

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

TAX ON CALIFORNIA OIL AND NATURAL GAS. REVENUES TO EDUCATION.

INITIATIVE STATUTE. Imposes 10 percent tax on value of oil and natural gas extracted in California to supplement funding for education. Allocates 10 percent of tax revenues to grants for college and vocational students, and remainder to classroom education funding as follows: 10 percent to University of California; 20 percent to California State University; 20 percent to community colleges; and 40 percent to K-12. Prohibits reduction of existing education-funding levels based on these additional tax revenues. Prohibits passing tax through to consumers by way of higher fuel prices. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased state revenues from a new oil and gas severance tax of \$1.5 billion to \$2.5 billion per year. These revenues would be allocated to education and would likely result in increased state funding of various education programs.** (11-0033)