



January 23, 2018

Hon. Xavier Becerra
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Attention: Ms. Ashley Johansson
Initiative Coordinator

Dear Attorney General Becerra:

Pursuant to Elections Code 9005, we have reviewed a proposed statutory initiative related to the use of various chemicals, pesticides, and vaccines, as well as other activities in California (A.G. File No. 17-0052, Amendment No. 1).

The measure proposes to limit or ban the use of many materials, chemicals, activities, and procedures commonly used in California agriculture, consumer products, health care, and commercial industries.

Pursuant to subsection (c) of Section 9005 of the Elections Code, we are informing you that, in our opinion, a reasonable estimate of the net fiscal impact of this proposed initiative measure cannot be prepared within 50 calendar days from the date this proposed initiative was received. Given the broad scope of the measure, it could have profound effects on the state's economy in the near term, including, for example, negative effects on employment, prices for food and consumer goods, public health, and interstate and international trade. Over the longer term, it is possible that reduced exposure to certain chemicals could result in benefits to some people and ecosystems. Moreover, there are considerable uncertainties regarding how the measure would be implemented, how various economic sectors would respond over the longer term (for example, whether alternative ingredients or procedures would be viable), and how the federal government might respond. In view of all of the above factors, the full scope of the fiscal impacts to state and local governments is highly uncertain.

As required by Section 9005, we are informing you that it is our opinion that the measure would result in a substantial net change in state and local finances.

Sincerely,

Mac Taylor
Legislative Analyst

Michael Cohen
Director of Finance