

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

**STATE SCHOOL FUNDING. TIMING OF DISTRIBUTIONS TO SCHOOLS.**

**INITIATIVE STATUTE.** Repeals, and re-enacts effective July 1, 2015, the state statute authorizing distribution and governing timing of payments from the State School Fund, the primary source of annual state funding for schools. Requires a three-fourths majority vote of the Legislature to defer payments to schools, or to amend the statute in any other way aside from moving up the timing of distributions. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **One-time state costs in 2015-16 of up to \$5.6 billion to eliminate all existing school payment deferrals. Beginning in 2015-16, more predictable cash flow for schools and lower school borrowing costs. In future years, reduced state flexibility to respond to cash or budgetary problems.** (13-0021.)