

Executive Department
State of California

FILED
In the office of the Secretary of State
of the State of California

MAR 16 1978

MAFONG FONG TU, Secretary of State

By *Alan Dendash*
Deputy

PROCLAMATION

I, Edmund G. Brown Jr., Governor of the State of California, pursuant to Section 2553 of the Elections Code and Chapters 340 and 1160 of the Statutes of 1977, hereby proclaim and order that a special election be held on the sixth day of June, 1978, to be consolidated with the direct primary election to be held on that date. The following measures proposed by the Legislature during its 1977-78 Regular Session, together with an initiative measure will be submitted to the qualified voters of the State of California on that date:

PROPOSITION 1 State School Building Aid Law of 1978. This act provides for a bond issue of three hundred fifty million dollars (\$350,000,000) to provide capital outlay for construction or improvement of public schools.

PROPOSITION 2 Clean Water and Water Conservation Bond Law of 1978. This act provides for a bond issue of three hundred seventy-five million dollars (\$375,000,000) to provide funds for water pollution control and water conservation.

PROPOSITION 3 Taxation Exemption--Alternative Energy Systems. Adds section 38 to article XIII of Constitution to provide that Legislature may exempt from taxation all or any part of property used as alternative energy system which is not based on fossil fuels or nuclear fuels.

PROPOSITION 4 City Charters--Boards of Education. Requires that any amendment to a city charter which would change the manner, time, or terms of appointment or election of the governing board of a school or community college district or change charter provisions relating to the qualifications, compensation, removal or number of such members must be submitted for approval by a majority of all the qualified electors of the school or community college district voting on the question, including persons residing in such district but outside city boundaries. Requires submission of such amendments as separate questions.

PROPOSITION 5 Administrative Agencies. Adds section 3.5 to article III of Constitution to preclude administrative agency, even if created by Constitution or initiative, from (1) declaring a statute unconstitutional or (2) declaring a statute to be unenforceable or refusing to enforce a statute, because of unconstitutionality or because federal law or regulations prohibit enforcement, unless appellate court has made such a determination.

PROPOSITION 6 Sheriffs. Amends Constitution, article XI, sections 1(b) and 4(c), to require Legislature and county charters to provide for elected county sheriffs.

Executive Department
State of California

PROPOSITION 7 Local Agencies--Insurance Pooling Arrangements. Amends section 6 of article XVI of Constitution to permit cities, counties, townships and other political corporations and subdivisions of State, to join with other such agencies in providing for payment of workers' compensation, unemployment compensation, tort liability or public liability losses incurred by such agencies, by entry into an insurance pooling arrangement under joint exercise of powers agreement, or by membership in such publicly-owned nonprofit corporation or other public agency as may be authorized by Legislature.

PROPOSITION 8 Owner Occupied Dwellings--Tax Rate. Adds Constitution, article XIII, section 9.5, to give Legislature power to provide for taxation of owner occupied dwellings, as defined by Legislature, or any fraction of value thereof, at rate lower than that levied on other property. Tax rate levied on other property cannot be increased as result of lowering tax rate levied on owner occupied dwellings.

PROPOSITION 9 Interest Rate--Judgments. Amends Constitution, article XV, section 1, to provide that Legislature shall set interest rate on state court judgments at not more than 10% per annum. Rate may be variable and based upon rates charged by federal agencies or economic indicators, or both. In absence of such rate setting by Legislature, judgment rate shall be 7% per annum.

PROPOSITION 10 Rehabilitated Property. Adds Constitution, article XIII, section 44, to give Legislature power to exempt from taxation all or portion of full value of a qualified rehabilitated residential dwelling, as defined by Legislature, for five fiscal years following rehabilitation of such dwelling. Exemption shall be amount equal to full value of such rehabilitation up to maximum amount specified by Legislature, and shall be applied only to that portion of full value attributable to such rehabilitation which exceeds full value of dwelling before rehabilitation.

PROPOSITION 11 Taxation--County Owned Real Property. Adds subdivision (h) to article XIII, section 11, to provide that if land or improvements owned by and located within an existing county become incorporated into a new county formed after January 1, 1978, such land or improvements shall be exempt from taxation by the new county or any taxing agency or revenue district therein.

PROPOSITION 12 Constitutional Officers, Legislators and Judges Compensation. Repeals sections of Constitution, articles IV, V and VI relating to payment of compensation, travel and living expenses and retirement benefits for constitutional officers, legislators and judges. Adds article XXII providing for seven member commission which by resolution subject to legislative ratification by majority of each house, biannually sets salary, retirement, insurance and other benefits for above officials.

Executive Department

State of California

Limits commission's authority to provide health care benefits or insurance. Restricts said officials' use of state automobiles to official business. Prohibits reduction of existing and additional future retirement rights and benefits once granted.

PROPOSITION 13 Tax Limitation. Limits ad valorem taxes on real property to 1% of value except to pay indebtedness previously approved by voters. Establishes 1975-76 assessed valuation base for property tax purposes. Limits annual increases in value. Provides for reassessment after sale, transfer, or construction. Requires 2/3 vote of Legislature to enact any change in state taxes designed to increase revenues. Prohibits imposition by state of new ad valorem, sales, or transaction taxes on real property. Authorizes imposition of special taxes by local government (except on real property) by 2/3 vote of qualified electors.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed hereto this 14th day of March, 1978.



Ed R. Brown
Governor

ATTEST:

March Fong Eu
Secretary of State
Meipac K. Strakberg
Deputy Secretary of State