

# Promoting, influencing, and advocating for high-quality education.

#### **2022 Ballot Initiatives**

**Presenter(s):** Brianna Bruns

**Item Type:** Action

**Recommendation**: That the Board of Directors review the November 2022 ballot initiatives and vote to support Proposition 28.

### **Background**:

### **Proposition 28**

Seven measures have qualified for the November 2022 ballot. Most notably, <u>Proposition 28</u> provides additional funding, estimated to be up to \$1 billion annually, for arts and music education in PK-12 public schools, through an annual state General Fund allocation.

The annual allocation would equal one percent of the total Proposition 98 funding allocation provided in the prior year. Funding would be provided to local educational agencies (LEAs) via a formula, based on prior-year enrollment. Of the total allocation, 70 percent would be distributed based on the LEAs' proposition of the statewide enrollment and 30 percent would be distributed based on the LEAs proportion of low-income students.

LEAs who enroll 500 or more students would be required to spend at least 80 percent of their allocation to hire teachers and staff, with the remainder of the funding dedicated to training, materials and supplies, and partnerships. The measure provides discretion to school principals to develop a plan to spend these funds and requires the LEA to verify that the funds were spent to supplement existing programs. This measure has garnered support from former LAUSD Superintendent Austin Beutner, former U.S. Secretary of Education Arne Duncan, and the California Teachers Association.

The LAO assesses that the measure would result in additional spending in the range of \$800 million to \$1 billion annually for arts education in schools. Due to the fact that this measure requires funding to be provided in addition to the Proposition 98 minimum funding guarantee, it would result in a reduction in the amount of General Fund available for other non-Proposition 98 programs.

#### Other Ballot Measures to Watch for in November

Below you will find the summaries and information on the six remaining ballot measures, gathered from the Secretary of State. Additional information may be <u>found here</u>.

### **Proposition 1: Right to Reproductive Freedom Amendment**

### SCA 10 (Resolution Chapter 97, Statutes of 2022) Atkins. Reproductive freedom

Allows federally recognized Native American tribes to operate roulette, dice games, and sports wagering on tribal lands, subject to compacts negotiated by the Governor and ratified by the Legislature. Beginning in 2022, allows on-site sports wagering at only privately operated horse-racing



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tracks in four specified counties for persons 21 years or older. Imposes 10% tax on sports-wagering profits at horse-racing tracks; directs portion of revenues to enforcement and problem-gambling programs. Prohibits marketing of sports wagering to persons under 21. Authorizes private lawsuits to enforce other gambling laws. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Increased state revenues, potentially reaching the tens of millions of dollars annually, from payments made by facilities offering sports wagering and new civil penalties authorized by this measure. Some portion of these revenues would reflect a shift from other existing state and local revenues. Increased state regulatory costs, potentially reaching the low tens of millions of dollars annually. Some or all of these costs would be offset by the increased revenue or reimbursements to the state. Increased state enforcement costs, not likely to exceed several million dollars annually, related to a new civil enforcement tool for enforcing certain gaming laws.

### Proposition 26: Legalizing sports gambling on tribal lands

1886. (19-0029A1) AUTHORIZES NEW TYPES OF GAMBLING. INITIATIVE CONSTITUTIONAL AND STATUTORY AMENDMENT.

Allows federally recognized Native American tribes to operate roulette, dice games, and sports wagering on tribal lands, subject to compacts negotiated by the Governor and ratified by the Legislature. Beginning in 2022, allows on-site sports wagering at only privately operated horse-racing tracks in four specified counties for persons 21 years or older. Imposes 10% tax on sports-wagering profits at horse-racing tracks; directs portion of revenues to enforcement and problem-gambling programs. Prohibits marketing of sports wagering to persons under 21. Authorizes private lawsuits to enforce other gambling laws. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Increased state revenues, potentially reaching the tens of millions of dollars annually, from payments made by facilities offering sports wagering and new civil penalties authorized by this measure. Some portion of these revenues would reflect a shift from other existing state and local revenues. Increased state regulatory costs, potentially reaching the low tens of millions of dollars annually. Some or all of these costs would be offset by the increased revenue or reimbursements to the state. Increased state enforcement costs, not likely to exceed several million dollars annually, related to a new civil enforcement tool for enforcing certain gaming laws.

