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May 19, 2015

Hon. Kamala D. Harris
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

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INITIATIVE COORDINATO
ATTORNEY GENERAL'S

Attention: Ms. Ashley Johansson
Initiative Coordinator

Dear Attorney General Harris:

Pursuant to Elections Code Section 9005, we have reviewed the proposed constitutional initiative regarding legislative districts (A.G. File No. 15-0015).

Background

Composition and Funding of Legislature. The California Legislature has 120 members—80 in the Assembly and 40 in the Senate. The State Constitution requires candidates for these offices to be eligible to vote, residents of their districts for 12 months, and residents of California for three years. Proposition 140 (1990) established an annual cap on spending in support of the Legislature (for expenses such as legislator and staff salaries and other operating costs). This cap increases annually based on growth in the state's economy and population. In the current year, the Legislature is budgeted to spend over $260 million.

District Boundaries. Every ten years, the Citizens Redistricting Commission is responsible for establishing new district boundaries for the Assembly and the Senate. In 2010-11, a year of peak activity for the commission, the commission's total annual costs were in the range of several million dollars. When the commission sets district boundaries, it must meet the requirements of federal law and other requirements, such as not favoring or discriminating against political parties, incumbents, or political candidates. In addition, the commission is required, to the extent possible, to adopt district boundaries that:

- Maintain the geographic integrity of any city, county, neighborhood, and community of interest in a single district.
- Develop geographically compact districts.
- Place two Assembly districts together within one Senate district and place ten Senate districts together within one Board of Equalization district.

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County Election Responsibilities. California counties are responsible for conducting elections, including: dividing each county into precincts, establishing and providing places for voting, maintaining voter registration records, printing ballots and sample ballots, and transmitting election results to the Secretary of State. Total county costs to administer elections are estimated to be in the range of $70 million to $90 million for a statewide election. Counties also incur costs to hold special elections when a vacancy occurs in the Legislature and the Governor calls an election to fill the vacancy.

Proposal

The measure amends the Constitution to (1) subdivide each Assembly and Senate district into a large number of "neighborhood districts" and (2) reduce legislative spending.

Neighborhood Districts. The measure directs the Citizens Redistricting Commission, within six months, to draw boundary lines to subdivide each Assembly and Senate district into neighborhood districts with populations of approximately 5,000 and 10,000 persons, respectively. Each neighborhood district would be represented by an Assembly Member or Senator. (Because California has about 38.4 million residents, the measure increases the number of Senators from 40 to 3,850 and increases the number of Assembly Members from 80 to 7,700.) Beginning in 2018 and by a majority vote the (1) elected Senators in a Senate district would select one representative to serve on the Senate Working Committee and (2) elected Assembly Members in an Assembly district would select one representative to serve on the Assembly Working Committee. In general, the measure assigns most responsibilities and powers currently held by the Senate and Assembly to the new Senate and Assembly Working Committees, except that budget bills, non-urgency bills, and veto overrides also would require approval by the full Legislature before they took effect.

Legislative Spending. Beginning in the fiscal year immediately following the measure's adoption, the measure reduces the constitutional cap on spending by the Legislature to an amount equal to 50 percent of its prior year's spending. The measure also specifies that the compensation for each Senator and Assembly Member shall be $1,000 per year and the compensation for each member of the Working Committees shall be $50,000 per year.

FISCAL EFFECT

Decreased State Costs. The changes to the legislative spending limit would reduce state spending by over $130 million annually. Every ten years, some of these state savings would be offset by increased costs—probably in the millions of dollars—by the Citizens Redistricting Commission to draw boundaries for the new neighborhood districts.

Increased County Costs. Counties would have increased costs to administer the election of over 11,000 new legislative offices, including improving data management capacities, modifying precinct boundaries, and printing and mailing sample ballots identifying each voter's neighborhood district and holding special elections in cases when a vacancy occurs in the Legislature. These increased county costs could be in the range of tens of millions of dollars for the first election in 2016, but would decline significantly for subsequent elections.

Fiscal Summary. The measure would have the following fiscal impact:

- Decreased state spending on the Legislature of over $130 million annually.
- Increased county election costs, potentially in the range of tens of millions of dollars initially and significantly lower amounts annually thereafter.

Sincerely,

Jason Sisney
For Mac Taylor
Legislative Analyst

Kari Krogseng
For Michael Cohen
Director of Finance