INITIATIVE WOULD REDUCE EDUCATION FUNDING  
GUARANTEE, SHIFT BUDGET AUTHORITY TO THE GOVERNOR**

[SACRAMENTO] - A business-backed coalition, Citizens for California, with the support of the Governor, has proposed an initiative that would radically restructure the rules governing the state's budget process. The Live Within Our Means Act would impose a new state spending limit, give a governor broad authority to make spending reductions in the event revenues decline, and make changes to the Proposition 98 school spending guarantee and to transportation funding authorized by Proposition 42. The California Budget Project is sponsoring an audio press conference to discuss the potential impact of the proposed ballot initiative on California. If approved by the voters, the measure would:

- Give a governor sweeping power to reduce spending, potentially including the ability to override state laws.
- Reduce the long-term Proposition 98 school spending guarantee by \$4 billion per year, slightly less than \$600 per pupil in K - 12 education.
- Cap spending from supported voter-approved taxes, such as Proposition 172's tax dedicated to local public safety programs or Proposition 10's tobacco tax for early childhood programs.
- Cap spending supported by regulatory and user fees, including student fees paid by California State University students.
- Put more, not less, spending on "autopilot" by eliminating the Legislature's ability to defer certain transportation spending in bad budget years.

**TELEPHONE PRESS CONFERENCE**

**WEDNESDAY, APRIL 13**

1 p.m. Pacific Time

**TOLL FREE DIAL IN #: (800) 310-6649 - PASSWORD: Ballot Initiative**

To make a reservation, please call Nancy Bennett, (800) 834-1110

**SPEAKERS:**

Sue Burr, California County Superintendents Educational Services Association

Jean Ross, California Budget Project

*The California Budget Project (CBP) engages in independent fiscal and policy analysis and public education with the goal of improving public policies affecting the economic and social well-being of low and middle income Californians.*