~~PROPOSITION 53~~
~~Funds Dedicated for State and Local Infrastructure.~~
~~Legislative Constitutional Amendment.~~
~~Resolution Chapter 185, Statutes of 2002 (ACA 11).~~
~~Sponsors: Assembly Members Keith Richman and Joseph Canciamilla~~

~~Date: July 25, 2003~~

OFFICIAL TITLE AND SUMMARY
PREPARED BY THE ATTORNEY GENERAL

BALLOT TITLE AND SUMMARY

FUNDS DEDICATED FOR STATE AND LOCAL INFRASTRUCTURE. LEGISLATIVE CONSTITUTIONAL AMENDMENT.

- Requires specified percentages of General Fund revenues to be set-aside for acquisition, construction, rehabilitation, modernization, or renovation of infrastructure.
- Expenditures must be divided equally between state projects and local projects, other than school and community college district projects, including local street, transportation, water, park, and open space projects.
- Proposition 98 school funding guarantee is unchanged.
- Amount of first set-aside scheduled for 2006-07 is 1%; they increase 0.3% annually to 3% and then remain fixed. Set-asides are subject to increase, decrease, or suspension with revenue increases and decreases.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- Requires dedication of state General Fund revenues for state and local "pay-as-you-go" infrastructure projects. Potential transfers of roughly $850 million in 2006-07, growing to several billions of dollars in future years. (Actual annual transfers could be less—or even zero—in some years due to various adjustments and triggers in the measure.)

SUBJECT TO COURT ORDERED CHANGES

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