

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

TAX TO PAY TUITION AND FEES AT CALIFORNIA PUBLIC UNIVERSITIES.

INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Adds .7 percent to personal income tax rate applied to taxable income over \$250,000 (over \$342,465 if filing as head of household), and adds 1.7 percent to personal income tax rate applied to taxable income over \$500,000 (over \$684,930 if filing as head of household). Allocates new revenue to pay up to four years' tuition and fees for full-time undergraduate California residents attending University of California or California State University who maintain minimum 2.7 grade point average or perform 70 hours of annual community service. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Annual loss of state tuition revenue of about \$2.8 billion per year beginning in 2013-14, backfilled by additional state personal income tax revenue that is likely to total \$2 billion or more per year. Potential shortfalls in university resources in some fiscal years would have to be addressed through some combination of cost reductions and alternative funding sources, which could create pressure on the state General Fund.** (11-0086)