

Ms. Ashley Johansson
Initiative Coordinator
Office of the Attorney General
1300 I Street
Sacramento, California 95814-2919

RECEIVED**AUG 18 2017****INITIATIVE COORDINATOR
ATTORNEY GENERAL'S OFFICE**

August 17th, 2017

Re: Request for title and summary

Dear Ms. Johansson:

Pursuant to Article II, Section 10(d) of the California Constitution, this letter respectfully requests that the Attorney General prepare a circulating title and summary of the enclosed ballot initiative: "California Healthcare Roadblock Removal Act." Also enclosed are the required signed statements pursuant to California Elections Code sections 9001 and 9608, and a check in the amount of \$2,000.

Please direct all inquiries and correspondence regarding this proposed initiative to:

Dale Fountain
Chairperson/CEO
Enact Universal Healthcare for CA, Inc.
940 Stewart Drive #303
Sunnyvale, CA 94085
Phone: (408) 462-0452
Email: dfountain@euhc4ca.org

Sincerely,



Dale Fountain

Enclosures: Initiative language; Certifications; check

SECTION 1. Title. This measure shall be known and may be cited as the "California Healthcare Roadblock Removal Act"

SECTION 2. Findings and Declarations

A. The People make the following findings:

- (1) Most affluent nations provide a universal government health system for their entire population with lower costs and better outcomes than the United States. The US spends approximately \$9,000 a year per person on healthcare, compared to Canada, which spends \$5,000, and Italy, which spends around \$3,000.
- (2) The current California healthcare "system" is an inefficient patchwork system of private insurance, community/state funded programs, and federal programs, including Medicaid and Medicare. This system has high overhead, is expensive, and leaves 8.5% of Californians, or roughly 2.1 million people, without health coverage.
- (3) The Affordable Care Act allows California to propose using federal funds in conjunction with other funds to create an efficient single-payer system to cover all Californians.
- (4) Californians have a right to healthcare, both under Section I of Article I of the state Constitution ("enjoying and defending life") and as a human right under Article 25 of the U.N. Universal Declaration of Human Rights (1948).
- (5) 81% of Californians support ensuring that every Californian has healthcare.
- (6) 58% of Californians support a single-payer system, even when confronted with all major counterarguments.
- (7) 56% of US physicians support a single-payer system.
- (8) Currently, California's healthcare system is largely defined and funded by the federal government.
- (9) However, the federal government has proven itself an unreliable partner. Congress has attempted to dismantle the current healthcare system without putting forth a workable replacement, and the President has stated his intent to allow the current system to fail.

- (10) As it stands, the California Constitution permits our state government to administer federal funds dedicated to healthcare (e.g. Medi-Cal). As California is a “donor” state, all federal funds spent in California come from California taxpayers.
- (11) However, if the federal government were to reduce its spending on healthcare, and our state Legislature attempted to replace these funds through state taxes, raising the same revenues, for the same purposes, from the same taxpayers, it would quickly run afoul of arcane fiscal rules embedded in our state Constitution.
- (12) The State Constitution permits California’s state government to regulate private health insurance, which, under the Affordable Care Act, most Californians are required to purchase. However, if the state Legislature were to create a single-payer universal healthcare system (which 58% of Californians support), replacing insurance premiums with (lower) taxes, it would again run afoul of these fiscal rules.
- (13) If Californians wish to have a stable, reliable universal healthcare system, not vulnerable to the whims of partisan politics at the federal level, we first need to amend our state Constitution’s fiscal rules to make such a system possible.

SECTION 3. Purpose and Intent.

- A. To establish a healthcare trust fund independent of the General Fund.
- B. To direct, and place reasonable burden on, the Legislature to enact healthcare policy and funding mechanisms through normal legislative deliberation.

SECTION 4. The Healthy California Trust Fund. Section 24 is added to Article XVI of the Constitution, to read:

SECTION 24.

- (a) The Healthy California Trust Fund is hereby established in the State Treasury.*
- (b) The purpose of the Healthy California Trust Fund is to fund, promote, support, and improve healthcare and healthcare-related goods, services, outcomes, and education. Funds in the Healthy California Trust Fund may not be disbursed or loaned for any other purpose.*

- (c) *The State of California may transfer funds in its possession, including federal funds, into the Healthy California Trust Fund.*
- (d) *Notwithstanding any other section of this Constitution, investment income derived from the Healthy California Trust Fund, and revenue sources dedicated to the Healthy California Trust Fund, including any tax, surtax, or fee, shall not be considered part of the General Fund, nor shall they be counted in or affected by any appropriations limit, revenue limit, or spending formula.*
- (e) *The Controller shall audit the Healthy California Trust Fund annually to ensure that its funds are used and accounted for in a manner consistent with this section.*
- (f) *Rainy Day Reserves: The Legislature, two-thirds of the membership of each house concurring, may establish statutory rules reserving funds deposited into the Healthy California Trust Fund and/or delaying disbursements of said funds, which, once such rules become law, may only be amended or repealed by another two-thirds vote of the Legislature, or by the electors. In no case shall the Healthy California Trust Fund hold unallocated reserves greater than 12.5% of deposits over the previous two fiscal years.*

SECTION 5. Section 8 is added to Article XIII A of the Constitution, to read:

SECTION 8. Section 3 of this article does not apply to the California Healthcare Roadblock Removal Act.

SECTION 6. Section 15 is added to Article XIII B of the Constitution, to read:

SECTION 15. "Appropriations subject to limitation" of each entity of government shall not include appropriations of revenue from the Healthy California Trust Fund created by the California Healthcare Roadblock Removal Act. No adjustment in the appropriations limit of any entity of government shall be required pursuant to Section 3 as a result of revenue being deposited in or appropriated from the Healthy California Trust Fund.

SECTION 7. Liberal construction. The provisions of this act shall be liberally construed to effectuate its purposes of funding, promoting, supporting, and improving healthcare and healthcare-related goods, services, outcomes, and education.

SECTION 8. No conflict with other laws. The provisions of this act are intended to be in addition to and not in conflict with any other initiative measure that may be adopted by the

people at the November 2018 election, and the provisions of this act shall be interpreted and construed so as to avoid conflicts with any such measure whenever possible.

SECTION 9. Severability. If any provision of this act, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining provisions shall not be affected, but shall remain in full force and effect, and to this end the provisions of this act are severable.

SECTION 10. Proponent Standing. Notwithstanding any other provision of law, if the State, its government agencies, or any of its officials fail to defend the constitutionality of this measure following its approval by the voters, any other government employee, any proponent, or, in their absence, any citizen of this state shall have the authority to intervene in any court action challenging the constitutionality of this measure for the purpose of defending its constitutionality, whether such action is in trial court, on appeal, or on discretionary review by the Supreme Court of California or the Supreme Court of the United States. The fees and costs of defending the action shall be a charge on funds appropriated to the Attorney General, which shall be satisfied promptly.