#### Proposition 27: Legalizing online/mobile sports betting

1911. (21-0017A1) ALLOWS ONLINE AND MOBILE SPORTS WAGERING. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

Legalizes online and mobile sports wagering, which currently is prohibited, for persons 21 years and older. Such wagering may be offered only by federally recognized Indian tribes and eligible businesses that contract with them. Individuals placing bets must be in California and not located on Indian lands. Imposes 10% tax on sports-wagering revenues and licensing fees. Directs tax and licensing revenues first to regulatory costs, then remainder to: 85% to homelessness programs; 15% to nonparticipating tribes. Specifies licensing, regulatory, consumer-protection, and betting-integrity standards for sports wagering. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Increased state revenues, potentially reaching the mid-hundreds of millions of dollars annually, from online sports wagering-related taxes, licensing fees, and penalties. Some portion



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of these revenues would reflect a shift from other existing state and local revenues. Increased state regulatory costs, potentially reaching the mid-tens of millions of dollars annually, that would be fully or partially offset by the increased revenues.

### **Proposition 29: Kidney Dialysis Clinics Rule Reform**

1907. (21-0013) REQUIRES ON-SITE LICENSED MEDICAL PROFESSIONAL AT KIDNEY DIALYSIS CLINICS AND ESTABLISHES OTHER STATE REQUIREMENTS. INITIATIVE STATUTE.

Requires physician, nurse practitioner, or physician assistant, with six months' relevant experience, on site during treatment at outpatient kidney dialysis clinics; authorizes exemption for staffing shortage if qualified medical professional is available through telehealth. Requires clinics to disclose to patients all physicians with clinic ownership interests of five percent or more. Requires clinics to report dialysis-related infection data to state. Prohibits clinics from closing or substantially reducing services without state approval. Prohibits clinics from refusing to treat patients based on source of payment. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Increased state and local government costs likely in the low tens of millions of dollars annually.

### Proposition 30: Increase Personal Income Tax Over \$2 million to Support Clean Air Programs

1931. (21-0037A1) PROVIDES FUNDING FOR PROGRAMS TO REDUCE GREENHOUSE GAS EMISSIONS BY INCREASING TAX ON PERSONAL INCOME OVER \$2 MILLION. INITIATIVE STATUTE.

Increases tax on personal income over \$2 million by 1.75% for individuals and married couples and allocates new tax revenues as follows: (1) 45% for rebates and other incentives for zero-emission vehicle purchases and 35% for charging stations for zero-emission vehicles, with at least half of this funding directed to low-income households and communities; and (2) 20% for wildfire prevention and suppression programs, with priority given to hiring and training firefighters. Requires audits of programs and expenditures. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Increased annual state tax revenue ranging from \$3 billion to \$4.5 billion, with the additional revenue used to support zero-emission vehicle programs and wildfire-related activities. Potential increased state administrative costs paid from other funding sources that could reach tens of millions to the low hundreds of millions of dollars annually. Net decrease in state and local transportation revenue of up to several tens of millions of dollars annually in the initial years, and growing to up to a few hundreds of millions of dollars annually after several years.

### **Proposition 31: Overturn Flavored Tobacco Ban**

1892. (20-0003) REFERENDUM CHALLENGING A 2020 LAW PROHIBITING RETAIL SALE OF CERTAIN FLAVORED TOBACCO PRODUCTS.

If the required number of registered voters sign this petition and the petition is timely filed, there will be a referendum challenging a 2020 law on the next statewide ballot after the November 3, 2020 general election. The challenged law prohibits the retail sale of certain flavored tobacco products and tobacco flavor enhancers. The referendum would require a majority of voters to approve the 2020 state law before it can take effect.



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