

September 16, 2003

Hon. Bill Lockyer  
Attorney General  
1300 I Street, 17<sup>th</sup> Floor  
Sacramento, California 95814

Attention: Ms. Tricia Knight  
Initiative Coordinator

Dear Attorney General Lockyer:

Pursuant to Elections Code Section 9005, we have reviewed the proposed initiative cited as the "California Freedom of Conscience Act of 2004" (File No. SA2003RF0032).

### **Major Provisions**

This constitutional initiative prohibits state and local governments from providing preferential treatment or protected status to an individual based on that person's sexual orientation. This prohibition includes enacting, adopting, enforcing, or administering any statute, ordinance, regulation, or policy. As defined by the measure, sexual orientation encompasses homosexuals, bisexuals, transsexuals, and transvestites.

Under current state law, the Fair Employment and Housing Act prohibits employment and housing discrimination based on a person's sexual orientation. In addition, California's civil rights laws (Unruh and Ralph Civil Rights Acts) prohibit (1) denial of public accommodations and (2) violence or the threats of violence to individuals based on sexual orientation.

### **Fiscal Effect**

California civil rights laws are administered and enforced by the Department of Fair Employment and Housing (DFEH). The DFEH investigates an average of 600 sexual orientation discrimination complaints per year. Under this measure, the state's sexual orientation discrimination laws could not be enforced. As a result, DFEH would no longer investigate such complaints. The reduced workload would result in annual savings of less than a million dollars.

Some local government programs may provide preferential treatment or protected status to individuals based on sexual orientation. The number of such programs and the fiscal effect of eliminating them are unknown.

*Fiscal Summary.* This initiative would have the following major fiscal impact:

- Annual state savings of less than a million dollars.

Sincerely,

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Elizabeth G. Hill  
Legislative Analyst

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Steve Peace  
Director of Finance